3-year Fund Volatility 12.0 very high
Lipper Analytics 10 JAN 2020

RHB ASIA CONSUMER FUND

This Fund aims to achieve capital appreciation through investment in equities or equity-related securities of Asian (excluding Japanese) companies whose businesses are likely to benefit from or are related to growth in consumer spending in Asia.

INVESTOR PROFILE

This Fund is suitable for investors who:

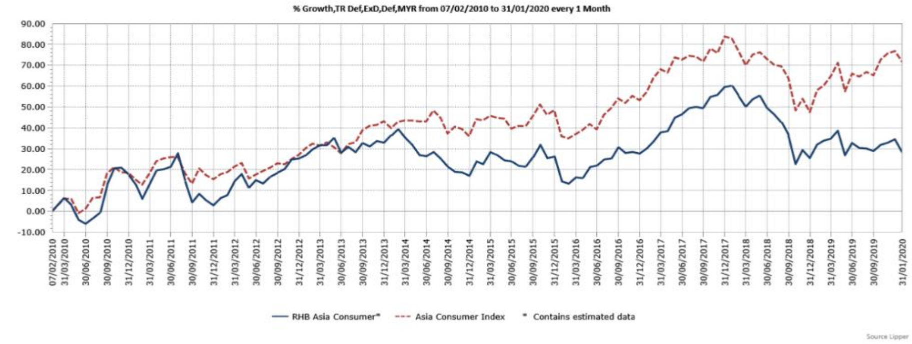
- seek investment opportunities in companies whose businesses are likely to benefit from or related to growth in consumer spending in Asia;
- seek capital appreciation rather than income; and
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Asia Consumer Fund.
- 2% - 5% 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	**-4.66**	**-2.72**	**-1.62**	**-4.66**
Benchmark	-2.94	-0.68	4.28	-2.94

	1 Year	3 Years	5 Years	Since Launch
Fund	**-2.77**	**-1.53**	**3.45**	**28.19**
Benchmark	8.55	9.09	19.01	71.59

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**7.17**	**-21.33**	**24.89**	**1.15**	**7.86**
Benchmark	19.80	-19.72	19.95	3.21	9.17

Source: Lipper IM

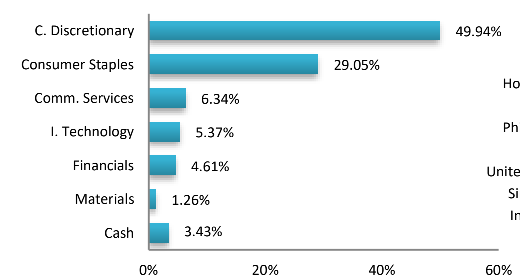
FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	18 January 2010
Unit NAV	RM0.4605
Fund Size (million)	RM4.59
Units In Circulation (million)	9.97
Financial Year End	31 July
MER (as at 31 July 2019)	0.70%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% MSCI AC Asia ex Japan Consumer Discretionary Index (RM)+50% MSCI AC Asia ex Japan Consumer Staples Index(RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a min. of RM18,000 p.a.*
Distribution Policy	None

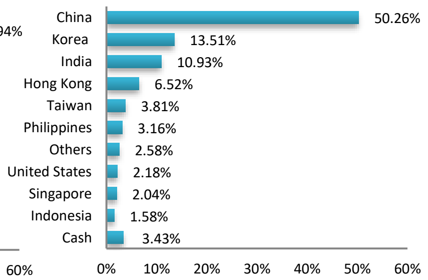
**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management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

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALIBABA GROUP HOLDING LTD	23.63
HINDUSTAN UNILEVER LTD	6.94
TENCENT HOLDINGS LTD	4.68
GALAXY ENTERTAINMENT GROUP LTD	3.73
INNER MONGOLIA YILI INDUSTRIAL	3.51

**As percentage of NAV*
**Source: UOBAM, 31 January 2020. Exposure in United Asia Consumer Fund - 97.76%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5009	0.5243	0.6451
Low	0.4605	0.4477	0.4476

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
25 Jul 2019	1.6000	3.26
20 Jul 2018	-	-
20 Jul 2017	5.2000	9.56
31 Jul 2016	-	-
31 Jul 2015	-	-

Source: RHB Asset Management Sdn. Bhd.

RHB Asset Management

FUND FACTSHEET – FEBRUARY 2020

All data expressed as at 31 January 2020 unless otherwise stated

3-year Fund Volatility
12.0
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10 JAN 2020

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MANAGER'S COMMENTS

MARKET REVIEW

MSCI Asia ex Japan fell 3% in January, underperforming MSCI AC World which was up marginally 0.4%. Global equities started the year strong on positive economic data and signing of the US-China Phase I trade deal. But in the second half of January, equities slumped and bonds rallied on heightened concerns that the spread of the coronavirus will slam global economic growth. Defensive sectors were the best performing sectors; while Resources and other cyclicals scaled down as bond yields dropped. China, HK and Taiwan markets were closed due to Lunar New Year holidays in the last week of January. Asia ex Japan earnings EPS was revised down by approximately 2% over the last month.

Most Asia ex-Japan currencies finished lower in January. Dollar was up by 1.0% on upbeat economic data, signing of the US-China Phase I deal and easing geopolitical tensions between the US and Iran. THB (-4.8%), AUD (-4.7%) and KRW (-3.4%) were the worst performing currencies this month. On the contrary, the Chinese Yuan gained 0.8% over the month.

Energy saw an extremely tough month with both WTI crude and Brent down by approximately 15%. That was the biggest monthly percentage decline for crude since May of last year. OPEC oil output fell to multi-year lows as Saudi and other exporting countries agreed to increase the supply cut by 500,000bpd from Jan this year. Despite the decrease in supply, crude prices dropped on concern that the coronavirus outbreak could cut China's oil demand. Risk-off sentiment took its toll on commodities, with the S&P Industrial metals index down by 7.0% over the month. China-related demand unease saw iron ore drop to $86.20 (-6.2%). Precious metals were up. Gold prices rallied by 4.7% supported by fall in risky assets amidst increasing market uncertainty.

MSCI China fell 3.4% M/M. Growing concerns over the virus outbreak weighed on market sentiment. In terms of sectors, healthcare (major beneficiaries due to higher drug and healthcare service demand) and utilities (defensive plays) were the top outperforming sectors. IT and communication services, which are relatively less impacted by the coronavirus outbreak, continue to outperform. On the contrary, energy and materials were the major laggards on the fears of a demand shock, for which Brent price was down 15% since early January to below USD60/bbl currently. Industrials and consumer discretionary also underperformed, mainly dragged by the airline, transportation and leisure/hotel companies which are expected to be severely impacted.

MSCI Korea plummeted -4.6% from recent highs as the global equity market was hit with the new coronavirus. Amongst regional indices, Korea was one of the more heavily impacted, with the MSCI Korea underperforming both MSCI APxJ and MSCI Emerging Market by -2%p/-1%p, respectively. While IT and communication services were relatively well-off even during the virus breakout, most sectors were heavily affected, with the most notable being Financials and Energy. The coronavirus affected both large and mid/small-sized companies, and all Korean indices underperformed.

MSCI Taiwan fell 3.6%, wiping out December gains amid a month of heavy news-flow. Markets plunged after a week's break over Lunar new year, catching up to the decline in regional equities due to concerns about the coronavirus epidemic. President Tsai Ing-Wen was re-elected for a second term on the 11th of January. Positive EPS revisions continued with 2020E EPS up 1.3%. MSCI Taiwan valuations continued to trade at high valuations the 12m forward PE multiple closing at 16.2x. The Tech sector led the way down while all sectors finished lower. Weak sell-through indicators for 5G smartphones in China, speculated order cuts from Huawei, and risk of tighter restrictions on Huawei by the US further weighed on sentiment.

MSCI India was up 0.2% in January, notably outperforming emerging market and Asian indices. Indian equities were resilient despite the coronavirus outbreak and were down only 1% in local currency in January, albeit a volatile month. The Indian rupee (INR) was flat over the month despite the strong US dollar and outperformed other emerging market currencies. Mid and small-cap indices outperformed large-cap index. FIIs recorded net inflows of US$2.0bn in Indian equities in January, marking the fifth consecutive month of net buying of Indian equities. Communication Services, Consumer Staples and Industrials were the best performing sectors, while Energy, Consumer Discretionary and Utilities were laggards.

Among South East Asian countries, Thailand and Philippines underperformed broader markets significantly, while Indonesia and Singapore held up better.

MARKET OUTLOOK AND STRATEGY

2020 started off on a good note with US China phase 1 trade deal and signs of economic stabilization after a past year with the global economy on the brink of industrial recession, escalating US-China trade tensions and Brexit fears. However, the Novel Coravirus arrived in mid January to spoil the party and sent the Asian markets reeling.

The spread of the outbreak has continued to be aggressive over the Chinese New year holiday week and markets have continued to decline. The Target Fund Manager's investment views remain similar. The Target Fund Manager's base case is that similar to other virus outbreaks, the Target Fund Manager believes it is likely that the number of cases resulting from the virus will taper off over the coming months. As the weather warms, the prevention actions are likely to have more success and a breakthrough in the vaccine may become more prevalent. When the outbreak tapers off, there are likely to be market opportunities, but before then it is still likely that the number of cases and the anxiety over the virus gets worse before it gets better.

The Target Fund Manager still see to continue being optimistic on the Asian markets' prospects in 2020, despite the large impact on growth and earnings due to the disruption from the virus outbreak. The Target Fund Manager views that if the virus cases start to decline, all the economic and profit effects will be viewed as transitory. Businesses will be valued on future earnings ability and the weak earnings from quarter will be discounted.

Certain consumer stocks are hit more in the short term like those in the Food and beverages sector, casinos (especially in Macau) and tourism related industries such as cosmetics and duty free shops such as those in Korea. Those that has done relatively well are companies such as e-commerce players, home delivery companies and mobile/PC gaming companies as people avoid going out unnecessarily and stay at home for safety and entertainment. The Target Fund Manager believes that any disruption in share prices over this period should be transitory and the Target Fund Manager will be using this opportunity to position in stocks that are likely to do well in the long term.