



FUND FACTS

| | |
|-------------------------|-------------------------|
| ISIN Code | MYU9802AA008 |
| Bloomberg Ticker | SSBRGSF MK |
| Currency | US Dollar (USD) |
| Benchmark | MSCI ACWI Islamic Index |
| Inception Date | 23 June 2017 |

ECONOMIC OUTLOOK

As of writing, the S&P 500's price-to-earnings ratio re-rated to 21.8x, above its five-year median of 20x, a reflection of the strong market performance in 2023 and elevated investor optimism. The MSCI All Country World Index recorded a P/E of 18.4x, above its five-year median of 17.2x. While it could be argued that a key driver of US market performance was the rally in mega-cap Technology stocks, the equal-weighted S&P 500 was up 11.85% for calendar 2023.

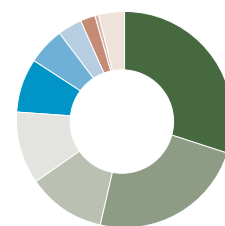
Markets seem to have mostly priced in an expected soft landing for the US economy and lower inflation and interest rates due to the combination of a three-year projected earnings per share (EPS) growth of about 10% for the S&P 500 companies, with expected 2024 US gross domestic product (GDP) growth of 1.3% and inflation of 2.6%. This is also reflected in the spread between the 10-year and two-year Treasury yields, which ended 2023 in negative territory but had narrowed significantly since mid-2023. Investors are still nervous about the possibility of a US recession, but not as nervous as they were in mid-2023. Macro prospects for the eurozone are also expected to be positive, with projected 2024 growth of GDP at 0.5% and consumer price index (CPI) at 2.6%, much lower than the prior 5.5% projection for 2023.

While there is indeed cause for optimism, there are still many reasons for caution. China is still a wild card, given the structural issues affecting its economy. The country's problems in its Real Estate sector are still unresolved and likely to drag on growth on a global scale. Meanwhile, the Russian-Ukrainian war, which has contributed to food and fuel inflation over the past two years, shows no sign of ebbing. Recent tensions in the Middle East are expected to persist and could escalate further, disrupting global energy markets and supply chains. Therefore, higher than expected global inflation and lower than expected growth cannot be ruled out. With valuations at higher than historical median levels, any unexpected macro disappointment could result in significant equity price downside.

In closing, sentiment and stock prices are likely to remain volatile as different macroeconomic forces continue to play out. An emphasis on quality would make sense and is consistent with Saturna's bottom-up investing approach, which is focused on finding fundamentally solid and reasonably priced equities with secular growth drivers. Additionally, Saturna has a sustainability and *Shariah*-focus, which prioritizes companies with low debt and an inclination for doing what is right for their stakeholders. These characteristics should enhance portfolio resilience under most market conditions and over different investment horizons. We will continue to deploy the available cash as opportunities arise.

SECTOR ALLOCATION

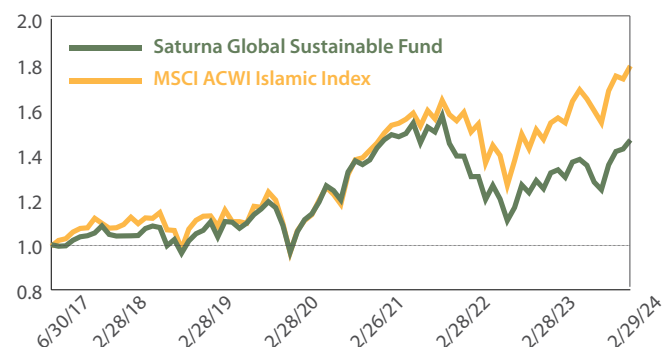
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|------------------------|--------|
| Technology | 30.12% |
| Health Care | 23.56% |
| Industrials | 11.85% |
| Consumer Discretionary | 10.69% |
| Consumer Staples | 8.20% |
| Materials | 5.52% |
| Financials | 3.57% |
| Communications | 2.09% |
| Energy | 0.69% |
| Cash & equivalents | 3.71% |



Source: Saturna Sdn Bhd

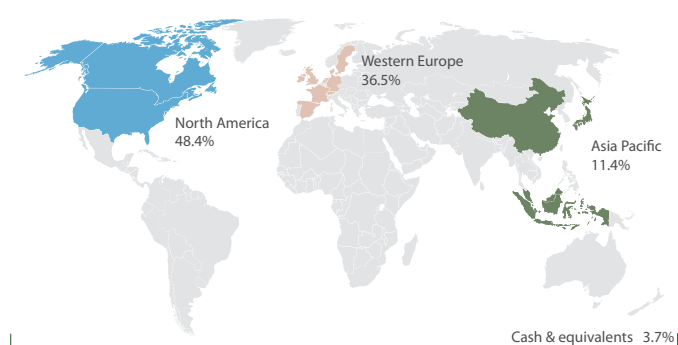
Sector weightings are shown as a percentage of Fund assets.

COMPARATIVE PERFORMANCE



Source: Bloomberg

GEOGRAPHIC EXPOSURE



Country and sector weightings are shown as a percentage of total net assets.

AVERAGE ANNUAL TOTAL RETURNS¹ (as at 29 Feb 2024)

| | Since Inception | 1 Month | 1 Year | 3 Year | 5 Year | YTD |
|---|-----------------|---------|--------|--------|--------|-------|
| Saturna Global Sustainable Fund | 5.86% | 2.78% | 17.25% | 2.09% | 6.90% | 3.60% |
| MSCI All Country World Islamic Index | 9.10% | 3.31% | 22.15% | 8.22% | 10.15% | 2.55% |

Source: Bloomberg, Saturna Sdn Bhd

¹ Including Dividends

NOT PIDM INSURED | NOT BANK GUARANTEED | MAY LOSE VALUE

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SATURNA GLOBAL SUSTAINABLE FUND



TOP 10 HOLDINGS

| | |
|----------------------------|-------|
| Microsoft | 6.20% |
| Novo Nordisk A/S - B | 4.51% |
| L'Oreal | 3.53% |
| SAP SE | 2.99% |
| Industria de Diseno Textil | 2.90% |
| Nintendo | 2.80% |
| Union Pacific | 2.71% |
| Schneider Electric | 2.67% |
| Johnson & Johnson | 2.58% |
| Qualcomm | 2.52% |

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

INVESTMENT STRATEGY

To achieve its objective, the Fund invests in a diversified global portfolio of sustainable *Shariah*-compliant equities. At least 70% of the Fund's NAV will be invested in sustainable *Shariah*-compliant equities, and up to 30% of the Fund's NAV will be invested in Islamic liquid assets including Islamic money market instruments, Islamic deposits with Islamic financial institutions, and collective investment schemes including ICD Money Market Fund. Asset allocation decisions are continuously made and reviewed based upon global economic and financial trends.

Company investment decisions are primarily made based on value with potential for reasonable and sustainable growth. The Manager analyses economic growth rates, interest rates, inflation, currencies, and government policies. Stock selection criteria include improving fundamentals, dividends, and solid growth potential at reasonable valuations. Stock valuation fundamentals considered are sales growth, profit margin, cash generation, earnings per share, return on equity, price-to-earnings ratio, and net tangible asset multiples.

The Fund's investments comply with the *Shariah* requirements of the *Shariah* Advisory Council of the SC for Malaysian securities as well as the AAOIFI *Shariah* standards for all other foreign securities.

CONTACT DETAILS

Manager

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Disclaimer: Investors are advised to read and understand the contents of the Fund's prospectus (dated 25 September 2023 for Saturna Global Sustainable 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.

TARGET INVESTORS

The Fund is suitable for investors who are looking for:

- A global *Shariah*-compliant equity portfolio
- Capital appreciation and income
- Diversification and exposure to the global equity markets
- A long-term investment outlook
- Ringgit hedge

SUMMARY OF KEY TERMS

| | |
|----------------------------------|--|
| Fund Size (29-FEB-2024) | USD 50.07 million |
| Minimum Investment | USD 5,000 |
| Minimum Increment | USD 1,000 |
| Type of Product | Open-ended (Unit Trust Fund) |
| Fund Category | <i>Shariah</i> -Compliant Equity |
| Fund Type | Growth and Income |
| Term | Daily Liquidity |
| Target Region | Global |
| Manager | Saturna Sdn Bhd |
| Trustee | SCBMB Trustee Berhad |
| Shariah Advisor | Amanie Advisors Sdn Bhd |
| Auditor | Crowe Malaysia PLT |
| Tax Agent | Crowe KL Tax Sdn Bhd |
| Administration Fee | Up to 0.25% per annum of the NAV of the Fund |
| Distribution Fee | Up to 0.25% per annum of the NAV of the Fund (on a reimbursement basis) |
| Trustee Fee | 0.05% per annum of the NAV of the Fund |
| Performance Fee | 10% of the change in gross asset value that cumulatively increases or decreases, excluding subscriptions and redemptions, for each day in the financial year |
| No Direct Fees or Charges | No charges for Sales, Redemption, Transfer, or Switching |

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