

### RHB CAPITAL FUND

This Fund aims to achieve long term growth through capital appreciation with all income including profits on realisation of investments being automatically reinvested for its compounding effect.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

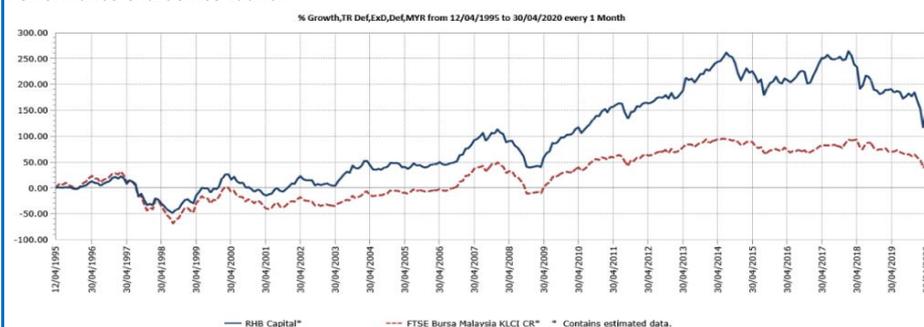
- want a professionally managed portfolio of shares and fixed income securities;
- have a medium to long term investment horizon of 3 to 5 years or more;
- want to achieve regular income and capital gain at an acceptable level of risk; and
- want to invest in shares but do not have the time to manage their own portfolio.

#### INVESTMENT STRATEGY

- Minimum of 60% and up to 95% of NAV will be invested in equities.
- Minimum of 5% of NAV will be invested in fixed income securities and/or liquid assets.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
Fund	11.86	-9.08	-13.90	-14.50
Benchmark	4.21	-8.05	-11.90	-11.39

	1 Year	3 Years	5 Years	Since Launch
Fund	-16.35	-30.71	-25.35	143.08
Benchmark	-14.28	-20.38	-22.58	45.73

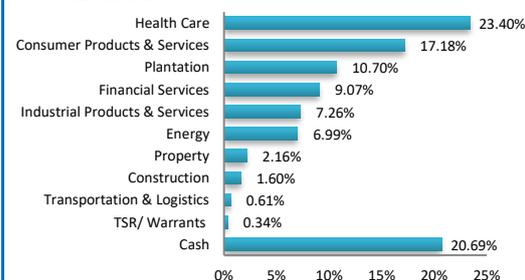
##### Calendar Year Performance (%)\*

	2019	2018	2017	2016	2015
Fund	1.08	-19.27	14.65	-3.32	1.93
Benchmark	-6.02	-5.91	9.45	-3.00	-3.90

Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



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

SUPERMAX CORP BHD	8.23
MALAYAN BANKING BHD	7.45
TOP GLOVE CORP BHD	7.18
DIALOG GROUP BHD	6.99
KOSSAN RUBBER INDUSTRIES	6.64

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7509	0.9085	1.5245
Low	0.6612	0.6021	0.4012

Source: Lipper IM

##### Historical Distributions (Net)

	Distribution (sen)	Yield (%)
25 Apr 2019	1.5000	1.60
20 Apr 2018	1.1400	1.02
20 Apr 2017	6.5000	6.06
28 Apr 2016	10.3500	9.16
28 Apr 2015	11.5000	8.48

Source: RHB Asset Management Sdn. Bhd.

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### MANAGER'S COMMENTS

#### MARKET REVIEW

Flattening of the Covid-19 new cases curves in the worst affected countries and aggressive stimulus package around the world pushed global equity market to their best monthly performance since 2011 in April 2020. Despite weak economic data prints, global equities snapped back 10.6% during the month (YTD: -13.5%), as volatility receded on partial reopening of numerous economies reeling under lockdowns. Asia ex-Japan rose 8.9% in April 2020 (YTD: -11.4%), with China (6.3%) and Korea (8.2%) providing a glimpse into the possible future recovery for the world as they attempt to make their way back to normalcy. The supply side in China is mostly back to capacity, while market demand is also showing signs of recovery to its year-ago levels.

FBM KLCI saw its first MoM gain this year in April 2020 at +4.2%. YTD however, the index is still down 11.4%. Average trading volumes in April 2020 reduced to RM2.58bn vs the RM2.94bn in March 20 though still above the 1Q average of RM2.52bn. FBM KLCI ended the month at 1,407 points after falling to the lowest of 1,219 on 19 March 2020.

On commodities, oil took majority of the limelight especially on concerns regarding too much supply though was eased when OPEC+ announced a record deal to slash global output collectively 9.7mbpd off the market. Nonetheless, WTI made another history plunging to negative prices during the month as a result of a demand shock and dwindling storage capacity. All in, WTI settled at USD18.84 (-8%) while Brent at USD25.27 (11.1%) at the end of the month.

Malaysia's exports fell 4.7% YoY in March 2020 (February 2020: 11.8%). March's export decline was, however, milder than estimates, aided by an increase in export volume of oil-related products and a weaker currency. Imports fell 2.7% YoY (February 2020: 11.3%) amid a sharp drop in capital goods imports. Electronics & Electrical (E&E) exports suffered a further setback to decline the most in 7 years in March 2020. The situation is likely to worsen going forward as more countries apply tougher virus containment measures in April 2020. A prolonged disruption for the E&E supply chain will weigh heavily on overall Malaysia's trade outlook.

As of 30 April, Malaysia reported a total of 6,002 of Covid-19 cases, out of which 4,171 has been recovered and discharged while 1,729 cases were still active. A total of 102 deaths has been reported so far. Given that the number of new cases has been declining and strong recovery rate, Prime Minister announced the reopening of most of the economy sectors on 1 May 2020.

#### MARKET OUTLOOK AND STRATEGY

Wall Street correlated world stock markets remain remarkably well bid given the appalling macroeconomic data being announced. Apart from the over-the-top Federal Reserve policy response, the spread of the virus has not been as bad as feared in the middle of March 2020. Secondly, there remains growing focus on re-opening the economy, most particularly in America and in other countries where the curve has flattened.

The trade deal between US and China resurface again recently. Tensions have re-ignited as the former seeks to make the Covid-19 blame game a key focus for the elections as growth and low unemployment have imploded. The press highlighted dramatic steps the US can take vs China including heightened tariffs, multi-country isolation, further sanctions and restrictions (ala Huawei), restricting US purchasing of Chinese assets, and limiting access to USD. Elsewhere, volatility reigns with the commodity & energy complexes facing unprecedented challenges and we anticipate further global tensions emerging.

Malaysia has outperformed the MSCI ASEAN on a YTD basis. Although we believe that the market could do better as infection rate peaks, we believe that the market could still trend downwards from here towards the year end. We are expecting earnings growth to be negative this year as the companies suffer from Covid-19 disruption. We see value stocks and cyclicals having an opportunity to outperform now, but longer term we're still positive on quality & sustainable growth and themes.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 10 April 2020, the Volatility Factor (VF) for this fund is 14.2 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 15 July 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. This update does not amount to indicate that the SC has recommended or endorsed the Fund. 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 stock market risk, liquidity risk, individual stock risk and issuer 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.

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