

RHB SMALL CAP OPPORTUNITY UNIT TRUST

The Fund aims to achieve long term* capital growth by investing in small capitalisation companies.

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

INVESTOR PROFILE

This Fund is suitable for Investors who:

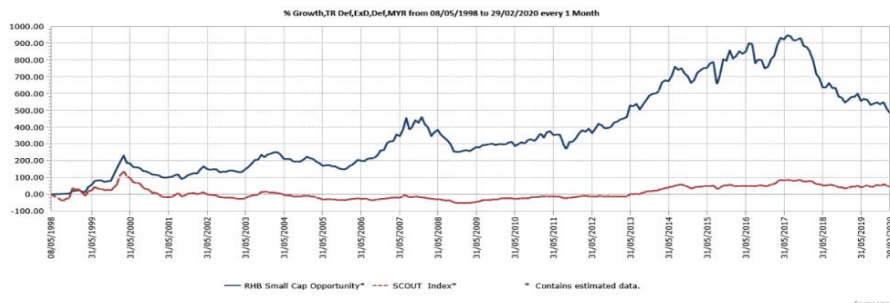
- are fairly aggressive investors; and
- are willing to accept higher risk in order to obtain higher growth of their capital over a long term period.

INVESTMENT STRATEGY

- 70% - 95% of NAV: Investments in securities of small capitalisation companies; and
- The balance of NAV: Investments in liquid assets including money market instruments, deposits and collective investment schemes investing in money market instruments and deposits.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Benchmark: Effective from 12 April 2019, the performance of this Fund is benchmarked against the FBM Small Cap Index. Prior to 12 April 2019, the performance of the Fund is benchmarked against the FBM Fledgling Index.

Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-4.19	-8.09	-7.63	-10.06
Benchmark	-4.05	-4.63	-1.09	-10.08

	1 Year	3 Years	5 Years	Since Launch
Fund	-13.83	-36.79	-28.91	484.19
Benchmark	0.38	-11.22	-0.46	43.88

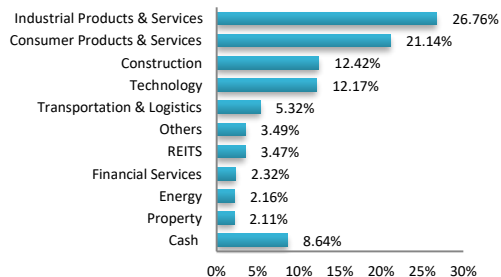
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	0.58	-33.76	13.44	-10.09	25.39
Benchmark	18.25	-23.34	17.05	-4.54	18.18

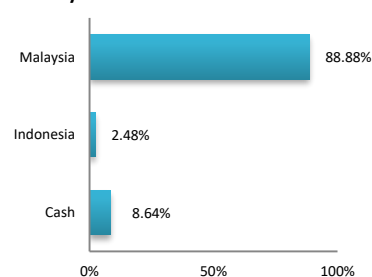
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

GLOBETRONICS TECHNOLOGY BHD	3.71
MMC CORP BHD	3.59
AMANAHRAYA REITS	3.47
COCOALAND HOLDINGS BHD	3.34
UCHI TECHNOLOGIES BHD	3.13

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5992	0.6740	1.3063
Low	0.5581	0.5581	0.5291

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
Dec 2019	-	-
Dec 2018	-	-
20 Dec 2017	8.1000	7.80
28 Dec 2016	9.6000	8.99
16 Dec 2015	14.1500	12.83

Source: RHB Asset Management Sdn. Bhd.

RHB SMALL CAP OPPORTUNITY UNIT TRUST

This Fund aims to achieve long term capital appreciation through investments in companies with market capitalisation of not more than RM750 million.

MANAGER'S COMMENTS

MARKET REVIEW

Investor euphoria on global equities in January 2020 was punctured by concerns of global growth slowdown, triggered by the spread of the Coronavirus epidemic. Risk assets plunged with global equities declining 10.5% in the last week of February 2020.

Amidst the political uncertainty, interim Prime Minister Tun Mahathir announced an economic stimulus package with a headline impact of RM20 billion, mainly having three thrusts: 1) mitigating the impact of COVID-19; 2) spurring rakyat centric economic growth; and 3) promoting quality investments. Sectors which could see the most direct impact, in our view include transport and logistics, utilities and consumer.

In a twist of events in Malaysia's political arena over the past week we saw a new Prime Minister sworn in on 1 March 2020, with the King's blessing, believed to be backed by a majority comprised of the BN, PAS and Bersatu parties and a group of independent MPs. There is no clarity on the new cabinet at the time of writing, neither is there a clear agenda for the new coalition. FBM KLCI faced selling pressure on Monday morning (2 March) due to inherent domestic uncertainty in addition to the global economic slowdown and Covid-19 concern. FBM KLCI was down 3.16% for the month of February 2020 and 6.68% YTD to close at 1,482 points.

MARKET OUTLOOK AND STRATEGY

The FBM KLCI is expected to remain volatile, with eyes on the next Parliament seating where Muhyiddin government could face a vote of no confidence. We expect the stock market and currency to face selling pressure. Brewers, gaming and contractors could be most vulnerable.

Low interest rate environment will be here to stay while economy will be weak for the quarter. Will focus on company with good dividend yield with reasonable valuation. At the same time, to bottom fish for companies with relatively good earnings visibility when the Coronavirus cases start to stabilize.

DISCLAIMER:

Based on the fund's portfolio returns as at 11 February 2020, the Volatility Factor (VF) for this fund is 12.8 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 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 of the Fund are 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.