

RHB ASEAN FUND

This Fund aims to achieve medium to long term capital appreciation through investments in securities of companies with high growth potential.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in equities and equity related securities (such as warrants).
- Up to 30% of NAV: Investments in fixed income securities such as government and semi-government bonds, corporate debt securities and money market instruments.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

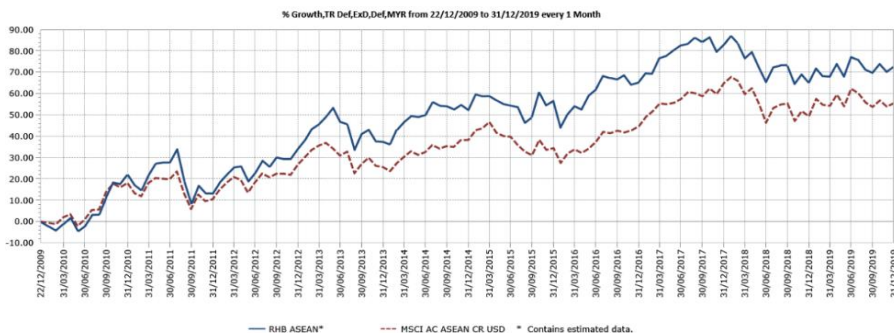
INVESTOR PROFILE

This Fund is suitable for investors who:

- wish to participate in the potential and investment opportunities of the fast growing ASEAN economies; and
- are willing to accept higher risk in their investments in order to achieve medium to long term capital growth.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	1.45	1.71	-2.45	4.60
Benchmark	1.05	1.18	-4.16	4.17

	1 Year	3 Years	5 Years	Since Launch
Fund	4.60	4.65	13.41	72.70
Benchmark	4.17	7.52	12.51	55.49

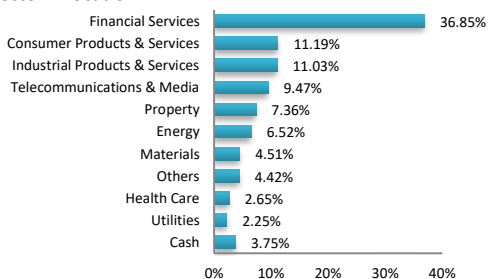
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	4.60	-9.74	10.85	5.55	2.67
Benchmark	4.17	-9.44	13.98	7.64	-2.79

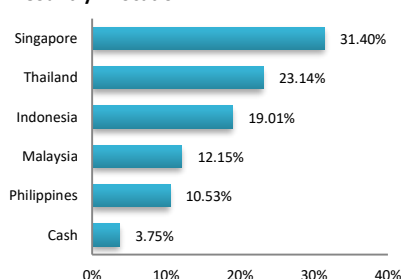
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

UNITED OVERSEAS BANK	8.06
OVERSEA CHINESE BANKING	8.04
BANK CENTRAL ASIA TBK PT	5.16
SINGAPORE TELECOMMUNICATIONS	3.97
BANK RAKYAT INDONESIA PERSERO	3.34

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4713	0.5036	0.6743
Low	0.4601	0.4471	0.4471

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
25 Apr 2019	3.0000	6.13
20 Apr 2018	3.4000	6.05
28 Apr 2017	-	-
28 Apr 2016	6.0000	11.24
28 Apr 2015	6.0000	10.12

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

ASEAN markets rallied towards the end of the year. Indonesia led the bounce (+4.8%) and Malaysia followed behind (+1.7%) in December in local currency terms. Thailand however, declined -0.7% due to foreign outflows. The ASEAN currencies strengthened against the US dollar, with the Indonesia Rupiah and Malaysia Ringgit up 1.7% and 2.1% respectively.

Singapore November Non-oil Exports (NODX) was stronger than expected, -5.9% y/y. 2019 GDP slowed to 0.7% according to the Prime Minister in his New Year speech. In corporate news, Yangzijiang rebounded strongly on news that the executive chairman returned to work since being away from August. Property developers were also higher as private home sales were tracking above expectations. Hong Kong Land also rebounded as sentiment in Hong Kong improved.

Malaysia's PMI rose to a 15-month high in December to 50. Malaysia's palm oil inventory continues to contract to 2.26mt in November on production declines, and exports increased 2% y/y with a growth of 15% in November year to date.

Thailand continues to show weakness in domestic demand and tourism indicators moderated as the low base effects from the Phuket boat accident faded. Consumer confidence index dropped to a 5 year low of 69.1. Manufacturing and exports continue to perform poorly. Core inflation remained unchanged at 0.5% and the Bank of Thailand narrowed its headline inflation to 1% - 3% for 2020.

Philippines had a volatile month in December. President Duterte questioned the water concession agreements of the Maynilad and Manila Water. The sanctity of the contracts were put into question as government's statements were in opposition to the finance and justice chiefs. The central bank has also kept rates steady.

In Indonesia, the introduction of the Omnibus Law was well taken by the market as it was seen as a policy reform to support FDI. Also the Cabinet was discussing on the potential amendment of the 3% fiscal deficit cap. There were also mixed views on potential future government intervention for SOE banks on the lending rate infrastructure. Indonesia's headline inflation for December was lower than expected at 2.7% y/y.

MARKET OUTLOOK AND STRATEGY

We have moved our strategy towards a defensive stance. Macro events which we keep an eye on will be the US-China trade war resolution, and the strength of the US dollar against emerging currencies along with earning season.

In the next 5-10 years, Asia and especially ASEAN will emerge as the region with relatively stronger growth than the rest of the world. ASEAN with the structural advantage in demographics will emerge as the complimentary piece to China's evolvement into a giant consumption economy. Adding on to the commitments by the governments in Asia/ASEAN towards infrastructure development, the region will feature prominently as the place for equity investments. We would look to buy stocks during periods where investors largely ignore these positive developments in the region.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 December 2019, the Volatility Factor (VF) for this fund is 9.4 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 8.8 but not more than 11.2 (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 2019 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2019.

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 Master Prospectus dated 3 September 2017 and its supplementary(ies) (if any) ("the Master Prospectus") before investing. The Master Prospectus 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 Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Master Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are country risk and currency risk. These risks and other general risks are elaborated in the Master Prospectus. 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.