

### RHB GLOBAL ALLOCATION FUND

This Fund aims to maximise total return expressed in Ringgit Malaysia by investing globally in equity, debt and short term securities, of both corporate and governmental issuers, with no prescribed limits.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

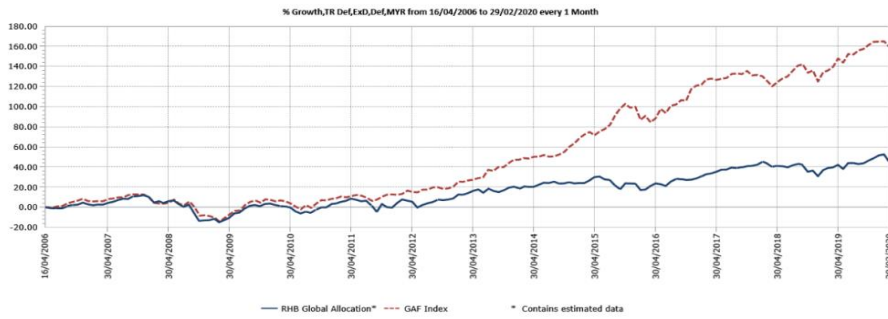
- a well-diversified investment across global markets;
- a flexible and dynamic asset allocation; and
- to invest in an established and proven foreign fund managed by a renowned international fund manager.

#### INVESTMENT STRATEGY

- At least 95% of NAV: Investments in Class A non-distributing shares of the BGF-GAF.
- 2% - 5% of NAV: Investments in liquid assets.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	-4.49	-2.02	1.92	-3.82
Benchmark	-1.89	-1.69	1.58	-1.79

	1 Year	3 Years	5 Years	Since Launch
Fund	4.85	9.87	17.77	45.92
Benchmark	10.21	14.52	51.10	159.89

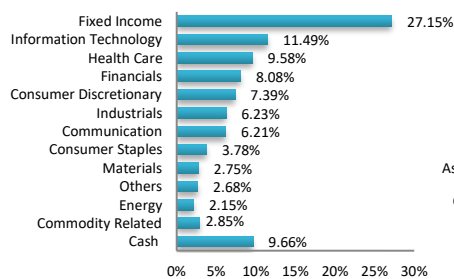
##### Calendar Year Performance (%)\*

	2019	2018	2017	2016	2015
Fund	15.71	-8.00	10.94	3.83	0.09
Benchmark	17.59	-2.78	4.78	10.92	21.71

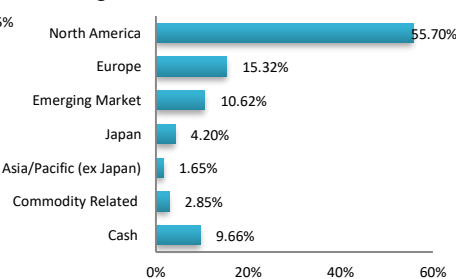
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Region Allocation\*



##### Top Holdings (%)\*

TREASURY (CPI) NOTE 0.5 (15/04/2024)	4.28
UMBS 30YR TBA (REG A)	4.27
CHINA PEOPLES REPUBLIC OF GOVERNMENT 3.29 (23/05/2029)	3.20
TREASURY NOTE 1.75 (15/11/2029)	2.66
MICROSOFT CORP	1.81

\*As percentage of NAV

\*Source: Black Rock, 29 February 2020. Exposure in BlackRock Global Allocation Fund - 98.39%

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6988	0.6988	0.6988
Low	0.6489	0.6122	0.3903

Source: Lipper IM

#### FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	27 March 2006
Unit NAV	RM0.6489
Fund Size (million)	RM22.31
Units In Circulation (million)	34.38
Financial Year End	31 August
MER (as at 31 Aug 2019)	0.43%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	36% S&P 500(RM)+24% FTSE World(ex-US)(RM)+24% 5Yr US Treasury Note(RM)+16% Citigroup Non-USD World Govt Bond Index (RM)

##### Sales Charge

Up to 3.63% of investment amount\*

##### Redemption Charge

None

##### Annual Management Fee

1.80% p.a. of NAV\*

##### Annual Trustee Fee

Up to 0.07% p.a. of NAV\*

##### 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

#### TARGET FUND'S MAIN PORTFOLIO CHANGES

- Global equities sold off sharply in February, as cases of coronavirus infection spread beyond China. The risk-off sentiment caused U.S. government bond yields to fall across all maturities, sending bond prices higher and yields meaningfully lower across the curve. While health concerns regarding the corona virus are warranted, and that industries such as travel, manufacturing, and non-essential service provisions will be significantly impacted, the disruptions are likely to be temporary and unlikely to have a long-term impact on global growth or trade. Looking out over the intermediate to long-term, the Target Fund Manager believes there are several factors, notably monetary stimulus from central banks, global trade agreements, and a resilient U.S. consumer, which should support equities once contagion risks abate.
- The Target Fund Manager continued to increase exposure to the healthcare sector and added to the biopharmaceutical industry given their belief it is attractively valued relative to other defensive sectors that have similar levels of sustainable growth characteristics. Within biopharma, the Target Fund Manager has an emphasis on companies that the Target Fund Manager believes to be well-positioned from an R&D efficiency standpoint to drive incremental levels of free cash flow growth over a multi-year holding period.
- The Target Fund Manager added to select information technology companies that stand to benefit from the growth of cashless global payment transactions as well as names that stand to benefit from the transition to cloud computing.
- Although the Target Fund Manager remains overweight the communication services sector due to favorable cash flow characteristics associated with high conviction names in the space, the Target Fund Manager tactically trimmed exposure over the month in order to effectively calibrate the overall beta in the underlying portfolio.
- Within energy, the Target Fund Manager remains underweight given growing concerns over the fundamental supply-demand balance in energy markets. While the Target Fund Manager still favors select storage & transport companies that have simplified their capital structures, reduced leverage, have limited exposure to commodity prices, and eliminated the need for equity to fund their growth plans, the Target Fund Manager selectively paired these exposures.
- Modestly increased the underlying portfolio duration to 2.2 year, vs. 2.1 as of January month-end. Most of the Target Fund Manager's duration exposure remains in the U.S. as a hedge against equity volatility. The Target Fund Manager managed yield curve positioning, rotating some of their duration exposure away from both short-end and very long-duration Treasuries in favor of the 10-year portion of the curve. Although these adjustments only resulted in a small increase in the underlying portfolio's overall duration profile, the Target Fund Manager's view was that the 10-year portion of the curve would offer the greatest hedging potential against rising equity risks related to the corona virus.
- While the Target Fund Manager continued to reduce exposure to IG credit due primarily to the material narrowing in spreads, the Target Fund Manager increased exposure to HY credit as spreads in select areas of the asset class became more attractive amid the broader equity market sell-off.
- The Target Fund Manager maintained their exposure to gold and gold-related securities. The Target Fund Manager believes gold can provide resiliency in the underlying portfolio and prove to be an effective hedge against equity risk, particularly in environment where volatility is driven by geopolitical concerns or an exogenous shock, such as the coronavirus.
- The Target Fund Manager holds a modest exposure to cash in the Target Fund as a diversifying asset class to help manage risk in the underlying portfolio. In addition to U.S. Treasury bills, the Target Fund Manager has exposure to short-term bills in Japan as a cost-efficient way to gain exposure to the Japanese yen.
- Increased exposure to the U.S. Dollar and Japanese yen, notably at the expense of the Euro, given both currencies historical tendency to be a reliable hedge during market volatility.

#### TARGET FUND'S POSITIONING

- Asset allocation (as % of net assets\*): Equity: 60%, fixed income: 27%, commodity-related: 3%, cash equivalents: 10%
- While the Target Fund Manager remains constructive on equities over the medium-term, the Target Fund Manager tactically reduced broad exposure and ended the month slightly underweight stocks relative to their benchmark. Within equities, the Target Fund Manager sees the best opportunities in high quality stocks. The Target Fund Manager favors U.S. and Chinese equities from a regional perspective, as well as secular themes within the technology, communication services, healthcare and select areas of consumer discretionary sectors. The Target Fund Manager continues to hold exposure to underlying portfolio hedges, notably duration, gold-related securities, and cash, to mitigate risk in the underlying portfolio. The Target Fund Manager believes that low inflation and supportive central banks will support Treasuries as an effective hedge against equity risk.

\* All exposures are based on the economic value of securities and is adjusted for futures, options, and swaps (except with respect to fixed income securities) and convertible bonds. Numbers may not sum to 100% due to rounding.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 11 February 2020, the Volatility Factor (VF) for this fund is 6.4 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 Master Prospectus dated 3 September 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 management 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.