

## Nomura Global Shariah Strategic Growth Fund - Class A

November 2024

### Fund Commentary and Strategy

Markets continued to build on the rally of the prior month, though performance were skewed towards cyclicals such as industrials and financials rallied on the back of the Republican sweep ("Red Sweep") of the US Congress and Presidency. As such, the Dow Jones Islamic Market ("DJIM") World Index rose by +3.13% and the MSCI All Country World Index ("ACWI") rose by +3.63% (both in USD terms) for the month. However, the surge in US Treasury yields and subsequent USD run as a consequent of the Trump trade saw the USD strengthen by +1.55% vs. MYR. The Fund's NAV for Class A, recorded +2.35%. Equity investments contributed +1.96% whilst cash, sukuk investments contributed +0.39%.

### Equity Contribution +1.96%

Industrials and financials performed strongly as markets anticipated a Trump election, on expectations of greater re-shoring of manufacturing activity, lower taxes and higher interest rates for longer. On the other hand, defensives such healthcare and consumer staples underperformed as markets rotated back into cyclicals. Energy underperformed as oil prices continued to decline on muted demand outlook despite rising Middle East geopolitical tensions. We continue to maintain an equity exposure of 55% from the prior month.

We expect the Federal Reserve to continue to reducing interest rates, though at a more gradual pace going forward given broad policy uncertainty post-election. We believe that easing monetary policy will provide much needed cushioning to stave off a hard-landing scenario heading into 1Q25. As such, we will cautiously maintain our relatively high equity allocation with the following allocation: (1) defensives such as healthcare and consumer staples and (2) pockets of secular growth such as AI.

### Fixed Income & FX hedges Contribution +0.39%

Our sukuk investments via the Collective Investment Scheme ("CIS") namely Dow Jones Global Sukuk ETF which contributed +0.39%, with sukuk yields rising in tandem with US 10Y Treasury yields which surged on the back of the Trump trade. Also, we closed our FX hedges in anticipation of MYR depreciation in line with Asian FX, as the USD soared on the Red Sweep.

### Summary

We continue to tactically increase our equities positioning, with a two pronged approach to strike a balance between defensive positioning while still maintaining exposure to sectors that are in secular growth mode. We will continue to maintain sizeable allocation to sukuk investments (via CIS) while reducing our money market placements. Given our view that lower interest rates are not a matter of 'if', but 'when', in 2024, we intend to deploy our sizeable cash deposits into sukuk and equities.

### Cumulative Fund Returns (%)

	YTD	1 Month	3 Months	6 Months
	31/12/2023	31/10/2024	31/8/2024	31/5/2024
	To	To	To	To
	30/11/2024	30/11/2024	30/11/2024	30/11/2024
<b>Fund</b>	10.54	2.35	1.44	-0.63
<b>Benchmark</b>	5.49	0.49	1.47	2.96

### Cumulative Fund Returns (%)

	1 Year	3 Year	Since Commencement
	30/11/2023	30/11/2021	02/06/2020
	To	To	To
	30/11/2024	30/11/2024	30/11/2024
<b>Fund</b>	12.49	5.26	31.30
<b>Benchmark</b>	6.00	19.10	29.97

Source: Refinitiv Lipper

#### Notes:

Performance data is calculated based on the changes in the Fund's NAV price per unit for the specified length of time and on the assumption that any dividends declared are reinvested into the Fund. Performance figures are presented in cumulative basis, unless indicated otherwise.

\* The Fund was launched as a wholesale fund on 22 May 2020. Following the approval obtained from the unit holders at a unit holders' meeting, the Fund was subsequently converted to a unit trust fund on 1 October 2022. Hence, performance data prior to 1 October 2022 as shown in this material reflects the performance of the Fund as a wholesale

### Fund Objectives

The objective of the Fund is to achieve long-term capital growth, primarily through the Fund's investments in foreign Shariah-compliant equities, sukuk, Islamic collective investment schemes and Islamic money market instruments.

### Benchmark

Absolute return of 6% per annum

### Distribution Policy

Distribution of income, if any, is incidental.

### Key Facts

Launch Date	22-May-2020*
Fund Type	Mixed Assets (Shariah-compliant)
Year End	30 September
Fund Size	MYR 13.81 million
Class Size	MYR 7.17 million
Units in Circulation (Class A)	5.69 million units
NAV per Unit (Class A)	MYR 1.2615
Transaction cut-off time	Daily; 4:00 pm
Redemption Period	T + 10 business days

### Sales charge

Nil

### Management fee

Up to 1.20% per annum of the NAV of the Class.

### Trustee fee

Up to 0.04% per annum of the NAV of the Fund, subject to a minimum fee of RM15,000 per annum.

### Calendar Year Returns (%)

	2023	2022*	2021
<b>Fund</b>	12.34	-15.54	10.99
<b>Benchmark</b>	6.00	6.00	6.00

Source: Refinitiv Lipper

#### Notes:

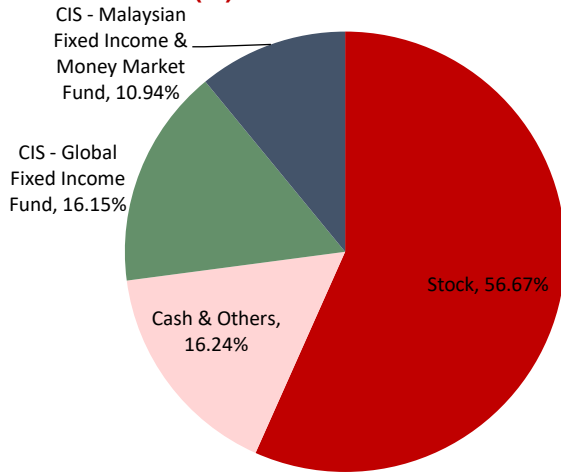
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Calendar year returns for 2020 are measured from its commencement date of 2 June 2020.

#### FUND'S PAST PERFORMANCE IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE

### Asset Allocation (%)



All data presented are as of 29 November 2024 unless otherwise specified.

Percentages may not add up to 100% due to rounding.

### Top 5 Equity Holdings (%)

Nvidia Corp	2.91%
Microsoft Corp	2.88%
Meta Platforms Inc-Class A	2.86%
Lonza Group Ag-Reg	2.53%
Amazon.Com Inc	2.41%

### Equity Sector Breakdown (%)

Health Care	17.24%
Information Technology	14.33%
Industrials	7.26%
Consumer Discretionary	6.23%
Communication Services	3.82%
Consumer Staples	2.99%
Materials	2.75%
Financials	2.03%

### Country Breakdown (%)

United States	52.27%
Cash & Others	16.24%
Malaysia	10.94%
Ireland	5.26%
Japan	4.93%
Switzerland	2.53%
Taiwan	2.40%
Australia	1.71%
France	1.31%
United Kingdom	1.19%
Denmark	0.81%
Netherlands	0.40%

#### Disclaimer:

Based on the Fund's portfolio returns as at 31 October 2024, the Volatility Factor (VF) for the Fund is 8.82 and is classified as "Low" (Source: Refinitiv Lipper). "Low" includes funds with VF that are above 5.335 but not more than 9.205. The VF means there is a possibility for the Fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Refinitiv Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The Fund's portfolio may have changed since this date and there is no guarantee that the Fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC.

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