

### RHB SMART TREASURE FUND

The Fund aims to achieve long term\* capital appreciation through investments in companies with high growth potential.

Note: \*"long term" in this context refers to a period of between 5 - 7 years.

#### INVESTMENT STRATEGY

- 70% - 95% of NAV: Investments in securities of companies with high growth potential. The Fund may also invest up to 20% of its NAV in Asia ex-Japan markets.
- The balance of NAV: Investments in liquid assets including money market instruments, deposits and collective investment schemes investing in money market instruments and deposits.

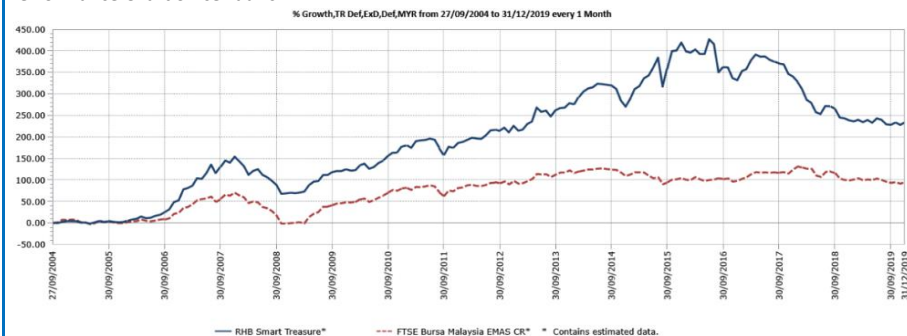
#### INVESTOR PROFILE

This Fund is suitable for investors who:

- are aggressive; and
- willing to accept high risk in order to obtain high capital growth over a long term period.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
Fund	1.88	1.81	-2.59	-1.30
Benchmark	2.08	1.07	-3.89	-1.77

	1 Year	3 Years	5 Years	Since Launch
Fund	-1.30	-22.53	-9.79	234.34
Benchmark	-1.77	-1.25	-6.16	95.99

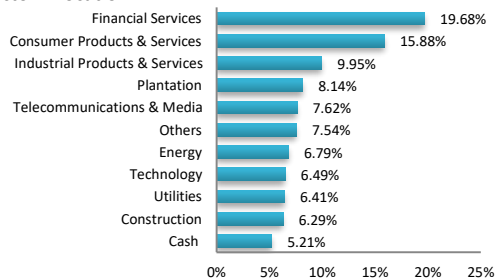
##### Calendar Year Performance (%)\*

	2019	2018	2017	2016	2015
Fund	-1.30	-22.99	1.92	-16.84	40.04
Benchmark	-1.77	-10.93	12.87	-2.77	-2.26

Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



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

MALAYAN BANKING BHD	6.84
TENAGA NASIONAL BHD	6.41
PUBLIC BANK BHD	6.02
GENTING BHD	3.82
IOI CORP BHD	3.68

\*As percentage of NAV

#### FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Aggressive Growth Fund
Launch Date	07 September 2004
Unit NAV	RM0.3948
Fund Size (million)	RM96.76
Units In Circulation (million)	245.12
Financial Year End	31 March
MER (as at 31 Mar 2019)	1.60%
Min. Initial Investment	RM200.00
Min. Additional Investment	Any amount
Benchmark	FBM EMAS Index
Sales Charge	Up to 5.26% of investment amount*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.07% p.a. of NAV*
Switching Fee	None/ RM25.00 per switch* where applicable
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.

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3990	0.4116	1.0232
Low	0.3869	0.3835	0.3835

Source: Lipper IM

##### Historical Distributions (Net)

	Distribution (sen)	Yield (%)
Mar 2019	-	-
Mar 2018	-	-
22 Mar 2017	2.0000	3.45
28 Mar 2016	6.6400	10.29
15 Apr 2015	6.4000	10.37

Source: RHB Asset Management Sdn. Bhd.

**RHB SMART TREASURE FUND**

This Fund aims to achieve long term capital appreciation through investments in a portfolio comprising subscriptions for Initial Public Offerings (“IPO”), low priced securities, medium priced securities and the top 50 listed stocks of the BMSB (in terms of market capitalization) that amongst other things, offer high growth potential.

**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 (Fed) 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 The Organization of the Petroleum Exporting Countries (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 5.7 million barrels per day (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.

The FBM KLCI rose 1.7% MoM (or 27 points) to close at 1,588 points at end December 2019. As a result, the benchmark index narrowed its 2019 losses to 6%. The FBM KLCI rose steadily in December 2019 and peaked at 1,615 points on 30 December. However, it succumbed to profit-taking and lost 26.9 points on the last trading day to close at 1,588.7 points. Against regional/global peers, Malaysia was the worst-performing Asian market. Through 2019, heavyweights Public Bank and PChem accounted for the decline while MISC was the top performer by far. Foreigners net sold RM1.22bn worth of equities in December 2019, bringing 2019 net sell to RM11.14bn.

**MARKET OUTLOOK AND STRATEGY**

On the local front, the key events to watch out for are how the new minimum wage and smoking ban will impact consumption patterns, Monetary Policy Committee (MPC) meeting on 22 January to decide on OPR rate and update on government plans to acquire highway concessionaires and toll roads. On the external front, investors will be following up on the Fed policy meeting on 29 January 2020, signing of US-China Phase one trade deal on 15 January 2020 and Brexit day on 31 January 2020.

Malaysian equities are set for a better year in 2020 with the resumption of earnings growth after a 2-year hiatus thanks firstly, to subsiding external risks; secondly, to recovering commodity prices; thirdly, to the anticipated revival of mega infrastructure projects and finally, to the positive impact of trade diversion on investments and exports.

We are overweight on oil & gas and plantation sectors as we believe these two sectors will continue to offer growth and are still in early stage. The latter being that CPO prices rose to above RM3000 pmt and this will help drive earnings growth for 2020 among the planters.

**DISCLAIMER:**

Based on the fund’s portfolio returns as at 10 December 2019, the Volatility Factor (VF) for this fund is 9.5 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 15 June 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 risk of the Fund are currency risk and country risk. This risk 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.