RHB Asset Management

FUND FACTSHEET – MARCH 2020

All data expressed as at 29 February 2020 unless otherwise stated

3-year Fund Volatility 6.4 moderate Lipper Analytics 11 FEB 2020

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:

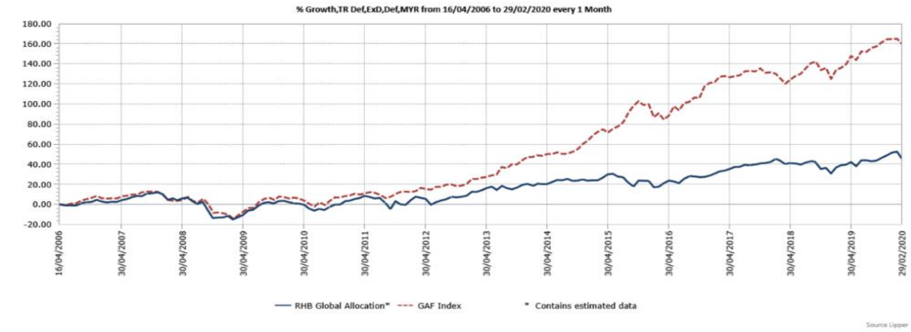
- a well-diversified investment across global markets;
- a flexible and dynamic asset allocation; and
- to invest in an established and proven foreign fund managed by a renowned international fund manager.

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 DETAILS

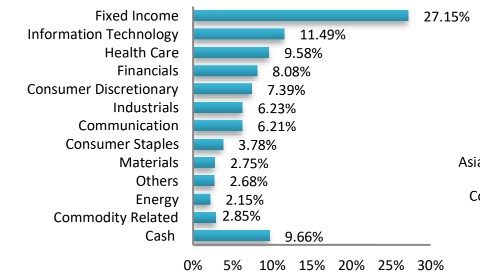
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	27 March 2006
Unit NAV	RM0.6489
Fund Size (million)	RM22.31
Units In Circulation (million)	34.38
Financial Year End	31 August
MER (as at 31 Aug 2019)	0.43%
Min. Initial 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.*

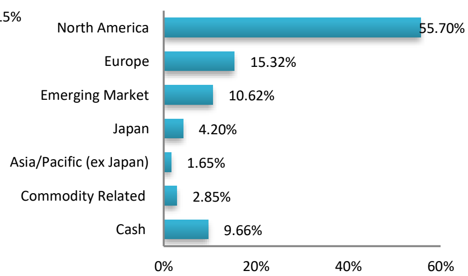
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

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 GOVERNM 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

3-year Fund Volatility
6.4
moderate
Lipper Analytics
11 FEB 2020

RHB GLOBAL ALLOCATION FUND

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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 favor 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.