

RHB ISLAMIC REGIONAL BALANCED FUND - USD CLASS

The Fund aims to provide regular income* and capital growth over the medium to long-term** from a diversified portfolio of Shariah-compliant investments.

Note: * Income is in the form of Units. Please refer to the Fund's distribution mode.

** "medium to long-term" in this context refers to a period of three (3) years or more.

INVESTOR PROFILE

This Fund is suitable for investors who:

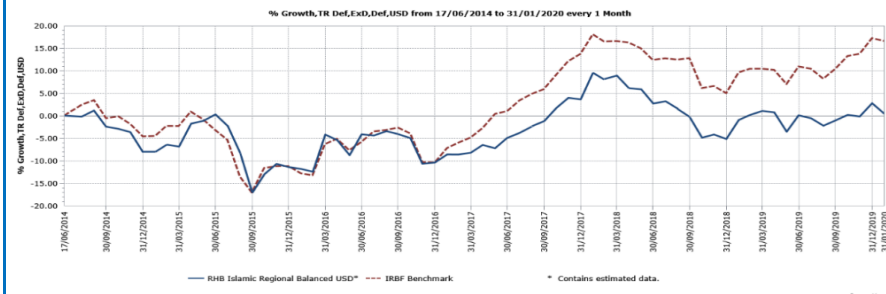
- want to have a balanced portfolio that provides both income and capital growth, and at the same time complies with the principles of Shariah; and
- are willing to accept moderate risk in their investments.

INVESTMENT STRATEGY

- At least 40% and up to 60% of NAV: Investments in Shariah-compliant equities.
- At least 40% and up to 60% of NAV: Investments in non-equity Shariah-compliant investments.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



RHB Islamic Regional Balanced Fund ("IRBF") Benchmark : Following the change in Shariah screening methodology of the Fund from a combination of screening methodologies to a single FTSE Shariah screening methodology effective from 3 December 2017, the performance of this Fund is benchmarked against a composite benchmark comprising 50% RAM QuantShop GII (medium term) Index and 50% FTSE Shariah Developed Asia Pacific Index. Prior to 3 December 2017, the performance of this Fund is benchmarked against a composite benchmark comprising 50% RAM QuantShop GII (medium term) Index and 50% Dow Jones Islamic Market Asia Pacific Index.

Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-2.31	0.21	0.98	-2.31
Benchmark	-0.53	2.93	5.57	-0.53

	1 Year	3 Years	5 Years	Since Launch
Fund	1.36	9.81	9.21	0.44
Benchmark	6.35	25.60	22.08	16.59

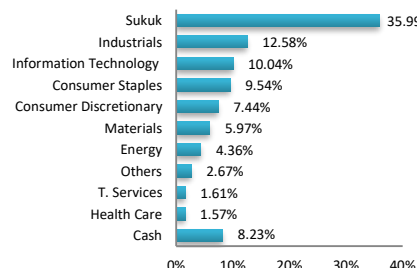
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	8.36	-8.44	15.58	1.11	-3.58
Benchmark	11.60	-7.65	26.92	0.88	-6.90

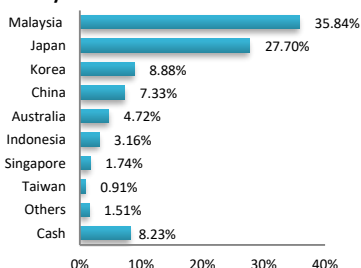
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SAMSUNG ELECTRONICS	3.96
WCT IMTN** 6.000% (27/09/2119)	2.84
YTL POWER IMTN** 5.050% (03/05/2027)	2.75
MUAMALAT IMTN** 5.500% (25/11/2021)	2.42
NIDEC	2.26

*As percentage of NAV, ** IMTN: Islamic Medium Term Note

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0421	1.0421	1.1106
Low	1.0044	0.9601	0.8295

Source: Lipper IM

FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Balanced fund (Shariah-compliant)
Fund Type	Income and growth
RM Class Launch Date	08 April 2014
USD Class Launch Date	17 June 2014
Domicile	Malaysia
Base Currency	Malaysian Ringgit (RM)
Unit NAV	USD 1.0044
Fund Size (million)	USD 0.59
Units In Circulation (million)	0.58
Financial Year End	30 April
MER (as at 30 Apr 2019)	2.01%
Min. Initial Investment	USD 1,000.00
Min. Additional Investment	USD 100.00
Benchmark	50% RAM QuantShop GII (medium term) Index + 50% FTSE Shariah Developed Asia Pacific Index
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 0.06% p.a. of NAV, subject to a min. of RM18,000p.a.*
Switching Fee	USD 10.00 per switch*
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.



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MANAGER’S COMMENTS

MARKET OUTLOOK AND STRATEGY

Equity

Corona virus will have a short-term impact on regional Growth Domestic Product (GDP) growth. The stricter quarantines and travel bans issued now will likely hurt consumer and traveler sentiment more than did the efforts to counter Severe Acute Respiratory Syndrome (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.

Over a longer-term horizon, we maintain our optimistic view on the equity market. In terms of country allocation, we have preference to Japan and Hong Kong. As for sectors, we stay invested in technology sector and remain constructive on commodities and plantation sector.

Sukuk

The International Monetary Fund (IMF) trimmed back its 2020 global growth forecasts due to sharper-than-expected slowdowns in India and other emerging markets but said a US-China trade deal was another sign that trade and manufacturing activity may soon bottom out. The IMF said global growth would reach 3.3% in 2020, compared to 2.9% in 2019, which was the slowest pace since the financial crisis a decade ago. Estimates for both years were cut by 0.1% from forecasts made in October. Growth will improve slightly to 3.4% in 2021, but that estimate, too, was cut by 0.2% from its October outlook.

On the domestic front, Malaysia’s domestic growth prospect will continue to be anchored by domestic demand, coupled with improvement in private investments. However, domestic demand is expected to dampen amidst the current coronavirus scare which has already stoke fears of slowing global growth particularly due to the fast spreading virus which is likely to cause a prolonged disruption to China’s economic activities that represent a third of the global growth and our biggest trade partner.

Other key risk area of focus is the FTSE Russell’s review in March 2020. Recent market liberalization measures introduced by the central bank and acknowledgment by the index provider shows good progress as efforts to maintain Malaysia’s continued inclusion in the World Government Bond Index (WGBI). Liquidity was addressed as the key parameter for continued inclusion of Malaysian Government Securities (MGS) in accordance to the index provider.

We remain positioned to opportunistically trade in government securities and corporate sukuk for total return.

DISCLAIMER:

Based on the fund’s portfolio returns as at 10 January 2020, the Volatility Factor (VF) for this fund is 7.8 and is classified as “Moderate”. (source: Lipper) “Moderate” includes funds with VF that are above 6.1 but not more than 8.8 (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 Prospectus dated 3 November 2017 and its supplementary(ies) (if any) (“the Prospectus”) before investing. The 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 Prospectus relates will only be made on receipt of a form of application referred to in the Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks for the Fund are equity risk, currency risk, country risk, interest rate risk, liquidity risk, regulatory risk, credit downgrade and credit/default risk, reclassification of shariah status risk, market risk in emerging and less developed markets, unrated securities risk and risk of use of rating agencies. These risks and other general risks are elaborated in the 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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