

Equity (Global) Market Review

March 2025 was an exceptionally turbulent month with the Dow Jones, S&P 500, and Nasdaq plunging 4.2%, 5.8%, and 8.2% month-on-month (MoM). Anticipation of President Trump's aggressive tariff strategy, coupled with mixed economic signals rattled investor confidence. Market participants grew increasingly cautious with consumer sentiment at near 2½ year lows. The Federal Reserve (Fed) kept rates steady at 4.5% for a second straight month and provided economic projections forecasting slower growth and higher inflation by year end. Fed Chair Powell also highlighted that the economy is progressing at a steady pace with solid labour market conditions, and acknowledged that albeit elevated, inflation has moderated over the past year. Europe was not immune to tariff concerns, with STOXX slipping 3.9% MoM. Worries over US-driven global economic instability and tariff-induced disruption created heightened volatility. However, by late March, relative stability in defensive sectors provided support to the European markets.

In Asia, MSCI Asia ex-Japan dipped marginally by 0.2% MoM. Gainers were India (SENSEX: +5.8% MoM) and Hong Kong (HSCEI: +1.2% MoM; HIS: +0.8% MoM). China was relatively flattish, with SHCOMP rising 0.5% MoM and SHSZ300 falling 0.1% MoM. Decliners were Taiwan (TWSE: -10.2% MoM), Japan (Nikkei 225: -4.1% MoM), Australia (ASX 200: -4.0% MoM), and Korea (KOSPI: -2.0% MoM). The US-China trade war escalates, as President Trump increased tariffs on all Chinese imports to 20% in retaliation to Beijing for failing to halt shipments of fentanyl to the US, and China responded immediately by announcing additional tariffs of 10%-15% on certain US imports. This led to significant sell offs in export-intensive sectors towards the end of the month.

Amongst commodities, Brent Crude Oil grew 2.1% MoM to USD74.7 per barrel amid mounting concerns about tighter global supply following US's threat of tariffs on nations buying Venezuelan crude. Anticipation of OPEC+ to unwind voluntary production cuts in April also influenced prices. Meanwhile, crude palm oil (CPO) declined 3.0% MoM to RM4.419 per ton largely attributed to seasonal production recovery from March onwards while major importers were scaling back their orders for palm oil amid trade uncertainties and competition from alternative vegetable oils.

Equity (Global) Market Outlook

The new tariff policies, if sustained, represent a blow to global trade and a significant risk to the global outlook, with many economists raising their probability of a global economic recession by year end to >50%. Additionally, the impact of the proposed tariffs to US GDP is estimated at a reduction of about 100 basis points (bps) while core PCE could rise by 100bps-150bps to nearly 5% in 2025 and 4.2% in 2026.

The focus in the near term will shift to bilateral negotiations and retaliations, with the escalation between the US and China a key factor to watch. In the near-term, the Fed is likely to monitor the situation before making any moves as it has to balance between higher inflation in the short term and anticipated weaker growth from the tariff shock.

Equity (Global) Fund Strategy

We are cautious on the US equity market as growth and inflation are negatively impacted by the tariffs. Nonetheless, structural growth themes such as AI and technology still retain a positive outlook for the longer term. Our focus is primarily on selective stock picking, while reducing exposure to sectors that may be more vulnerable to the new tariff policies.

FUND OBJECTIVE

Aims to achieve steady capital growth and income distribution (incidental) over the medium to long-term period by investing in a diversified portfolio in accordance with accepted Shariah principles.

Fund Category/Type

Equity (Islamic) / Growth

Launch Date

15 August 2002

Trustee

Universal Trustee (Malaysia) Berhad

Benchmark

Dow Jones Islamic Market World Index

Designated Fund Manager

Lee Sook Yee

Sales Charge

Max 5.50%

Annual Management Fee

1.90% p.a.

Annual Trustee Fee

0.08% p.a.

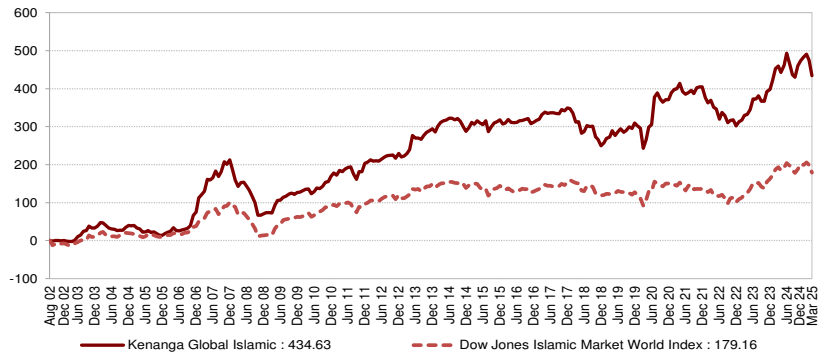
Redemption Charge

Nil

All fees and charges payable to the Manager and the Trustee are subject to the goods and services tax /sales and services tax/other taxes of similar nature as may be imposed by the government or other authorities from time to time.

FUND PERFORMANCE (%)

% Cumulative Return, Launch to 31/03/2025



Source: Novagni Analytics and Advisory

CUMULATIVE FUND PERFORMANCE (%)#

Period	Fund	Benchmark
1 month	-7.02	-6.55
6 months	0.81	0.36
1 year	-4.43	-4.88
3 years	13.79	19.75
5 years	55.90	45.13
Since Launch	434.62	179.16

CALENDAR YEAR FUND PERFORMANCE (%)#

Period	Fund	Benchmark
2024	17.05	13.70
2023	23.93	30.99
2022	-20.33	-20.83
2021	7.16	-5.76
2020	14.92	10.14

Source: Lipper, 31 March 2025

The Fund's benchmark has been changed from FTSE Bursa Malaysia Emas Shariah to Dow Jones Islamic Market World Index on 28 June 2021.

FUND SIZE *

RM 76.49 million

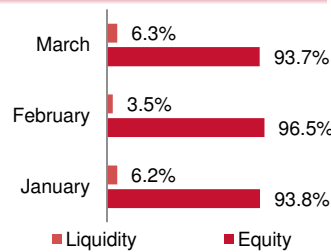
NAV PER UNIT *

RM 0.6078

HISTORICAL FUND PRICE *

	Since Inception	Date
Highest	RM 0.9560	26-Jul-07
Lowest	RM 0.4166	6-Dec-05

ASSET ALLOCATION (% NAV) *



SECTOR ALLOCATION (% NAV) *

Technology	30.1%
Communications	21.5%
Exchange-Traded Fund	10.6%
Consumer Products & Services	7.0%
Industrial Products & Services	6.3%
Short Term Islamic Deposits and Cash	6.3%
Health Care	5.4%
Financial Services	3.4%
Shariah Collective Investment Schemes	1.9%
Basic Materials	1.8%
Others	5.7%

COUNTRY & CASH ALLOCATION (% NAV) *

United States	53.6%
Malaysia	11.8%
China	8.7%
Ireland	5.7%
Taiwan	4.5%
Singapore	2.8%
Japan	2.1%
Finland	1.5%
France	1.1%
India	1.0%
Korea	0.9%
FI / NI / Cash	6.3%

TOP EQUITY HOLDINGS (% NAV) *

1	APPLE INC	5.3%
2	EQ8 DOW JONES US TITANS 50 ETF	4.9%
3	MICROSOFT CORP	4.7%
4	XIAOMI CORP	4.5%
5	VIDIA CORP	4.3%

DISTRIBUTION HISTORY *

Gross Distribution

Date	RM	Yield (%)	Unit Split
15-Apr-22	3.25 sen	5.91%	-
9-Apr-21	8.48 sen	11.96%	-
16-May-16	5.73 sen	9.29%	-

* Source: Kenanga Investors Berhad, 31 March 2025

Based on the fund's portfolio returns as at 10 March 2025, the Volatility Factor (VF) for this fund is 11.91 and is classified as "Moderate". (Source: Lipper). "Moderate" includes funds with VF that are above 9.075 and less than or equal to 11.955 (source: Lipper). 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 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. The Master Prospectus dated 29 March 2019 and the Supplemental Prospectus (if any), its Product Highlights Sheets ("PHS") or Supplemental Disclosure Document ("SDD") (if any) have been registered with the Securities Commission Malaysia, who takes no responsibility for its contents. The fund fact sheet has not been reviewed by the SC. A copy of the Master Prospectus, Supplemental Prospectus (if any), SDD (if any) and the PHS are obtainable at our offices. Application for Units can only be made on receipt of application form referred to in and accompanying the Master Prospectus and/or Supplemental Prospectus (if any), SDD (if any) and PHS. Investors are advised to read and understand the Master Prospectus, its PHS and any other relevant product disclosure documents involved before investing. Investors are also advised to consider the fees and charges before investing. Unit prices and distributions may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV. Where a unit split is declared, investors should note that the value of their investment in Malaysian Ringgit will remain unchanged after the distribution of the additional units. A Fund's track record does not guarantee its future performance. Investors are advised to read and understand the contents of the unit trust loan financing risk disclosure statement before deciding to borrow to purchase units. For investors who invest via the EPF Member Investment Scheme ("EPF MIS"), the cooling-off period shall be subject to EPF's terms and conditions, and any refund pursuant to the exercise of the cooling-off right will be credited back into your EPF accounts. Kenanga Investors Berhad is committed to preventing Conflict of Interest between its various businesses and activities and between its clients/directors/shareholders and employees by having in place procedures and measures for identifying and properly managing any apparent, potential and perceived Conflict of Interest by making disclosures to Clients, where appropriate. The Manager wishes to highlight the specific risks of the Fund are equity and equity-related securities risk, currency risk, country risk and reclassification of Shariah status risk. Kenanga Investors Berhad 199501024358 (353563-P)