



## ECONOMIC OUTLOOK

ASEAN valuations remain attractive, with the MSCI ASEAN Index trading at only a 14.9x price-earnings (P/E) ratio compared with its 10-year median of 15.6x and a solid medium-term earnings per share compound annual growth rate of 14.1%. Additionally, the region's estimated dividend yield of 4% compares very favorably with its historical median of 3.3%, the S&P 500 Index's 1.4% and MSCI All Country World Index's 2%.

### Malaysia

Key market drivers included the surpassing of the government's second quarter 5.8% gross domestic product growth (GDP) projection, a strong finance sector, solid construction industry performance buoyed by optimism around domestic data center/infrastructure projects, and foreign investor fund inflows aided by expectations of a stronger ringgit as global interest rates fell. Going forward, market direction is likely to depend on the ability of the government to execute its infrastructure and stimulus programs. As US interest rates trend lower, a weaker dollar would also be positive for Malaysia along with signs of any acceleration in China's economic growth.

### Singapore

Favorable global trends and a moderation in headline inflation (2.2% in August, 2.4% in July) drove positive market performance for the third quarter of 2024. The moderation of inflation raised hopes for easier monetary policy by the Monetary Authority of Singapore. Later in the quarter, China's announcement of a wide-ranging stimulus program and an interest rate cut by the US Federal Reserve also boosted sentiment.

### Philippines

A 25 basis points cut in the Philippine central bank's key policy rate in August — the first since November 2020 — was a key market driver. The central bank expects inflation to start trending down and guided for another cut in October or December which should lower borrowing costs, ease credit access, and boost the economy. Future market movements are likely to depend on developments in US interest rates, domestic inflation, and prospects for further monetary easing by the central bank.

### Indonesia

Investors liked the resilience of Indonesia's economy which was reflected in second quarter GDP growth of 5.05% — the third consecutive quarter of growth above 5%. The strengthening of the rupiah also boosted market sentiment. This strengthening was mainly in response to the prospect of lower global interest rates, but also reflected rising market confidence in the incoming and pro-growth Prabowo administration.

### Thailand

In recent years, Thailand's economy lagged regional peers because of high household debt and borrowing costs as well as weak exports to China, its top trading partner. To spur growth, the ruling Thai Pheu Party recently announced handouts of \$280 per person for 45 million people. This is part of its \$14 billion stimulus program with first handouts just transmitted digitally. This action is expected to contribute 35 basis points to GDP growth, forecasted to be around 3% in 2024. Thailand is forecasting 36 million foreign tourist arrivals in 2024, which is up from 35 million in 2023 but still below the pre-pandemic level of 40 million.

## AVERAGE ANNUAL TOTAL RETURNS

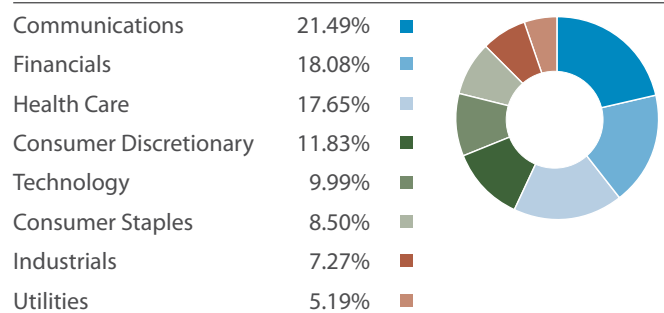
(as at 31 Oct 2024)

	Since Inception	1 Month	YTD	1 Year	3 Year	5 Year
<b>Saturna ASEAN Equity Fund<sup>1</sup></b>	15.96%	0.12%	-2.27%	1.12%	-1.08%	0.93%
<b>6.00% Per Annum Absolute Return</b>	n/a	0.50%	5.00%	6.00%	6.00%	6.00%
<b>Dow Jones Islamic Market ASEAN Index</b>	0.87%	-3.38%	10.76%	19.07%	-1.83%	0.85%

Source: Bloomberg, Saturna Sdn Bhd

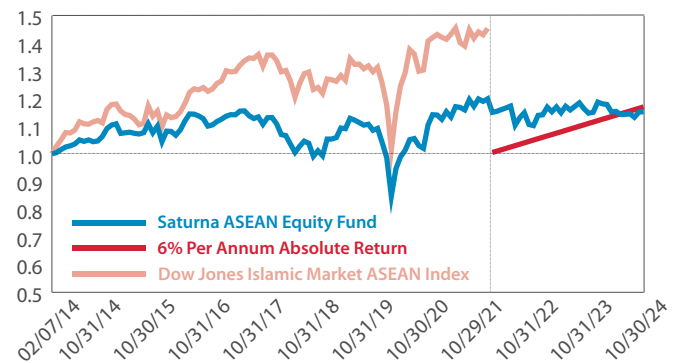
**NOT PIDM INSURED | NOT BANK GUARANTEED | MAY LOSE VALUE**

## SECTOR ALLOCATION (as at 31 Oct 2024)



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

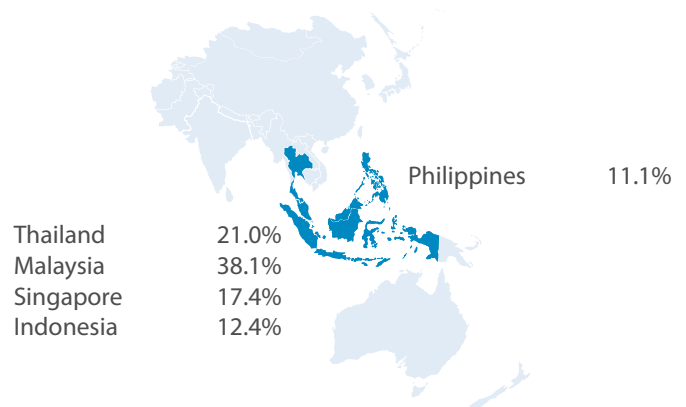
## COMPARATIVE PERFORMANCE



Source: Bloomberg

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

## COUNTRY ALLOCATION (as at 31 Oct 2024)



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

<sup>1</sup> Including Dividends.

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

+60 3 2164 5303


**TOP 10 HOLDINGS** (as at 31 Oct 2024)

Manila Electric	5.19%
Singapore Telecommunication	4.11%
ComfortDelGro	3.81%
Intouch Holdings	3.69%
Telekom Malaysia	3.43%
IHH Healthcare	3.38%
TIME dotCom	3.22%
KPJ Healthcare	3.00%
Kalbe Farma	2.94%
Delfi	2.87%

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>	6% Absolute Return
<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-SEP-2024)</b>	MYR 18.17 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>	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, concentration risk, country 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.