

RHB ENTREPRENEUR FUND

The Fund aims to achieve long term capital appreciation through investments in securities of companies that possess entrepreneurial characteristics as determined by the Manager.

INVESTOR PROFILE

This Fund is suitable for Investors who:

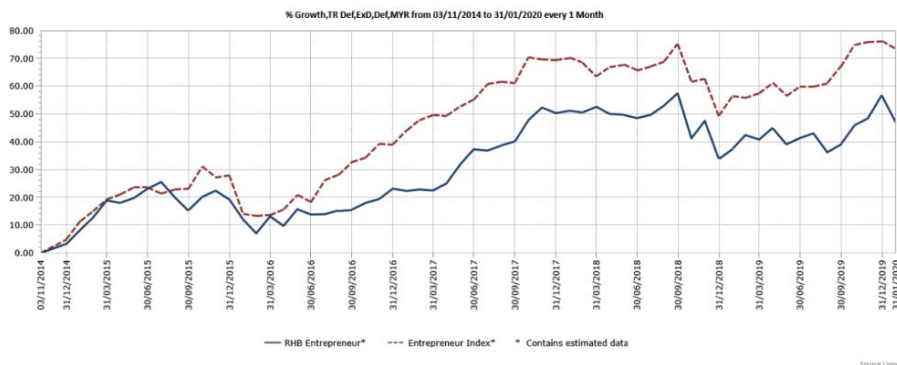
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in securities of companies that are listed on the stock exchanges of Japan and other Asian markets.
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and Deposits.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-6.16	0.83	2.85	-6.16
Benchmark	-1.70	-1.00	8.32	-1.70

	1 Year	3 Years	5 Years	Since Launch
Fund	7.00	20.28	35.73	47.10
Benchmark	10.68	20.17	55.34	73.17

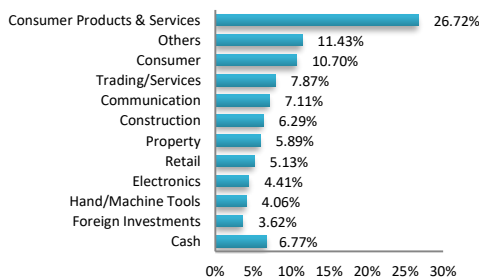
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	17.10	-10.93	22.08	3.41	15.25
Benchmark	18.04	-11.90	21.92	8.59	21.99

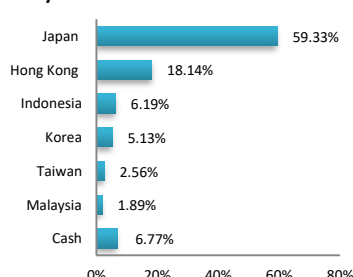
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SOFTBANK GROUP	7.11
TENCENT HOLDINGS LTD	6.84
MAEDA KOSEN CO LTD	5.82
FUJI SEAL INTERNATIONAL	5.80
HOTEL SHILLA CO LTD	5.13

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5841	0.5841	0.7345
Low	0.5346	0.5261	0.4942

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
29 Oct 2019	4.5000	8.11
25 Oct 2018	7.0000	10.48
26 Oct 2017	8.0000	13.47
31 Oct 2016	-	-
31 Oct 2015	-	-

Source: RHB Asset Management Sdn. Bhd.

RHB ENTREPRENEUR FUND

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MANAGER'S COMMENTS

MARKET REVIEW

Investor sentiment on global equities was riding high in the beginning of January 2020 before falling prey to the Coronavirus-induced pneumonia outbreak in Wuhan, China. Global equities lost 3.6% in the last two weeks to end the month of Jan 2020 down 1.2%, as the risk of contagion from the potential epidemic threatens to derail the recovery in global growth. Investors sought refuge in safe havens such as Gold (4.7%) and US Treasuries (10-year yields down from 1.9% to 1.5%), leading to a sell-off in risky assets. Commodities, too, suffered from concerns over the potential return of global growth slowdown, with Brent crude oil tumbling 11.9%, copper 9.8% and aluminium 4.9%.

Asia ex-Japan fell 4.5% in January 2020. China/Hong Kong declined 4.8%/4.5% as the optimism around the Phase I trade deal was overshadowed by the grim reality of the corona virus that has claimed more than 400 lives till date. The central bank has been easing liquidity conditions in the system to support the financial markets as well as the real economy. Export-oriented countries such as Taiwan (-4.7%) and Korea (-5.3%), which depend heavily on global growth, were collateral damages, while India (-0.8%) was relatively more immune to the sell-off. ASEAN (-5.2%) was dragged down by Thailand (-8.6%) and the Philippines (-8.0%), two of the popular tourist destinations in the region. Malaysia (-4.0%) had a 25bp rate cut.

The TOPIX and the Nikkei Stock Average fell 2.14% and 1.91% respectively in Jan 20. Japanese equities sank sharply at the start of the year amid mounting geopolitical risk after the US military's killing of a top Iranian general, but bounced back once President Donald Trump backed away from threats to launch further attacks. Markets headed south later in the month as the spread of the new coronavirus through China, alongside a number of cases in Japan, pushed investors into risk-avoidance mode. In Japan, best performing sectors were real estate, security & commodity futures, and other financials; worst performers, meanwhile, included marine transportation, mining, and nonferrous metals, all hit by coronavirus fears.

MARKET OUTLOOK AND STRATEGY

Corona virus will have a short term impact on regional GDP growth. The stricter quarantines and travel bans issued now will likely hurt consumer and traveler sentiment more than did the efforts to counter SARS. Asian economies entered this crisis with much less momentum than during SARS, and we see a risk that macro weakness could persist even after the Corona virus recedes. Hong Kong, Singapore, Thailand and China are the most vulnerable. Indonesia and India the least vulnerable. Among sectors, the virus should not greatly affect global Information Technology demand and could help Internet names with e-commerce businesses.

We expect Japanese markets to edge up in February 2020. The stimulus package announced in December 19 means that domestic demand names should lead a continued gentle recovery, notwithstanding a continued dip in household consumption after last October's VAT hike. Overseas, meanwhile, the coronavirus epidemic threatens to interrupt supply chains in the event of factory shutdowns in China, but robust measures directed by Beijing look sufficient to quell concerns of a major recession for the time being.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 January 2020, the Volatility Factor (VF) for this fund is 12.4 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are more than 11.1 (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 31 December 2019 which is calculated once every six months and is valid until its next calculation date, i.e. 30 June 2020.

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 6 October 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 particular security risk, regional 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.

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