

RHB ASIAN INCOME FUND MULTI CURRENCIES - GBP HEDGED CLASS

The Fund aims to provide income and capital growth over the medium to long-term^ by investing in one (1) target fund, i.e. the Schroder Asian Income.

Note: *"medium to long term" in this context refers to a period of between 3 – 10 years.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the class X units of the Target Fund.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and Placements of Cash.

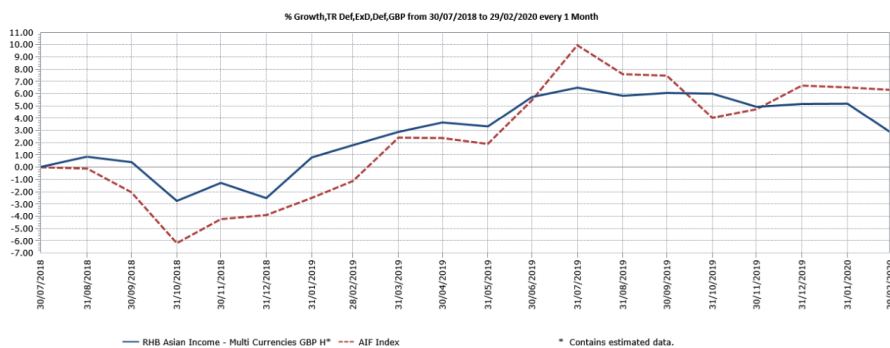
INVESTOR PROFILE

This Fund is suitable for:

- 'Sophisticated Investor(s)' as defined in the Information Memorandum.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-2.22	-1.98	-2.81	-2.20
Benchmark	-0.19	1.52	-1.19	-0.33

	1 Year	Since Launch
Fund	1.05	2.84
Benchmark	7.51	6.30

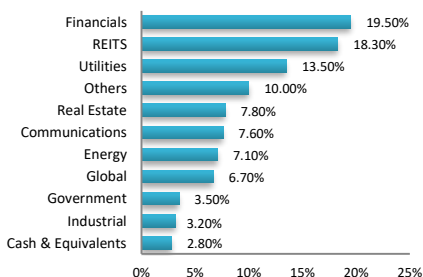
Calendar Year Performance (%)*

	2019
Fund	7.90
Benchmark	10.98

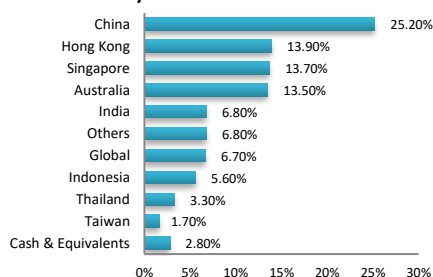
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

HK ELECTRIC INVESTMENTS	2.10
ASCENDAS REITS	2.00
POWER ASSETS HOLDINGS LIMITED	1.90
MAPLE TREE COMMERCIAL TRUST REIT	1.80
MAPLE TREE INDUSTRIAL TRUST REIT	1.80

*As percentage of NAV

*Source: Schroder, 29 February 2020. Exposure in Schroder Asian Income - 96.87%

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Income Fund
Launch Date	10 July 2018
Base Currency	SGD
Unit NAV	GBP 1.0105
Fund Size (million)	GBP 16.20
Units In Circulation (million)	16.03
Financial Year End	30 April
MER (as at 30 April 2019)	0.61%
Min. Initial Investment	GBP 1,000.00
Min. Additional Investment	GBP 500.00
Benchmark	50% MSCI AC Asia Pacific ex Japan Net (RM) + 50% JP Morgan Asia Credit Index (SGD Hedged)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	GBP 10.00 per switch*
Distribution Policy	Quarterly, 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.

FUND STATISTICS

Historical NAV (GBP)

	1 Month	12 Months	Since Launch
High	1.0588	1.0725	1.0725
Low	1.0105	1.0105	0.9711

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
23 Jan 2020	0.7500	0.72
29 Oct 2019	1.1000	1.04

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS
MARKET OVERVIEW

Asian equities fell sharply in February amid concerns over the spread of coronavirus and its potential impact on growth. Thailand and Indonesia were the weakest markets within Asia, followed by South Korea which now has the largest number of cases outside China. By contrast, Chinese equities held up well as coronavirus infection rates in the mainland appeared to stabilise and some activity indicators started to improve. In fixed income, government bond yields declined markedly amid a flight to safety, with the US 10-year bond yield falling 39 bps to 1.13%.

MARKET STRATEGY AND OUTLOOK
Equity

Underlying portfolio activities were rather muted over the month as the Target Fund Manager maintained a cautious stance. The Target Fund Manager added to defensive names, including utility providers and telecom names across India, Hong Kong and Singapore, which should provide some cushion against volatile markets. The Target Fund Manager then introduced a new position in an Indonesian bank which boasts healthy loan growth and stable margins which should support its dividend yield. The bank is mostly dominated by corporate and commercial loans, but the Target Fund Manager also see promising prospects in mass-market consumer loans and micro-finance. At the same time, the Target Fund Manager expects further policy easing and liquidity injection from the government to remain supportive. On the other hand, the Target Fund Manager closed their position in a Chinese energy name in view of weaker oil prices and a fragile demand outlook given the impact of the coronavirus. The Target Fund Manager expects the company's profit growth to come under pressure.

For equities, the Target Fund Manager expects earnings forecasts to be adjusted downwards in some areas. Industries that are most vulnerable to the COVID-19 shock are manufacturing, gaming, tourism and consumption/travel-related industries (retail, airlines etc.) as they have borne the brunt of the demand shock as travel-related activity has dramatically reduced. At the same time, the sharp pull-back in markets in recent days is starting to throw up more interesting value opportunities. While still early days, the Target Fund Manager believes that the extraordinary fiscal measures could potentially translate into investments which ultimately could lead to stronger demand for commodities, while some technology or consumption related companies also now offer some interesting yield even after adjusting for earnings and dividend cuts.

Fixed Income

Overall, the Target Fund Manager continued to trim their high yield exposures to reduce risk and portfolio vulnerability. The Target Fund Manager reduced sectors that are fundamentally sensitive to COVID-19 such as travel, retail and real estate; for example, the Target Fund Manager closed their position in a Macau casino operator. On the other hand, the Target Fund Manager introduced selective new issues, such as a Chinese construction company which is investment grade rated and should benefit from upcoming new contracts. The Target Fund Manager continued adding to a Chinese internet giant, as its mobile-game business is poised for faster growth into 2020, with a sequential jump in 3Q sales. In the longer term, the company should be well placed to further monetize its user base via a range of online products including fintech and business services. The overall underlying portfolio duration is at 1.6 years.

With economic growth moderating, the Target Fund Manager expects more stimulus from global policymakers on both monetary and fiscal front, yet policy tools and space differ across economies. Countries such as Thailand, Malaysia, Indonesia and Philippines tend to lean towards monetary policy as they have less fiscal space, while China, North Asia and Singapore has the most space available for fiscal stimulus. Looking within the credit space, the Asia market has an investment grade bias with significant portion of high grade SOEs from China, thus the asset class has remained relatively resilient compared to the rest of the universe. Therefore, while the Target Fund Manager expects to see near-term pressure on certain sectors, overall credit fundamentals of Asian credit still look largely intact as the universe has built up some immunity in recent years with Net Debt/EBITDA trending down and liquidity remaining adequate.

DISCLAIMER:

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 Information Memorandum dated 10 July 2018 and its supplementary(ies) (if any) (“the Information Memorandum”) before investing. The Information Memorandum 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 Information Memorandum relates will only be made on receipt of a form of application referred to in the Information Memorandum. The Fund are only offered to “sophisticated investors” as defined in the Information Memorandum. For more details, please call 1-800-88-3175 for a copy of the PHS and the Information Memorandum or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are management risk, liquidity risk, currency risk and country risk and the specific risks of the target fund are market risk in Asia, equity risk, currency risk, credit risk, investment grade, below investment grade and unrated debt securities risk, risks relating to distributions, emerging markets and frontier risk, derivatives risk, risks associated with investing through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively and individually referred to as the “Stock, Connect”), risk associated with investing in the China interbank bond market, risks specific to China and onshore RMB currency risk. These risks and other general risks are elaborated in the Information Memorandum.

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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