3-year Fund Volatility 6.0 Low
Lipper Analytics 10 DEC 2019

RHB MULTI ASSET REGULAR INCOME FUND

The Fund aims to provide regular income and medium to long term capital growth through a multi asset strategy.

INVESTOR PROFILE

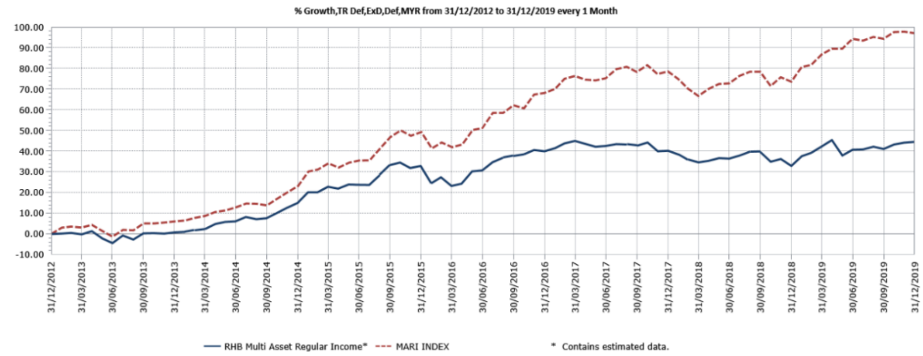
This Fund is suitable for investors who:
- seek regular income and capital growth over the medium to long term;
- are willing to accept moderate risk in their investments; and
- wish to benefit from investment exposure in the Asia and Asia Pacific (ex Japan) region.

INVESTMENT STRATEGY

- 65% - 98% of NAV: Investments in Asian (ex Japan) debt instruments/bonds, Asia Pacific (ex Japan) dividend equities and Asia Pacific (ex Japan) REITs.
- 2% - 35% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**0.27**	**2.45**	**2.72**	**8.76**
Benchmark	-0.38	1.39	1.40	13.51

	1 Year	3 Year	5 Year	Since Launch
Fund	**8.76**	**3.29**	**25.71**	**44.65**
Benchmark	13.51	17.18	59.99	97.03

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**8.76**	**-5.21**	**0.19**	**5.41**	**15.46**
Benchmark	13.51	-3.38	6.19	12.65	21.25

Source: Lipper IM

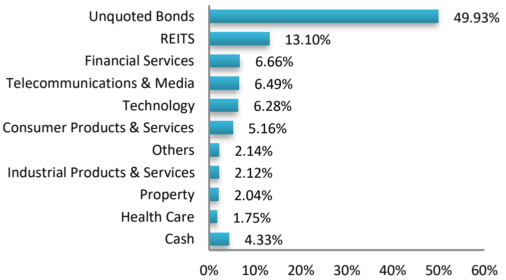
FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Mixed Asset Fund
Fund Type	Income and Growth Fund
Launch Date	07 December 2012
Unit NAV	RM0.5473
Fund Size (million)	RM23.73
Units In Circulation (million)	43.36
Financial Year End	31 January
MER (as at 31 Jan 2019)	2.03%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% JP Morgan Asia Credit Index TR Composite (RM) + 30% MSCI AC Asia Pacific ex Japan Index (RM) + 20% MSCI AC Asia Pacific ex Japan REITS Index (RM)
Sales Charge	Up to 5.00% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Distribution Policy	Quarterly, if any

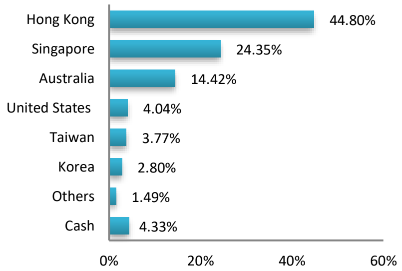
**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

CHINA AOYUAN GROUP 7.95 (19/02/2023)	5.47
BLUESTAR FIN HOLD 6.25%(07/11/2021)	5.44
GOODMAN GROUP	3.95
TNBMK 4.851% (01/11/2028)	3.86
PLNIJ 4.875% (17/07/2049)	3.73

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5534	0.5597	0.6266
Low	0.5427	0.5008	0.4636

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
29 Jan 2018	0.8500	1.57
26 Oct 2017	0.8500	1.52
20 Jul 2017	1.4500	2.54
23 May 2017	1.5000	2.54

Source: RHB Asset Management Sdn. Bhd.

3-year Fund Volatility
6.0
Low
Lipper Analytics
10 DEC 2019

RHB MULTI ASSET REGULAR INCOME FUND

The Fund aims to provide regular income and medium to long term capital growth through a multi asset strategy.

MANAGER'S COMMENTS

MARKET REVIEW

The market welcomed easier financial conditions and a détente of trade war tensions between the US and China, as global equities markets posted its fourth consecutive month of positive return, up 3.4% for the month of December after November's 2.3% gains. Within sectors, energy (5.1%), materials (5.0%) and information technology (4.8%) outperformed. On the other side, industrial (1.3%), real estate (1.8%), consumer staples (2.0%) and communication services (2.8%) underperformed. Within regions, Asia ex-Japan (6.4%), UK (5.0%) and Europe (3.9%) outperformed, while US (2.8%) and Japan (2.0%) underperformed.

The Federal Reserve began the purchase of Treasury bills at the rate of USD60 billion per month in mid-October and will look to purchase bills at least into the second quarter of 2020. In addition, repo operations - term operations of at least USD35 billion twice per week and overnight operations of at least USD75 billion - will continue at least until January. The FOMC kept the target range unchanged at 1.5% - 1.755% at its December meeting. The meeting went largely as expected, as the Committee expressed less concerns over "uncertainties" and indicated that the current stance of monetary policy is appropriate. The dot plot signals a rate hold through 2020, and one hike in each of 2021 and 2022, and an unchanged neutral rate of 2.5%. Fed Chair Powell remained dovish during his press conference. The FOMC is scheduled to conclude its policy framework review around mid-2020, where the adoption of some form of average inflation targeting the most likely outcome points to a more dovish stance.

The European Central Bank (ECB) also resumed its QE program with net purchases of government and corporate debt at a monthly pace of EUR20 billion since 1 November set a footing for Christine Lagarde, who took up her duties as the president of the ECB on the same day. European growth is expected to pick up gradually in 2020, driven by stabilization in the manufacturing sector, modest fiscal impulse, and a resolution of Brexit uncertainties.

On trade war front, the "Phase 1" agreement - where China would increase purchase of US agricultural products, strengthen intellectual property provisions, and issue new guidelines on how it manages its currency – is scheduled for signing on 15 January. In December, the trade ministers of China, Japan and South Korea agreed to work towards a regional trade pact and putting a positive front to the Japan-Korea tensions. Other receded external tension include the final iterations of the USMCA ratification, as well as the outcome of a Brexit deal in its January deadline after the UK election.

The Bank of Japan is likely to keep its monetary policy unchanged after the recently announced fiscal stimulus package and the receding external risk factors. The Japanese government approved a large economic package on 5 December, with total fiscal spending of JPY9.4 trillion included in its FY2019 supplementary budget and FY2020 budget. The December Tankan survey also showed non-manufacturing sectors holding in, even as manufacturers' sentiment slipped. China's interest rate reform took another solid step forward, as the PBOC guided commercial banks to convert old benchmark lending rates into LPR for the existing and new loan books, along with the well expected 50bp RRR cut.

Korea and Taiwan outperformed, with gains supported by gains in the Technology sector. 5G infrastructure build which consequently boost technology upgrade cycle led to strong rally in Tech stocks. Commodity technology sector components such as DRAM and passive equipment also gained. While Australia underperformed the region, the Australian dollar was however the best performing currency in December, as the AUD rallied on improving global growth sentiment and rising bond yields. India underperformed as the RBI unexpectedly kept rates on hold at 5.15%. The government announced a US$1.4 trillion National Infrastructure investments over the next 5 years, doubling spending over the previous 5 years

Asian USD bonds closed the last month on the year on positive note. Broad USD Asian bond market was up +0.34% in December. For the full year 2019, Asian bonds returned 11.34% with Asian high yield bonds up 12.76%, slightly outperforming the investment grade bonds at 10.98%. Best performing sector was the Asian investment grade sovereign bonds at 16%, followed by Asian real estate at 15.35%.

MARKET OUTLOOK & STATEGY

We did not change our bond holdings in December and our bond holdings in the portfolio continued to outperform the general Asian bond market in December.

In the equities space, value add came from Information Technology names, Communication Services, and Consumer Discretionary names. The technology sector rallied on the positive progress over the trade war front as the US and China agreed to a "Phase I" agreement. In particular, our overweight exposure to 5G-related names, including semiconductors and tower-related names, benefitted from burgeoning theme. Meanwhile, Apple supply chain beneficiaries continue to ride on the increasing expectations on Airpod and iPhone sales, hence adding positive value to the fund. In the internet space, we saw an overall rally by the sector as well on improved sentiments and positive trade war development. Specifically, ecommerce rallied on sales event, demand for cloud services and integration of systems supported cloud-related companies, and advertising segment has started to see some turnaround going into 2020. In the real estate space, our overweight position to mid-tier Chinese developers added value to our portfolio on improving sales volume but was slightly dragged by the poor performance in the Australian real estate names. Reits performance were mixed during the month of December due to their hefty valuations and the market's gradual shift toward a risk-on stance, but saw some positive value add on stock selection effect particularly in the Singapore retail space. However, we saw value detractions stemming from our exposure in the healthcare segment due to some profit taking activities. Elsewhere, we added to some financial names during the month on attractive valuations, as well as copper-related names on improving structural trends.

We continue to adopt a dynamic allocation strategy and rigorous stock selection process to stay invested in names that we believed are backed by strong fundamental. We have gradually shift towards a more risk-on stance on improving macro conditions and trade war situation. However, we will opportunistically add to stocks with attractive valuations and have visible positive structural trends.