



## FUND FACTS

<b>ISIN Code</b>	MYU9802AA008
<b>Bloomberg Ticker</b>	SSBRGSF MK
<b>Currency</b>	US Dollar (USD)
<b>Benchmark</b>	MSCI ACWI Islamic Index
<b>Inception Date</b>	23 June 2017

## ECONOMIC OUTLOOK

The first quarter of 2024 experienced strong market performance and positive investor sentiment. This was reflected in the S&P 500's price-to-earnings ratio, which traded at 21.8x, above its 10-year median of 19.4x. Meanwhile, the MSCI All Country World Index traded at 19.4x P/E, above its 10-year median of 18.0x. Valuations, therefore, are not inexpensive. Notably, the S&P 500 Equal Weight Index traded at 18x P/E, slightly below its 10-year median of 18.8x, which means there are pockets of value available, especially outside the mega-cap Technology sector.

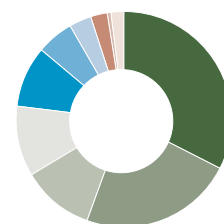
It is debatable whether positive S&P 500 earnings per share (EPS) growth projections, which have continued to tick up, supported these elevated valuations. Between year-end 2023 and the first quarter-end of 2024, the consensus three-year forward EPS compound annual growth rate (CAGR) for the S&P 500 rose from 10.0% to 10.1%. EPS growth projections for the MSCI All Country World Index and the S&P Equal Weight Index are also attractive at 7.8% and around 6.8%, respectively, signaling high single-digit annual upside for European equities over the next several years, even without any multiple rerating. Earnings growth is supported by a brighter global macro outlook; the 2024 US gross domestic product (GDP) growth is projected at 2.2%, and the eurozone and global economies are expected to have increasingly better GDP growth. As noted above, inflation is moderating and global central banks are expected to start cutting interest rates, which should support growth.

Key risks to valuations include China's Real Estate sector troubles, which could continue to drag on growth, not just in China but also worldwide. Meanwhile, the Ukraine-Russia and Israel-Hamas conflicts could escalate and cause the re-emergence of global supply chain issues and inflation. This could in turn result in interest rates staying higher for longer. With Donald Trump leading Joe Biden in the most recent presidential election polls, global economies may need to brace for any Trump-induced anti-trade or growth-dilutive policies over the next 12 months. Also, with valuations at higher than historical median levels, any unexpected macro disappointment could result in significant equity 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

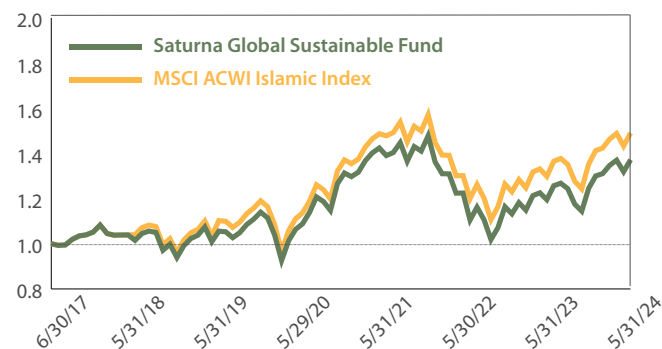
## SECTOR ALLOCATION

Technology	32.58%
Health Care	22.99%
Industrials	11.06%
Consumer Discretionary	10.47%
Consumer Staples	9.16%
Materials	5.67%
Financials	3.15%
Communications	2.56%
Energy	0.68%
Cash & equivalents	1.68%



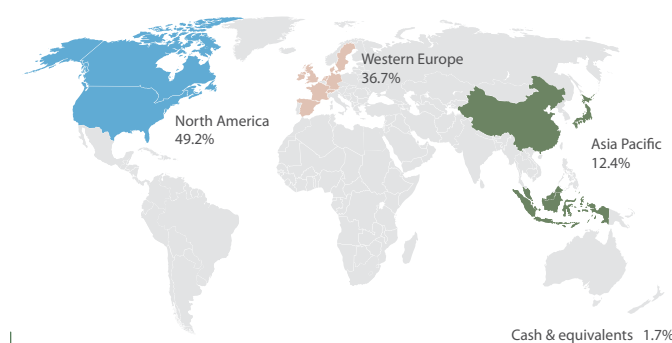
Source: Saturna Sdn Bhd Sector weightings are shown as a percentage of Fund assets.

## COMPARATIVE PERFORMANCE



Source: Bloomberg

## GEOGRAPHIC EXPOSURE



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

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.

AVERAGE ANNUAL TOTAL RETURNS <sup>1</sup> (as at 31 May 2024)	Since Inception	1 Month	1 Year	3 Year	5 Year	YTD
<b>Saturna Global Sustainable Fund</b>	5.92%	4.02%	14.78%	0.08%	7.58%	5.51%
<b>MSCI All Country World Islamic Index</b>	9.02%	2.35%	18.31%	6.16%	11.35%	4.29%

Source: Bloomberg, Saturna Sdn Bhd

<sup>1</sup> Including Dividends

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# SATURNA GLOBAL SUSTAINABLE FUND

## TOP 10 HOLDINGS

Microsoft	8.15%
Novo Nordisk A/S - B	5.03%
L'Oreal	3.56%
Industria de Diseno Textil	3.04%
Schneider Electric	2.86%
SAP SE	2.83%
Nintendo	2.67%
Alphabet, Class A	2.56%
AstraZeneca PLC	2.50%
Union Pacific	2.45%

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

#### Saturna Sdn Bhd

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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

<b>Fund Size (31-MAY-2024)</b>	USD 51.03 million
<b>Minimum Investment</b>	USD 5,000
<b>Minimum Increment</b>	USD 1,000
<b>Type of Product</b>	Open-ended (Unit Trust Fund)
<b>Fund Category</b>	<i>Shariah</i> -Compliant Equity
<b>Fund Type</b>	Growth and Income
<b>Term</b>	Daily Liquidity
<b>Target Region</b>	Global
<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>	Up to 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

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