

## SATURNA GLOBAL SUSTAINABLE FUND



## 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

Global equity markets remained strong throughout 2024 with the S&P 500 Index ending the year up 25.0%, the MSCI All Country World Index climbing 18.0%, and the MSCI Emerging Markets Index rising 7.5%. Europe was the only laggard with Stoxx Europe 600 Index up only 2.5%.

A key market driver for much of 2024 was the resilience of US and global economies, which continued to grow despite interest rate hikes implemented by the Fed and other central banks post-Covid. The investor sentiment was further boosted by the easing of global inflationary pressures as the year went on. Unsurprisingly, global central banks started to cut their respective policy rates, with the Fed and The European Central Bank taking the lead by lowering the rates by 100 basis points (bps) each.

The year was also remarkable with strong investor enthusiasm for artificial intelligence (AI) which specifically boosted the performance of the Magnificent Seven stocks, outperforming the S&P 500 Index by a factor of two. Elsewhere, China increased policy support for its ailing property sector and initiated several stimulus programs, which eased investor worries with Shanghai Composite Index finishing the year up 13%.

Against these positive market developments, concerns around continuing US-China trade and tech tensions, the on-going Russia-Ukraine war, and growing conflict in the Middle East were largely brushed aside by equity investors. However, European political instability and economic stagnation, particularly in France and Germany, did cause equity prices to turn lower in those markets, especially in the fourth quarter of 2024. Separately, the re-election of Donald Trump as US President in November raised the specter of a return to 'beggar-thy-neighbor' policies in the US, resulting in continued strength in US markets but significant weakness elsewhere post-election.

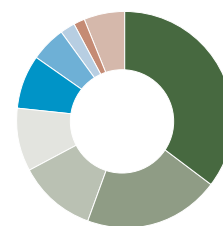
## Outlook

Reflecting strong 2024 market performance, the S&P 500 Index now trades at 25x earnings, well above its 10-year median of 19x, while the MSCI All Country World Index trades at 20.5x earnings compared with its 10-year median of 17x. Valuations therefore continue to grow and remain stretched.

It is also worth mentioning that outside the US, most indices continue to trade at around 14-15x earnings, close to or below their 10-year median levels, while offering a respectable earnings growth trajectory. Apart from Europe, non-US equity valuations look relatively more attractive in general. Separately, another positive driver for the global markets is the central banks' capacity for further interest rates cuts.

## SECTOR ALLOCATION

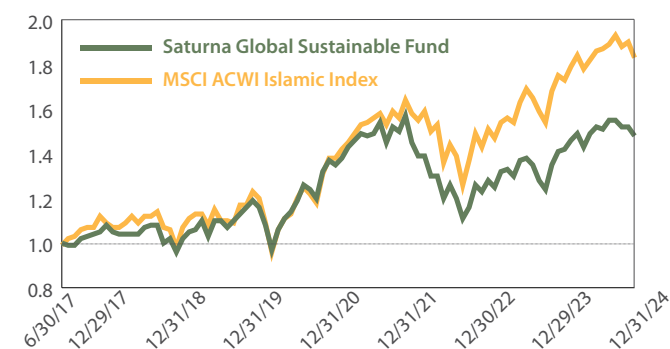
Technology	35.28%
Health Care	20.48%
Industrials	11.50%
Consumer Discretionary	9.62%
Consumer Staples	8.05%
Materials	5.16%
Communications	2.2%
Real estate	1.71%
Cash & equivalents	6.00%



Source: Saturna Sdn Bhd

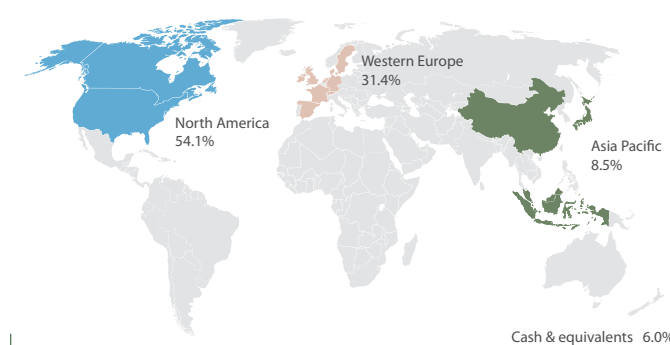
Sector weightings are shown as a percentage of Fund assets.

## COMPARATIVE PERFORMANCE



Source: Bloomberg

## GEOGRAPHIC EXPOSURE



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

AVERAGE ANNUAL TOTAL RETURNS<sup>1</sup> (as at 31 Dec 2024)

	Since Inception	1 Month	1 Year	3 Year	5 Year	YTD
<b>Saturna Global Sustainable Fund</b>	6.81%	-2.52%	11.45%	0.99%	7.61%	4.65%
<b>MSCI All Country World Islamic Index</b>	8.39%	-3.39%	4.99%	3.92%	8.34%	4.99%

Source: Bloomberg, Saturna Sdn Bhd

<sup>1</sup> Including Dividends

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## SATURNA GLOBAL SUSTAINABLE FUND



## TOP 10 HOLDINGS

Microsoft	8.60%
SAP SE	3.99%
Nintendo	3.00%
Schneider Electric	3.00%
Industria de Diseno Textil	2.86%
Taiwan Semiconductor ADS	2.62%
Boston Scientific	2.55%
Union Pacific	2.49%
EssilorLuxottica	2.49%
Novo Nordisk A/S, Class B	2.48%
Broadcom	2.46%

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

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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, 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

<b>Fund Size (12-DEC-2024)</b>	USD 51.38 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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