

### RHB ENTREPRENEUR FUND

The Fund aims to achieve long term capital appreciation through investments in securities of companies that possess entrepreneurial characteristics as determined by the Manager.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

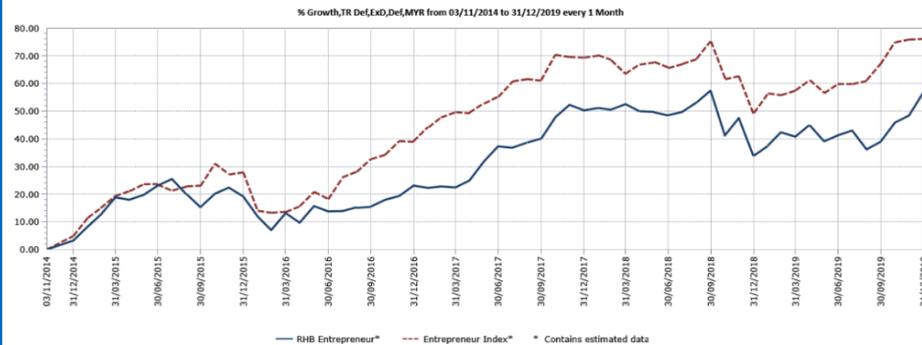
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

#### INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in securities of companies that are listed on the stock exchanges of Japan and other Asian markets.
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and Deposits.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	5.62	12.82	10.98	17.10
Benchmark	0.12	5.50	10.18	18.04

	1 Year	3 Years	5 Years	Since Launch
Fund	17.10	27.32	51.75	56.76
Benchmark	18.04	26.78	67.95	76.16

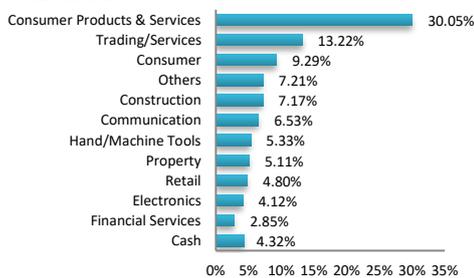
##### Calendar Year Performance (%)\*

	2019	2018	2017	2016	2015
Fund	17.10	-10.93	22.08	3.41	15.25
Benchmark	18.04	-11.90	21.92	8.59	21.99

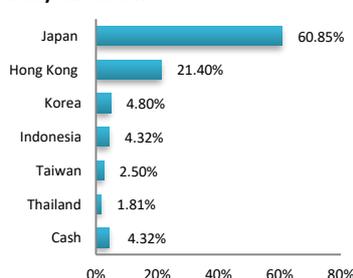
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

ROHTO PHARMACEUTICAL CO LTD	7.31
MAEDA KOSEN CO LTD	6.74
SOFTBANK GROUP CORP	6.53
DISCO CORP	5.33
FUJI SEAL INTERNATIONAL INC	5.32

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5736	0.5736	0.7345
Low	0.5394	0.5252	0.4942

Source: Lipper IM

##### Historical Distributions (Net)

	Distribution (sen)	Yield (%)
29 Oct 2019	4.5000	8.11
25 Oct 2018	7.0000	10.48
26 Oct 2017	8.0000	13.47
31 Oct 2016	-	-
31 Oct 2015	-	-

Source: RHB Asset Management Sdn. Bhd.

**RHB ENTREPRENEUR FUND**

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**MANAGER'S COMMENTS**

**MARKET REVIEW**

2019 was a good year for global equity market. Global equity markets rallied 24.0% in 2019, to cap off its best year since the Global Financial Crisis in 2009. The performance was primarily driven by Developed Markets (+25.2%). The US (+29.1%) led from the front in Developed Markets, closely followed by Europe (+20.0%) and Japan (+17.1%). Although 2019 predominantly circled around US-China trade tensions, an abundance of liquidity made available by the capitulation of central banks globally played an equally important role. Federal Reserve seem to have engineered a soft landing through balance sheet expansion and numerous rate cuts. Markets closed the year on a high as two imminent bottlenecks inched slightly closer to resolution with the progress on the US-China Phase 1 trade deal and the emphatic victory of the Conservatives in the UK elections paving the way to a potential breakthrough in the Brexit impasse. Asia Ex Japan equities advanced 15.4% in 2019, primarily driven by index heavyweights China (+20.9%) and Taiwan (+31.5%), as the markets moved largely in tandem with the progress on the US-China trade talks.

Commodities ended 2019 on a positive note as well. Brent Crude rose 19.0%, driven by the supply cuts by OPEC and the US decision to end waivers on Iranian oil imports in April 2019. On 16 September 2019, a drone attack shut down about 5.7mn b/d of crude production in Saudi Arabia in the single biggest supply disruption ever, but softened subsequently as output was restored and the global growth slowdown weighed in. Similarly, Crude Palm Oil prices shot up to above RM3,000 pmt due to lower production, drought season and B30 bio diesel mandate in Indonesia.

Both the TOPIX and the Nikkei 225 rose for a fourth consecutive month in December 2019. In mid-December both indices reached new year-to-date highs on a closing price basis following reports that the US and China had reached agreement on phase one of a trade deal. In the second half of the month, however, investor activity slowed down and Japanese equities lost their upward momentum. The TOPIX and Nikkei 225 gained 1.3% and 1.6%, respectively, in December. Over 2019 as a whole, the TOPIX gained 15.2% and the Nikkei 225 gained 18.2%. In both cases this was the first annual increase in two years.

**MARKET OUTLOOK AND STRATEGY**

Asia presents a mixed picture, but with more positives than negatives. Valuations are middling, EPS downgrades likely will continue and structural growth drags concern us, but several bullish considerations stand out. The macro impact of the trade war is diminishing. Leading indicators we monitor are in positive territory. Although EPS cuts likely have not ended, downward pressures are easing. The tech rebound should continue.

We continue to overweight Japan and Indonesia markets and selective on China stocks. In terms of sector, we overweight consumer in Japan and IT in China.

**DISCLAIMER:**

Based on the fund's portfolio returns as at 10 December 2019, the Volatility Factor (VF) for this fund is 12.1 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are 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 6 October 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 particular security risk, regional risk, currency risk and country 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.

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