



SATURNA GLOBAL SUSTAINABLE FUND

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

For the quarter ended September 30, 2024, investor optimism grew around the prospect of a “Goldilocks” economy in the US, with moderating inflation and growth that was neither too hot nor too cold. While there were pockets of market weakness, notably in early August and early September when the Japanese carry trade unwound, investor sentiment generally remained positive.

This positivity was aided by favorable overall economic data and direction of monetary policy. The most noteworthy policy change came via the US Federal Reserve (Fed) cutting interest rates by 50 basis points (bps) in September, mostly in-line with expectations. At the Jackson Hole Economic Symposium in late August, Fed Chair Jerome Powell signaled a shift in monetary policy toward easing and, later in the quarter, expressed confidence in the Fed’s ability to cultivate an environment of moderate economic growth with “inflation moving sustainably down to its objective.”

Elsewhere, European markets were boosted by eurozone gross domestic product beating expectations and progress toward taming inflation in the region, which raised the prospects of easier monetary policy from central banks there. Notably, the European Central Bank and other regional central banks — including the Bank of England and Sweden’s Riksbank — cut their benchmark rates by 25 bps during the quarter.

In the UK, robust economic data and the landslide election victory for the Labor Party’s Sir Keir Starmer supported the constructive sentiment. Starmer’s victory in particular promised a period of political stability in a country with three prime ministers in the past five years prior to his election. In France, although the elections resulted in a hung parliament, the country avoided a shift toward the far-right which could have been negative for equities.

In the third quarter of 2024, China delivered another shot of adrenaline to investors when it announced stimulus measures ranging from rate cuts to economy-strengthening fiscal support. Specific to the equity markets, China announced a swap program that would allow funds, insurers, and brokers easier access to funding for stock purchases.

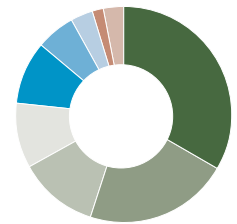
Outlook

Reflecting strong market performance, the S&P 500 Index further re-rated during the third quarter and currently trades at 24.2x earnings, well above its 10-year median of 18.7x. The MSCI All Country World Index trades at a 19.9x price-earnings (P/E) ratio compared with its 10-year median of 16.7x. The “Magnificent 7” technology stocks — a term given to a group of seven top industry performers including Apple, Meta, and Alphabet — remained a key driver of market performance. The group rose 63% on average over the past year compared to the S&P 500 Index’s 36% trading at a 34x P/E ratio, reflecting strong earnings growth and earnings per share projections.

With that said, a distinctive feature of the third quarter was broader sector participation in the market rally outside of large cap tech names. Thus, while the S&P 500 Equal Weighted Index is only up 29% over the past 12 months, it

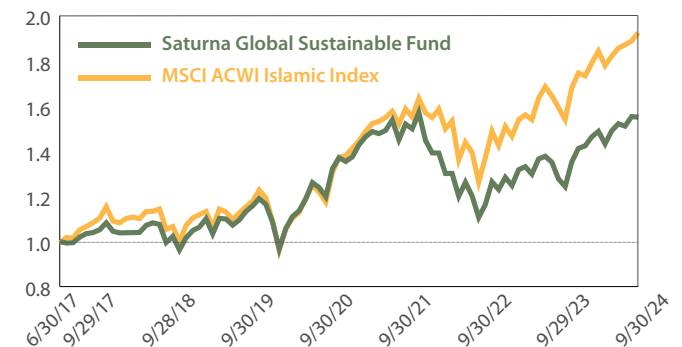
SECTOR ALLOCATION

Technology	33.61%	■
Health Care	21.58%	■
Industrials	11.86%	■
Consumer Discretionary	9.87%	■
Consumer Staples	9.33%	■
Materials	5.76%	■
Financials	3.28%	■
Communications	1.87%	■
Cash & equivalents	2.84%	■



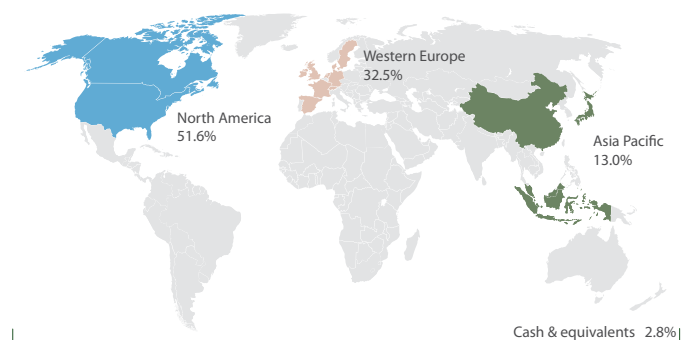
Source: Saturna Sdn Bhd Sector weightings are shown as a percentage of Fund assets.

COMPARATIVE PERFORMANCE



Source: Bloomberg

GEOGRAPHIC EXPOSURE



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

rose 9.6% in the third quarter, outperforming the Magnificent 7’s 5.4%. In the quarter, value also outperformed growth (9.1% vs. 3.7%) and the small caps outperformed the large caps (10.1% vs. 5.9%), reversing the trend of large-cap outperformance over the past 12 months.

AVERAGE ANNUAL TOTAL RETURNS¹ (as at 30 Sep 2024)

	Since Inception	1 Month	1 Year	3 Year	5 Year	YTD
Saturna Global Sustainable Fund	6.26%	0.13%	21.82%	2.34%	7.27%	10.13%
MSCI All Country World Islamic Index	9.42%	1.90%	20.84%	8.19%	11.31%	10.23%

Source: Bloomberg, Saturna Sdn Bhd

¹ Including Dividends

NOT PIDM INSURED | NOT BANK GUARANTEED | MAY LOSE VALUE



SATURNA GLOBAL SUSTAINABLE FUND

TOP 10 HOLDINGS

Microsoft	8.09%
SAP SE	3.43%
Novo Nordisk	3.10%
Industria de Diseno Textil	3.04%
Schneider Electric	2.92%
Nintendo	2.51%
Union Pacific	2.48%
Johnson & Johnson	2.44%
AstraZeneca	2.39%
Eli Lilly	2.33%

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 Islamic collective investment schemes. 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

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
Website: www.saturna.com.my

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, 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

SUMMARY OF KEY TERMS

Fund Size (30-SEP-2024)	USD 53.26 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