

RHB GROWTH AND INCOME FOCUS TRUST

This Fund aims to achieve maximum total returns through a combination of long term growth of capital and current income.

INVESTOR PROFILE

This Fund is suitable for Investors who:

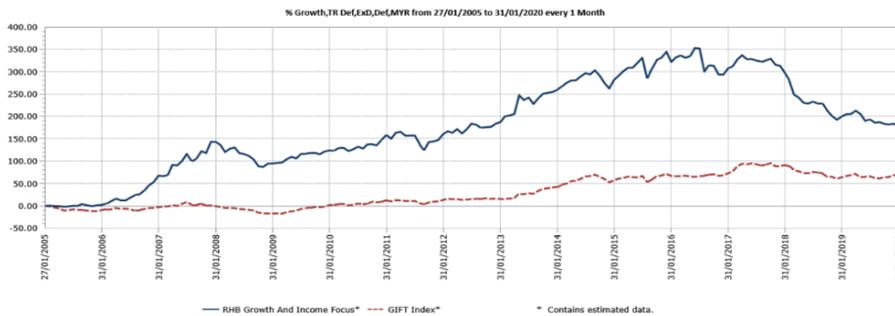
- seek long term capital appreciation through investments in high growth potential small cap securities whilst requiring the flexibility of a conservative portfolio of fixed income securities in order to capitalise and adapt to prevailing market conditions; and
- are willing to accept slightly higher risk in their investments than that normally associated with a general balanced fund in order to achieve long term capital growth and income.

INVESTMENT STRATEGY

- 30% - 70% of NAV: Investments in securities of companies with market capitalization of not more than RM750 million ("small cap securities").
- 30% - 70% of NAV: Investments in fixed income securities, money market instruments, cash and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-2.83	-2.65	-6.02	-2.83
Benchmark	-1.84	1.03	-0.35	-1.84

	1 Year	3 Years	5 Years	Since Launch
Fund	-8.13	-32.28	-27.72	175.83
Benchmark	1.19	-3.82	5.99	66.31

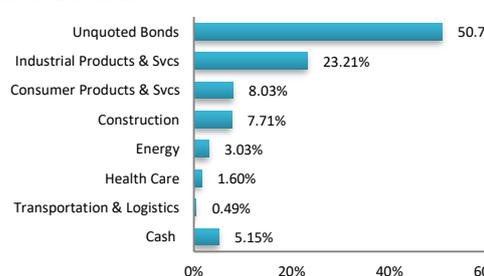
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	-3.04	-29.12	5.08	-11.62	22.73
Benchmark	5.33	-14.77	12.19	-1.96	12.80

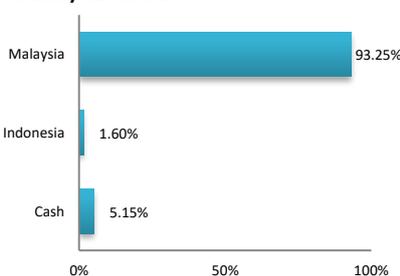
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

MEX II SDN BHD 5.7% (29/04/2027)	16.11
BRIGHT FOCUS BHD 2.5% (24/01/2030)	14.74
GENM CAPITAL BHD 4.98% (31/03/2027)	5.28
MUAMALAT IMTN 5.50% (25/11/2021)	4.19
GABUNGAN AQRS BHD	3.79

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.2674	0.2932	0.9179
Low	0.2576	0.2576	0.2576

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
Dec 2019	-	-
20 Dec 2018	1.0000	3.02
20 Dec 2017	4.5000	9.89
Dec 2016	-	-
16 Dec 2015	2.0500	4.27

Source: RHB Asset Management Sdn. Bhd.

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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 January 2020 down 1.2%, as the risk of contagion from the potential epidemic threatens to derail the recovery in global growth. 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 Chinese central bank has been easing liquidity conditions in the system to support the financial markets as well as the real economy.

While the benchmark FBM KLCI index did have a boost at the start of the year, it all went downhill from the second week onwards when the news broke out on Iran hitting a US military base in Iraq in retaliation against US forces for the killing of general Qasem Soleimani in Baghdad on 3 January 2020. The index hasn't really looked back since with major global news headlines focusing on anything and everything relating to the coronavirus. In line with the global risk off sentiment, the FBM KLCI closed -3.6% for the month of January 2020.

MARKET OUTLOOK AND STRATEGY

Novel 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 situation with much less momentum than during SARS, and we see a risk that macro weakness could persist even after the novel Corona virus recedes.

In terms of strategy, the domestic equity market will continue to adjust to external developments especially on the novel corona virus outbreak, global trade tensions, US interest rate movement and domestically on the government's new policies and actions. However, with the gradual revival of earnings growth, undemanding valuation and subsiding foreign selling flows, the market will gradually perform. We will focus on stocks with good earnings growth potential and accumulating good quality stocks during weakness to benefit the fund in the longer term.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 January 2020, the Volatility Factor (VF) for this fund is 9.2 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 8.8 but not 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 3 August 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 for the Fund are liquidity risk of underlying investments, interest rate risk, credit/default risk, inflation/purchasing power risk, market risk and particular securities 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.