

RHB GLOBAL EXTENDED ALPHA FUND - USD CLASS

The Fund aims to achieve long-term[^] capital growth by investing in one (1) target fund.

Note: [^]“long-term” in this context refers to a period of between 5 – 7 years.

INVESTMENT STRATEGY

- At least 95% of NAV - Investments in the USD Accumulation Shares - class P units of the Target Fund;
- The balance of the NAV: Investments in liquid assets including money market instruments, Deposits and collective investment schemes investing in money market instruments and Deposits.

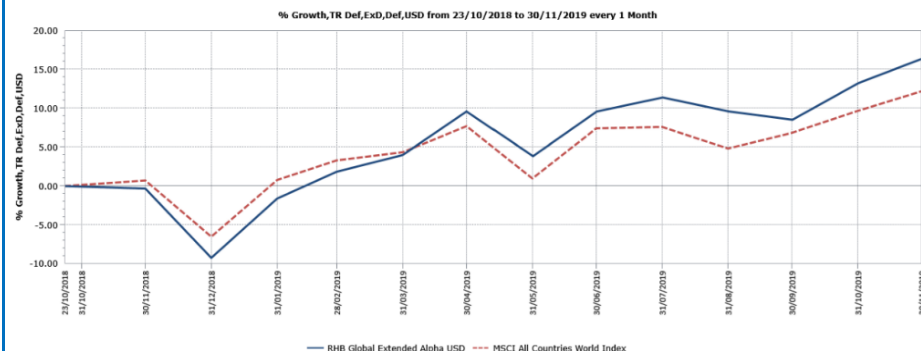
INVESTOR PROFILE

This Fund is suitable for:

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

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	2.78	6.20	12.07	28.20
Benchmark	2.30	7.01	11.09	19.98

	1 Year	Since Launch
Fund	16.74	16.37
Benchmark	11.38	12.17

Source: Lipper IM

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	SCBMB Trustee Berhad
Fund Category	Feeder Fund
Launch Date	03 October 2018
Base Currency	USD
Unit NAV	USD 1.1637
Fund Size (million)	USD 2.52
Units In Circulation (million)	2.17
Financial Year End	30 November
MER	Not available
Min. Initial Investment	USD 1,000.00
Min. Additional Investment	USD 500.00
Benchmark	MSCI All Countries World Index (with income reinvested)

Sales Charge Up to 5.00% of investment amount*

Redemption Charge None

Annual Management Fee Up to 1.80% p.a. of NAV*

Annual Trustee Fee 0.03% p.a. of NAV*

Switching Fee USD10.00 per switch*

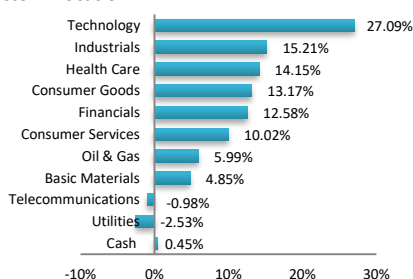
Distribution Policy Incidental, if any

*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.

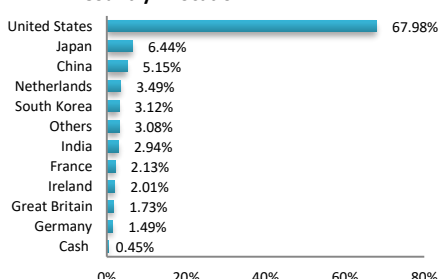
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALPHABET INC. CLASS A	5.90
MICROSOFT CORPORATION	5.22
AMAZON.COM, INC.	4.10
HDFC BANK LIMITED	3.50
UNION PACIFIC CORPORATION	3.21

*As percentage of NAV

*Source: Threadneedle, 30 November 2019. Exposure in Threadneedle Specialist Investment Funds

ICVC - Global Extended Alpha Fund - 96.94%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.1648	1.1648	1.1648
Low	1.1322	0.8791	0.8791

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET BACKGROUND

Global stocks continued to rally in November, with the MSCI ACWI rising by 2.9% in local-currency terms. Positive economic data and continued optimism about a Sino-American trade agreement supported equities. The US and China discussed a gradual removal of tariffs on each other's goods once a 'phase one' trade deal has been signed. There was a modest pullback late in the month, however, as President Trump signed two bills that back pro-democracy protestors in Hong Kong. This sparked a heated response from China.

US equities outpaced the global benchmark, with the S&P 500 and the technology-heavy Nasdaq index setting new record highs. Drivers of the rally included signs of a thaw in the trade war, as well as a rebound in retail sales and expectation-beating jobs growth. The other major regions all rose in local terms, but underperformed. Europe ex-UK equities were held back by the region's subdued economic backdrop, while UK stocks lagged on the nation's credit rating downgrade by Moody's. That said, election polls indicated that the Conservatives could win a majority in December's election. This was supportive of both sterling and stocks. Japanese equities benefited from reports of rising domestic demand, as well as trade hopes, given these stocks' sensitivity to global economic sentiment. They ultimately lagged the benchmark, however, amid concerns that the economy would be tested by a recent rise in the consumption tax and October's typhoon. Meanwhile, the gains of emerging-market equities were capped by a stronger dollar. Chinese stocks led this segment, helped by trade optimism but Brazilian equities fell as the country's blockbuster oil auction fell flat.

At a sector level, technology led returns on the improving geopolitical backdrop. Asian technology stocks also received a boost from the news that Huawei had won another temporary reprieve from a ban on doing business with US companies. While defensive stocks generally lagged in the risk-on environment, health care stocks benefitted from indications that 'Medicare for all' would not be implemented quickly in the US, even if Senator Elizabeth Warren – one of its key advocates – won the presidential election. Utilities, real estate and consumer staples underperformed as market optimism propelled bond yields higher and drove investors towards more economically sensitive sources of growth.

ACTIVITY

During the month, the Target Fund Manager extended their position in Booking Holdings. As a leader within global online travel, Booking is highly exposed to an attractive segment of the world economy. It is well positioned in terms of overall revenue mix, consumer reach, vacation rentals and margin structure. In order to combat some headwinds to the revenue in its core business and to increase its usage among tourists, the company is investing in areas such as experiences, payments and branding. These efforts to create a holistic travel ecosystem should support the company's direct bookings and future growth.

The Target Fund Manager also added to Alibaba. The company boasts a dominant, global e-commerce platform which leverages a sizeable, highly engaged userbase. Management have communicated the significant opportunity – and their strategy – to increase the monetisation of this platform over time. The Target Fund Manager believes this is underappreciated by the market given the low rate at which the company currently does this relative to eBay and Amazon. The Target Fund Manager also feel that the adjacent market runway is underestimated. Alibaba has the ability to cross-sell additional services, enter into new geographies and expand into new product categories.

To help fund these purchases, the Target Fund Manager sold Bank Rakyat Indonesia as the Target Fund Manager became concerned about the impact of lower lending rates in Indonesia's guaranteed microfinance programme (KUR) on the company's performance. In the Target Fund Manager's view, this calls into question Bank Rakyat's ability to work towards targeted improvements for its return on equity and could mean that the efficiency gains generated by digitisation are cancelled out. Against this backdrop, the Target Fund Manager feels that there are more attractive opportunities elsewhere.

In the short book, the Target Fund Manager initiated positions in a provider of food services and a power company.

MARKET OUTLOOK

Global equity markets have been providing evidence of the value to be found in secular winners that can sustainably outgrow their peers. With scope for these types of businesses to positively re-rate and expectations that volatility will remain somewhat elevated, the Target Fund Manager feels that the current backdrop is ideal for investors with the ability to identify undervalued, long-term opportunities. While factors such as trade and technological regulation will likely remain in focus in the short term, the Target Fund Manager believes that structural factors driving a world which is 'lower for longer' will shape markets further into the future. These drivers include debt, demographics and technological disruption, and they should ensure that firms sustaining above-average growth remain attractive. The Target Fund Manager therefore retain their focus on companies with durable competitive advantages, as the Target Fund Manager believes these are best placed to sustain high returns on capital and earnings growth through the market cycle. By contrast, the Target Fund Manager continues to seek businesses experiencing a secular decline or deteriorating competitive positions for the short book.

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 3 October 2018 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 cumulative 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, currency risk and country risk and the specific risks of the target fund are general risk, currency exchange rates risk, counterparty risk, political and financial risk, volatility risk, valuation risk, short selling risk, leverage risk, investments in derivatives and forward transactions and the use of Efficient Portfolio Management (“EPM”) risk, emerging markets risk, investments in collective investment schemes risk, taxation risk, investments in the People's Republic of China (“PRC”) and the China-Hong Kong Stock Connect Programme 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.