



## ECONOMIC OUTLOOK

ASEAN bucked the trend of positive markets in the first quarter of 2024, with the MSCI ASEAN Index falling by 0.5% in US dollar terms and falling 0.2% in the second quarter of 2024. This weakness can be attributed to the depreciation of domestic currencies against the US dollar, which ranged from 2.7% for Malaysian Ringgit and Singapore Dollar, and down 7.3% for Thai Baht. Additionally, continuing headwinds from escalating US-China trade tensions, lingering concerns over the health of the Chinese economy and the prospect of a Trump presidency and associated global trade wars weighed on sentiment.

### Malaysia

The stronger market was driven by a slew of announcements which are expected to boost domestic economic growth and corporate profitability. These included a memorandum of understanding between Malaysia and Singapore to cooperate on the development of a special economic zone, additional new renewable energy quotas, and the government to draw up a comprehensive strategic plan for the semiconductor sector.

### Singapore

As one of the world's most open economies, Singapore is likely to continue to take direction from the US and other markets. Investors will be keeping a close watch on US growth, inflation, and interest rates. Any developments in China's economy will also be closely monitored.

### Philippines

The market weakness was in sharp contrast to Philippine's gross domestic product (GDP) growth which accelerated to 5.9% in second quarter of 2024 from 5.7% in the first quarter, supported by high employment and government spending. Philippines also recently reaffirmed its 6-7% GDP growth target for 2024. Inflation has risen in 2024 and now stands at 3.9% compared with 2.8% in January mainly due to higher energy prices. Downside risks to the outlook consist of geopolitical tensions, high interest rates, and commodity price volatility.

### Indonesia

Indonesia is targeting 5.2% economic growth for 2024, fueled by domestic consumption which contributed 57% to the gross domestic product (GDP) in 2023. This would be bolstered by increased election related spending and an 8.0% salary hike for the roughly 3.7 million civil servants. Separately, resident-elect Prabowo Subianto is expected to be inaugurated in October 2024, and has committed to continue Jokowi's current policies, signaling a stable investment climate and reduced political uncertainty.

### Thailand

Thailand trimmed its economic growth forecast for 2024 to 2.0% to 3.0% from 3.2%, despite a better-than-expected expansion in the first quarter of 2024, citing slower pace of exports due to external global macroeconomic factors. Thailand's economy has lagged regional peers due to high household debt and borrowing costs as well as weak exports to China, its top trading partner. The central bank also kept the benchmark interest rates at a decade high of 2.5%.

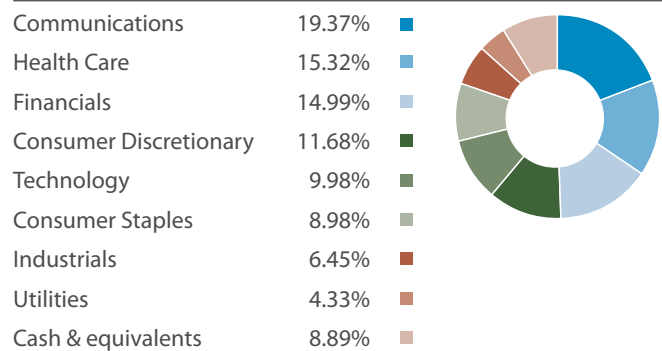
## AVERAGE ANNUAL TOTAL RETURNS

(as at 30 Aug 2024)

	Since Inception	1 Month	YTD	1 Year	3 Year	5 Year
<b>Saturna ASEAN Equity Fund<sup>1</sup></b>	1.24%	-1.11%	-3.99%	-3.77%	-1.60%	0.46%
<b>6.00% Per Annum Absolute Return</b>	n/a	0.50%	4.00%	6.00%	6.00%	6.00%
<b>Dow Jones Islamic Market ASEAN Index</b>	0.61%	5.27%	7.71%	5.40%	-2.89%	0.39%

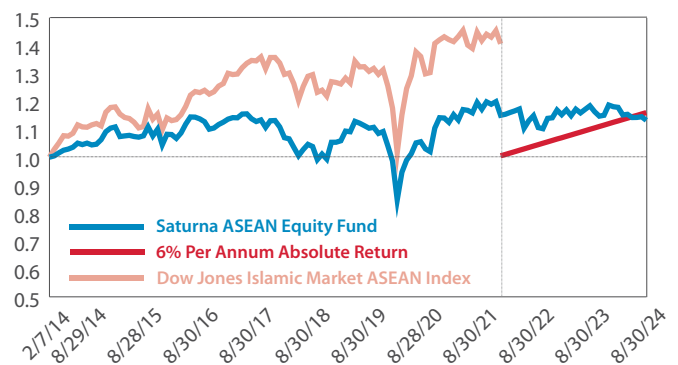
Source: Bloomberg, Saturna Sdn Bhd

## SECTOR ALLOCATION (as at 30 Aug 2024)



Source: Saturna Sdn Bhd Sector weightings are shown as a percentage of Fund assets.

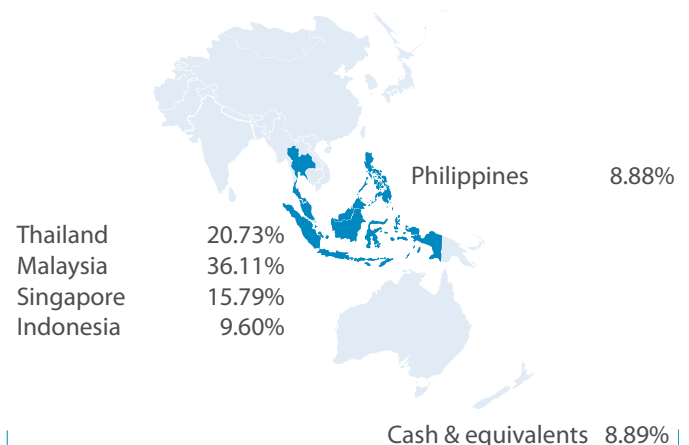
## COMPARATIVE PERFORMANCE



Source: Bloomberg

Beginning January 1, 2022, the Benchmark changed to 6% Absolute Return

## COUNTRY ALLOCATION (as at 30 Aug 2024)



Source: Saturna Sdn Bhd Country weightings are shown as a percentage of Fund assets.


**TOP 10 HOLDINGS** (as at 30 Aug 2024)

Manila Electric	4.33%
Singapore Telecommunication	3.95%
ComfortDelGro	3.53%
Telekom Malaysia	3.43%
TIME dotCom	3.19%
Delfi	2.94%
Syarikat Takaful Malaysia Keluarga	2.90%
Plan B Media Public Company Foreign	2.89%
IHH Healthcare	2.80%
Chularat Hospital	2.80%

Source: Saturna Sdn Bhd Security weightings are shown as a percentage of Fund assets.

**FUND FACTS**

<b>ISIN Code</b>	MYU9200AA005
<b>Bloomberg Ticker</b>	SSBWAEF MK
<b>Currency</b>	Ringgit Malaysia (MYR)
<b>Benchmark</b>	Dow Jones Islamic Market ASEAN Index
<b>Fund Inception Date</b>	07 February 2014
<b>Retail Launch Date</b>	25 January 2017

**INVESTMENT STRATEGY**

The Saturna ASEAN Equity Fund invests in a diversified portfolio of *Shariah*-compliant equities across the ASEAN region. Asset allocation decisions are made after a review of fundamental and macroeconomic trends in the Southeast Asian economies. At least 70% of the Fund's NAV is in *Shariah*-compliant equities in ASEAN countries, and up to 30% of the Fund's NAV is in Islamic liquid assets including Islamic money market instruments and Islamic deposits with Islamic financial institutions.

The Fund follows a value-oriented investment style, favouring companies with potential for earnings growth. The Manager analyses economic growth rates, interest rates, inflation, currencies, and government policies. Stock selection criteria include improving fundamentals and solid growth potential at reasonable valuations. Generally, the Fund invests for the long-term, with annual portfolio turnover not expected to exceed 30%.

**CONTACT DETAILS**
**Manager**
**Saturna Sdn Bhd**

Suite 5.03, 5th Floor,  
Menara Atlan  
161-B Jalan Ampang, 50450 Kuala Lumpur

Tel: 03-2164 5303

Fax: 03-2164 5308

Email: [info@saturna.com.my](mailto:info@saturna.com.my)

Website: [www.saturna.com.my](http://www.saturna.com.my)

**TARGET INVESTORS**

The Fund is suitable for investors who are looking for:

- An ASEAN *Shariah*-compliant equity portfolio
- Capital gains of the units
- Diversification and exposure to the ASEAN equity markets
- A long-term investment outlook

**SUMMARY OF KEY TERMS**

<b>Fund Size (30-AUG-2024)</b>	MYR 18.20 million
<b>Minimum Investment</b>	MYR 2,000
<b>Minimum Increment</b>	MYR 200
<b>Type of Product</b>	Open-ended (Unit Trust Fund)
<b>Fund Category</b>	<i>Shariah</i> -Compliant Equity
<b>Fund Type</b>	Growth
<b>Domicile</b>	Malaysia
<b>Term</b>	Daily Liquidity
<b>Target Region</b>	ASEAN
<b>Manager</b>	Saturna Sdn Bhd
<b>Trustee</b>	SCBMB Trustee Berhad
<b>Shariah Advisor</b>	Amanie Advisors Sdn Bhd
<b>Auditor</b>	Crowe Malaysia PLT
<b>Tax Agent</b>	Crowe KL Tax Sdn Bhd
<b>Administration Fee</b>	0.25% per annum of the NAV of the Fund
<b>Distribution Fee</b>	Up to 0.25% per annum of the NAV of the Fund (on a reimbursement basis)
<b>Trustee Fee</b>	0.05% per annum of the NAV of the Fund
<b>Performance Fee</b>	10% of the change in gross asset value that cumulatively increases or decreases, excluding subscriptions and redemptions, for each day in the financial year
<b>No Direct Fees or Charges</b>	No charges for Sales, Redemption, Transfer, or Switching

**Disclaimer:** Investors are advised to read and understand the contents of the Fund's prospectus (dated 11 October 2023 for Saturna ASEAN Equity Fund) and its Product Highlights Sheet, obtainable at our offices and our website, before investing. The prospectus has been registered with the Securities Commission Malaysia which takes no responsibility for its contents. Investors should also consider the fees and charges involved. The price of units and investment returns may go down as well as up. Past performances of the Fund are not an indication of the Fund's future performances. Units will only be issued upon receipt of the application from accompanying the prospectus. There are risks involved with investing in unit trust funds. Some of these risks associated with investments in unit trust funds are market risk, non-compliance risk, performance risk, equity securities risk, operational risk, price level risk, large and mid-size company risk, concentration risk, country risk, political risk, currency risk, active investment risk, and reclassification of *Shariah* status risk. For further details on the risk profile of the Fund, please refer to the Risk Factors section in the prospectus.