

RHB ASIAN HIGH YIELD FUND – USD

The Fund aims to provide income and long-term capital growth by investing in one target fund.

INVESTOR PROFILE

This Fund is suitable for:

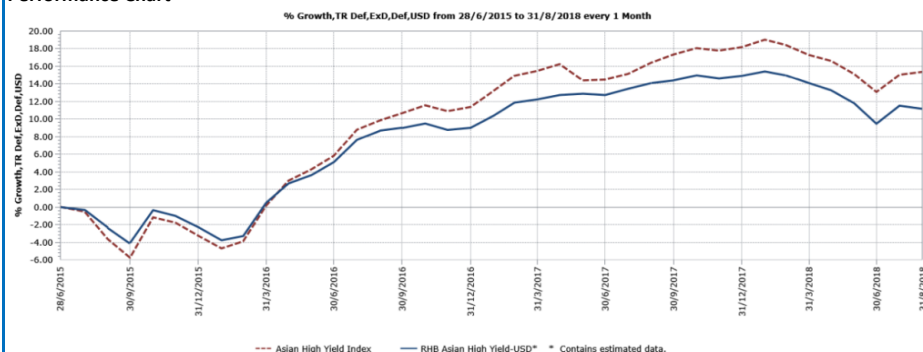
- ‘Sophisticated Investor(s)’ as defined in the Information Memorandum.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the USD denominated class A shares of the Target Fund
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and Placements of Cash.

FUND PERFORMANCE ANALYSIS

Performance Chart



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-0.32	-0.57	-3.33	-3.29
Benchmark	0.29	0.22	-2.58	-2.38

	1 Year	3 Years	Since Launch
Fund	-2.61	13.76	11.11
Benchmark	-0.89	19.73	15.34

Calendar Year Performance (%)*

	2017	2016
Fund	5.40	11.58
Benchmark	17.61	10.21

Source: Lipper IM

FUND DETAILS

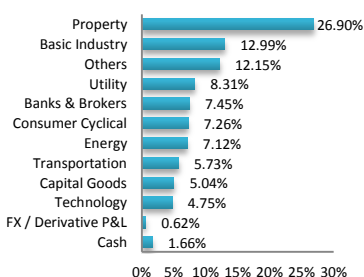
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder (Fixed Income) Fund
Fund Type	Income and Growth Fund
Launch Date	08 June 2015
Base Currency	United States Dollars (USD)
Unit NAV	USD 0.9693
Fund Size (million)	USD 2.66
Units In Circulation (million)	2.75
Financial Year End	31 May
MER (31 May 2018)	1.28%
Min. Initial Investment	USD 20,000.00
Min. Additional Investment	USD 10,000.00
Benchmark	BofA/Merrill Lynch Blended Index: ACCY, 20% Level 4 Cap 3% Constrained
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	0.06% p.a. of NAV*
Switching Fee	Not applicable
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Quarterly, if any

*All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.

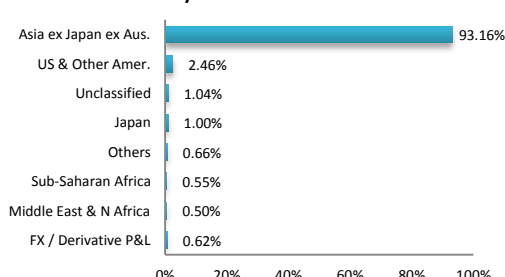
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

BAOXIN AUTO FINANCE I LT	2.33
ABJA INVESTMENT CO	2.32
INDIKA ENERGY CAP II PTE	2.29
PUMA INTERNATIONAL FINAN	2.08
CHINA EVERGRANDE GROUP	1.97

*As percentage of NAV

*Source: Fidelity, 31 August 2018. Exposure in Fidelity Asian High Yield A - MDIST-USD - 98.03%

FUND STATISTICS

Historical NAV (USD)

	1 Month	12 Months	Since Launch
High	0.9905	1.0750	1.0796
Low	0.9680	0.9558	0.9512

Source: Lipper IM

Historical Distributions (Quarterly) (Net)

	Distribution (sen)	Yield (%)
28 Aug 2018	1.8000	1.84
24 May 2018	2.0000	1.94
21 Feb 2018	2.2000	2.07
21 Nov 2017	1.0000	0.93

Source: RHB Asset Management Sdn. Bhd.

RHB ASIAN HIGH YIELD FUND – USD

The Fund aims to provide income and long-term capital growth by investing in one target fund.

MANAGER'S COMMENTS

MARKET ENVIRONMENT

US dollar denominated Asian high yield bonds posted broadly flat returns in August, as coupon income offset wider credit spreads. Investor sentiment was mixed, as liquidity in onshore China improved, while negative headlines around Turkey and Argentina led to fears of contagion on other emerging market/Asian countries. In China, retail sales and fixed asset investment fell below estimates, while bank lending, exports and imports surpassed expectations in July. In key developments, China announced tax cuts for individuals and corporates, as policymakers aim to support economic growth amid ongoing trade tensions. The central bank also adjusted its methodology to calculate the Chinese yuan's daily reference rate as part of its efforts to stabilise the currency. The Indian economy expanded at the fastest pace in two years during the April–June quarter, due to strong domestic consumption and solid growth in the manufacturing sector. The pace of economic expansion in Indonesia was faster than anticipated in the second quarter, mainly due to strong growth in private consumption. In August, the Indonesian central bank raised interest rates for the fourth time since May to stabilise the depreciating rupiah and control the widening current account deficit.

TARGET FUND POSITIONING

Looking at the second half of 2018, the Target Fund Manager remains cautiously positive on the Asian high yield market. Sentiment has improved since mid-July, in light of the policy response by Chinese authorities, which aims to strike a finer balance between deleveraging and maintaining growth. Over the year to date period, there were indications of higher US inflation and interest rates. A strong US dollar also put pressure on certain emerging market countries such as Turkey and Argentina. However, Asia is generally in a better position compared to the rest of the emerging market, given strong foreign exchange reserves and proactive policies to counter the strong US dollar. Relative valuations of Asian high yield bonds compared to developed market bonds are also much more attractive than they were at the start of the year. Fundamentals of Asian issuers have remained stable on the back of robust first half results. Valuations, even after the rebound in July, are still attractive compared to developed markets.

In terms of positioning, the Target Fund has an overweight credit beta position, with a bias towards strong conviction issuers. The Target Fund Managers will continue to actively and passively add risk while managing overall liquidity. In addition to cash, the Target Fund has 10–15% market weight in short dated (<1year)/near-term callable bonds to ensure a robust liquidity profile and maintain high natural income, which also keeps overall volatility lower for the period ahead.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 August 2018, the Volatility Factor (VF) for this fund is 4.9 and is classified as "Low". (source: Lipper) "Low" includes funds with VF that are above 1.9 but not more than 6.6 (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 VC referred to was dated 30 June 2018 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2018.

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the Fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Information Memorandum dated 8 June 2015 and its supplementary(ies) (if any) ("the Information Memorandum") before investing. The Information Memorandum has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV. Any issue of units to which the Information Memorandum relates will only be made on receipt of a form of application referred to in the Information Memorandum. The Fund are only offered to "sophisticated investor" as defined in the Information Memorandum. For more details, please call 1-800-88-3175 for a copy of the PHS and the Information Memorandum or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are management risk, currency risk, country risk and pricing and valuation risk. These risks and other general risks are elaborated in the Information Memorandum.

This factsheet is prepared for information purposes only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide to future performance. Returns may vary from year to year.