

RHB FOCUS INCOME BOND FUND – SERIES 8

The Fund aims to maximise returns at the Maturity Date from a concentrated portfolio of global debt instruments.

INVESTOR PROFILE

This Fund is suitable for Investors who:

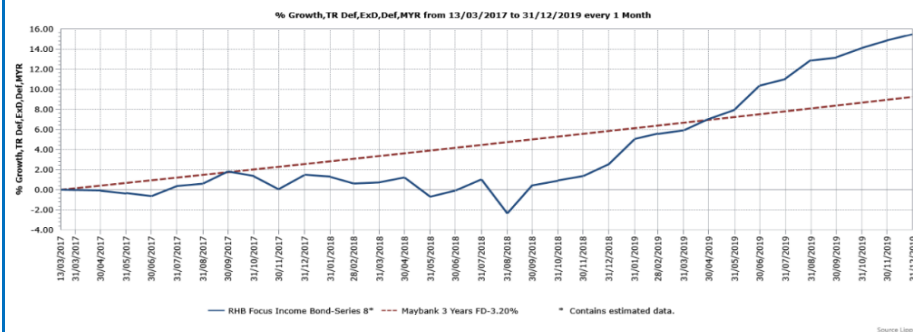
- have a moderate risk appetite;
- seek returns from the income accumulated and/or capital appreciation from a global debt instruments portfolio; and
- have a medium term (i.e. 3 years) investment horizon.

INVESTMENT STRATEGY

- 90% - 100% of NAV: Investments in global debt instruments, of which at least 70% of NAV in bonds.
- Up to 10% 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	0.55	2.02	4.61	12.59
Benchmark	0.27	0.80	1.60	3.20

	1 Year	Since Launch
Fund	12.59	15.44
Benchmark	3.20	9.23

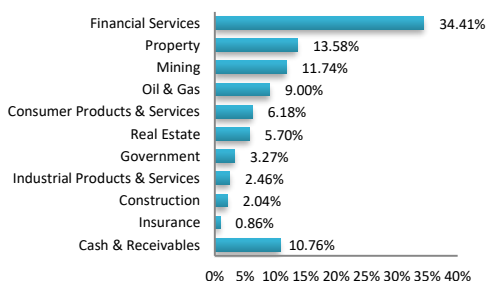
Calendar Year Performance (%)*

	2019	2018
Fund	12.59	1.05
Benchmark	3.20	3.20

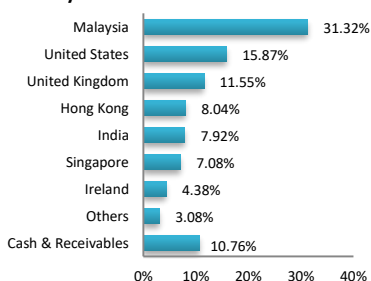
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TURKIYE IS BANKASI 5.5% (21/04/2022)	7.87
TURKIYE IS BANKASI 5.00% (25/06/2021)	7.83
SUNWAYBHD CP SERIES 450/2019 29D (24/01/2020)	7.59
CIFIHG 6.55% (28/03/2024)	4.78
ABU DHABI NATIONAL ENERGY 4.875% (23/04/2030)	4.44

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0501	1.0501	1.0501
Low	1.0444	0.9554	0.9303

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
29 Jan 2019	4.6500	4.65
22 Mar 2018	4.6500	4.65

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS**MARKET REVIEW**

US Treasury ("UST") 10-year yields started out the month of December 2019 at 1.82% and rose steadily through the month to close at 1.92%, after the initial market fears about the Phase 1 deal postponement was offset by the US pushing through a Phase 1 deal at the 11th hour, and indefinitely suspending further planned tariffs which were set to be announced and effected on 15 December 2019 on nearly \$160 billion worth of Chinese goods, including cell phones, laptop computers, toys and clothing. At the end of December 2019 close, the benchmark 2-, 5-, 10- and 30-year UST were last traded at 1.57% (November-2019: 1.61% -4bps), 1.69% (1.63%; +6bps), 1.92% (1.78%; +26bps) and 2.39% (2.21%; +18bps) respectively. Overall, 10y UST yields have rallied 76bps in 2019, capping off a stellar year for fixed income markets with Investment Grade indices showing a 17% YTD return

On US economics, the Institute of Supply Management ("ISM") Manufacturing Index for December 2019 remains in contractionary territory at 47.2, due to contracting demand (seen since July) likely premised on poor global trade and the 5th consecutive month of contraction. Nonfarm Payrolls ("NFP") in the United States released for November 2019 showed 266k new jobs created, much higher than market expectations and much better than the previous 128k in October. Average Hourly Earnings for October increased by 3.1% YoY (+0.2%MoM), within consensus estimates. Unemployment Rate registered at 3.5%YoY for November 2019. On inflation, the United States Personal Consumption Expenditure ("PCE"), the Fed's preferred measure of inflation, rose 1.60% YoY for November 2019, unchanged from October 2019 reading, and still below the Fed's 2% target. US October 2019 trade deficit (exp. \$49 Bio) narrowed slightly less than expectations, at \$47.2Bio.

DISCLAIMER:

As this is a close-ended fund, units are no longer available for sale on the basis of the Prospectus dated 17 January 2017. 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 Prospectus dated 17 January 2017 and its supplementary(ies) (if any) ("the Prospectus") before investing. The 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 Prospectus relates will only be made on receipt of a form of application referred to in the Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks factors of the funds are credit/default risk, currency risk, interest rate risk, country risk, inflation/purchasing power risk, concentration risk, and mismatch risk. These risks and other general risk are elaborated in the 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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