

RHB EMERGING INCOME FUND - USD

The Fund aims to provide income[^] and capital growth by investing in one (1) target fund i.e. Schroder International Selection Fund Emerging Multi-Asset Income.

Note: [^]The income is in the form of units of the Fund.

INVESTOR PROFILE

This Fund is suitable for:

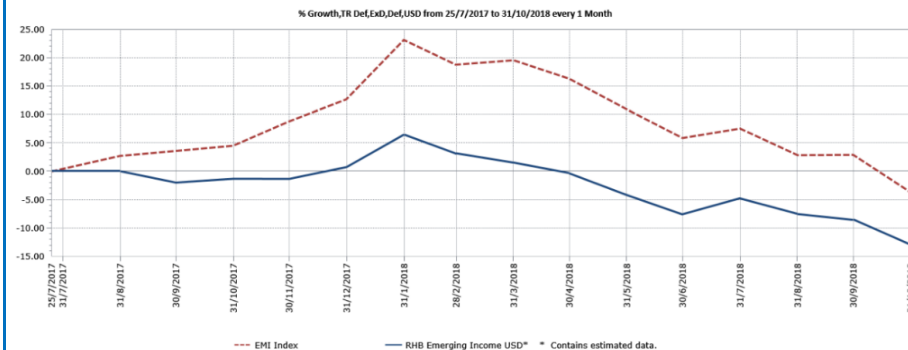
- ‘Sophisticated Investor(s)’ as defined in the Information Memorandum.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the USD AX distribution share class of the Target Fund;
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and placements of cash.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

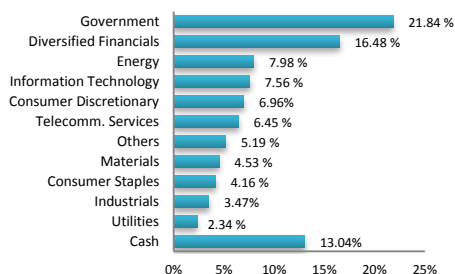
	1 Month	3 Months	6 Months	YTD
Fund	-4.87	-8.61	-12.66	-13.62
Benchmark	-6.43	-10.45	-17.17	-14.50

	1 Year	Since Launch
Fund	-11.82	-12.98
Benchmark	-7.86	-3.69

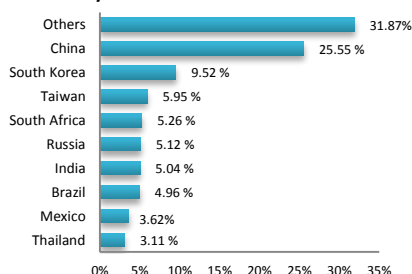
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENCENT HOLDINGS LTD	1.83
SAMSUNG ELECTRONICS CO LTD	1.75
ALIBABA GROUP HOLDING	1.40
TAIWAN SEMICONDUCTOR MANUFACT CO LTD	1.40
PROVINCE OF CORDOBA 7.125% (10/06/2021)	1.32

*As percentage of NAV

*Schroder, 31 October 2018. Exposure in Schroder International Selection Fund Emerging Multi-Asset Income - 97.94%

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Income & Growth Fund
Launch Date	04 July 2017
Base Currency	USD
Unit NAV	USD 0.8481
Fund Size (million)	USD 5.29
Units In Circulation (million)	6.24
Financial Year End	31 August
MER (as at 31 August 2018)	0.88%
Min. Initial Investment	USD 1,000.00
Min. Additional Investment	USD 500.00
Benchmark	50% MSCI Emerging Markets Index (USD) + 25% EMBI Global Diversified (USD) + 25% GBI-EM Global Diversified (USD)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.06% p.a. of NAV*
Switching Fee	USD 10.00 per switch*
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 STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.8915	1.0762	1.0762
Low	0.8412	0.8412	0.8412

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

	Distribution (sen)	Yield (%)
28 Aug 2018	1.1600	1.25
24 May 2018	1.2600	1.25

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MANAGER'S COMMENTS
MARKET REVIEW

It proved to be a weak month for global markets with risky assets selling off on a range of fears from US-China trade wars to the Italian budget proposal. Weak corporate earnings were also a headwind in several markets, notably in Asia. Equities fell by 8.7%, local currency bonds by 2.0% and US dollar bonds by 2.2%. Chinese Q3 GDP maintained a healthy growth rate of 6.5% year-on-year. Meanwhile, high frequency survey data remained subdued and the authorities announced a series of measures aimed at supporting the economy, including cutting income taxes. Asian equity markets were generally weak, with Taiwan particularly impacted by technology stocks. In Brazil, Jair Bolsonaro emerged victorious in the first round of the presidential election at the beginning of the month. This led the equity market and real to rally in anticipation of a market-friendly election outcome. The Target Fund's yield at 31 October 2018 was 4.3% p.a.

PORTFOLIO ACTIVITY

The Target Fund Manager reduced equity exposure from 62% to 53%, running slightly higher the normal cash levels at around 5%. The Target Fund Manager also added to their US dollar exposure, initiating a hedging position in the Singapore dollar in case of further escalation in trade tensions.

MARKET OUTLOOK

While the Target Fund Manager recognises that some of the headwinds will sustain in 2019, and believes that the compelling valuations seen across asset classes discount all but the worst outcomes. An improvement in trade rhetoric between the US and China or a stabilisation in the US dollar could lead these assets to recover significantly from current levels.

DISCLAIMER:

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 4 July 2017 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 investors" 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, liquidity risk, country risk and currency risk and the specific risks of the Target Fund are capital risk due to distribution policy of Target Fund, capital risk due to negative yields, China country risk, counterparty risk for derivatives, counterparty risk for money market and deposit, credit risk, currency risk, derivatives risk, emerging markets and frontier risk, equity risk, high yield bond risk, interest rate risk, leverage risk, liquidity risk, operational 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.

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