

### RHB GLOBAL ALLOCATION FUND

This Fund aims to maximise total return expressed in Ringgit Malaysia by investing globally in equity, debt and short term securities, of both corporate and governmental issuers, with no prescribed limits.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

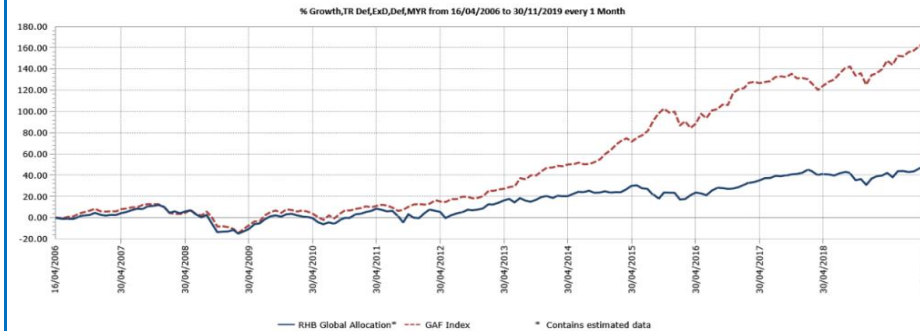
- a well-diversified investment across global markets;
- a flexible and dynamic asset allocation; and
- to invest in an established and proven foreign fund managed by a renowned international fund manager.

#### INVESTMENT STRATEGY

- At least 95% of NAV: Investments in Class A non-distributing shares of the BGF-GAF.
- 2% - 5% of NAV: Investments in liquid assets.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
<b>Fund</b>	<b>1.56</b>	<b>4.02</b>	<b>7.69</b>	<b>13.58</b>
Benchmark	1.15	3.33	8.43	17.47

	1 Year	3 Years	5 Years	Since Launch
<b>Fund</b>	<b>9.00</b>	<b>17.10</b>	<b>19.33</b>	<b>48.94</b>
Benchmark	12.04	21.59	65.42	164.37

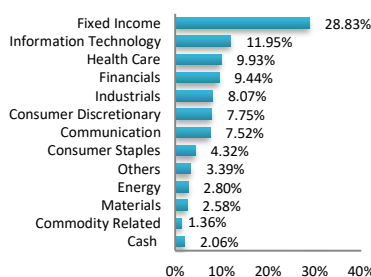
##### Calendar Year Performance (%)\*

	2018	2017	2016	2015	2014
<b>Fund</b>	<b>-8.00</b>	<b>10.94</b>	<b>3.83</b>	<b>0.09</b>	<b>2.92</b>
Benchmark	-2.78	4.78	10.92	21.71	11.31

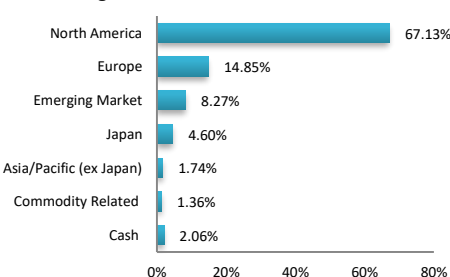
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Region Allocation\*



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

TREASURY(CPI) NOTE 0.5 (15/04/2024)	4.42
UMBS 30YR TBA	3.22
TREASURY NOTE 1.75 (15/11/2029)	3.20
MICROSOFT CORP	1.92
APPLE INC	1.80

\*As percentage of NAV

\*Source: Black Rock, 30 November 2019. Exposure in BlackRock Global Allocation Fund - 97.23%

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6634	0.6634	0.6634
Low	0.6521	0.5758	0.3903

Source: Lipper IM

#### FUND DETAILS

<b>Manager</b>	RHB Asset Management Sdn. Bhd.
<b>Trustee</b>	HSBC (Malaysia) Trustee Bhd
<b>Fund Category</b>	Feeder Fund
<b>Fund Type</b>	Growth Fund
<b>Launch Date</b>	27 March 2006
<b>Unit NAV</b>	RM0.6623
<b>Fund Size (million)</b>	RM26.58
<b>Units In Circulation (million)</b>	40.14
<b>Financial Year End</b>	31 August
<b>MER (as at 31 Aug 2019)</b>	0.43%
<b>Min. Initial Investment</b>	RM1,000.00
<b>Min. Additional Investment</b>	RM100.00
<b>Benchmark</b>	36% S&P 500(RM)+24% FTSE World(ex-US)(RM)+24% 5Yr US Treasury Note(RM)+16% Citigroup Non-USD World Govt Bond Index (RM)

##### Sales Charge

Up to 3.63% of investment amount\*

##### Redemption Charge

None

##### Annual Management Fee

1.80% p.a. of NAV\*

##### Annual Trustee Fee

Up to 0.07% p.a. of NAV\*

##### Distribution Policy

Annually, 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.

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### MANAGER'S COMMENTS

#### TARGET FUND'S MAIN PORTFOLIO CHANGES

- Global equity markets posted another month of positive returns, led by U.S. stocks which were supported by better than expected U.S. economic results, notably strong non-farm payrolls, rising consumer sentiment, and solid new home sales. In addition to this, the Target Fund Manager believes the ongoing liquidity provided in the overnight lending markets by the Federal Reserve will continue to support the global economy by taking pressure off of the U.S. dollar. While the Target Fund Manager acknowledges the deceleration of global growth, the Target Fund Manager believes accommodative monetary policy and a strong U.S. household sector will remain a supportive backdrop for risk assets through the remainder of 2019.
- The Target Fund remains overweight communication services with exposure focused on the cable and tower industries. During the month, the Target Fund Manager took profits in select telecom and tower companies that had performed well year to date.
- Further increased the Target Fund Manager's underweight to the energy sector given growing concerns over the fundamental supply-demand balance in energy markets. The Target Fund Manager still favor select storage & transport companies that have simplified their capital structures, reduced leverage, have limited exposure to commodity prices, and eliminated the need for equity to fund their growth plans.
- As noted above, the Target Fund Manager added to select high quality cyclical stocks, notably within select U.S. banks, as well as high quality chemical, transportation and home builder companies as a way to gain exposure to rate sensitive areas that sold off earlier in the year. The Target Fund Manager has added to companies that the Target Fund Manager believes can benefit from a stabilizing economy and do not require a sharp cyclical upturn as a catalyst.
- Overall underlying portfolio duration increased slightly over the past month to 2.1 years, versus its benchmark duration of 2.7 years. With the Fed on hold for the foreseeable future, the Target Fund Manager believes rates will remain range-bound and have been tactically adjusting duration accordingly. The majority of the Target Fund Manager's duration exposure is in U.S. Treasuries with a material underweight to fixed income in Europe and Japan. Within U.S. Treasuries, the majority of exposure remains at the front-end given the Target Fund Manager's expectation for an eventual steepening of the yield curve.
- With housing activity picking up and mortgage rates falling to very low levels, there has been a significant pickup in refinancing activity. Such activity tends to be negative for Agency MBS, as it makes future coupon streams (via monthly mortgage payments) more uncertain. The Target Fund Manager believes this uncertainty is peaking and is likely to subside and as a result initiated a position in forward-settling agency mortgage-backed securities (TBAs).
- Reduced exposure to IG credit due primarily to the material narrowing in spreads that high grade U.S. corporates have experienced in recent quarters as well as beginning to see signs of strain in lower rated regions in credit.
- The Target Fund Manager added exposure to 10-year Chinese government bonds based on attractive valuations relative to EM peers as well as the expectations for increased demand following the bonds being added to the Bloomberg Barclays Global Aggregate Index in 2020.
- The Target Fund Manager maintains a modest position in gold and gold-related securities. The Target Fund Manager believes gold can provide resiliency in the underlying portfolio, particularly as economic growth and inflation remain moderate and central banks continue to lean towards accommodation. In this environment, the Target Fund Manager believes any shocks to equities are likely to come from concerns over growth or geopolitics, both scenarios that would likely prove gold to be an effective hedge against equity risk.
- The Target Fund Manager hold a modest exposure to cash in the Target Fund as a diversifying asset class to help manage risk in the underlying portfolio. In addition to U.S. Treasury bills, the Target Fund Manager has exposure to short-term bills in Japan as a cost-efficient way to gain exposure to the Japanese yen.
- The Target Fund maintains a modest overweight to the U.S. dollar, largely at the expense of the euro, British pound, and Australian dollar, where growth expectations remain weak.

#### TARGET FUND'S POSITIONING

- Asset allocation (as % of net assets\*): Equity: 68%, fixed income: 29%, commodity-related: 1%, cash equivalents: 2%
- Within equities, the Target Fund Manager sees the best opportunities in high quality stocks. The Target Fund Manager is overweight U.S. and Chinese equities from a regional perspective and favor industries within the technology, communication services and consumer discretionary sectors. More recently, the Target Fund Manager has looked for opportunities to modestly increase exposure to select cyclical stocks that were attractively valued and positioned to benefit from a stabilization of economic growth. Within fixed income, the Target Fund Manager has been shifting their Treasury exposure toward the front-end of the yield curve. While the Target Fund Manager believes that rates are likely to remain range bound, the Target Fund Manager thinks that the recent injection of liquidity by the Fed is likely to keep the front end of the curve anchored, while the back end of the Treasury curve to drift modestly higher if risk assets continue to rally. In the search for high quality carry, the Target Fund Manager has recently added U.S. agency mortgages into the underlying portfolio as the Target Fund Manager believes refinancing risks have diminished substantially since long-term Treasury rates bottomed in August. Meanwhile, the Target Fund Manager has substantially reduced their exposure to U.S. Investment Grade bonds, as credit spreads have fallen considerably over the past several quarters and no longer offer attractive relative value.

\* All exposures are based on the economic value of securities and is adjusted for futures, options, and swaps (except with respect to fixed income securities) and convertible bonds. Numbers may not sum to 100% due to rounding.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 10 November 2019, the Volatility Factor (VF) for this fund is 6.4 and is classified as "Moderate". (source: Lipper) "Moderate" includes funds with VF that are above 6.5 but not more than 8.8 (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 management 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.