RHB Asset Management

FUND FACTSHEET – MAY 2020
All data expressed as at 30 April 2020
unless otherwise stated

3-year Fund Volatility
12.1
high
Lipper Analytics
10 APR 2020

RHB GLOBAL EQUITY YIELD FUND

This Fund aims to achieve long term capital appreciation and provide a source of income through investments in securities of companies listed or traded in the global emerging and developed markets.

INVESTOR PROFILE

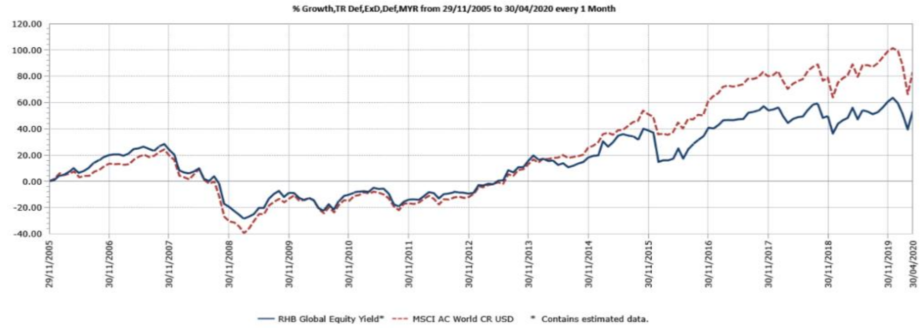
This Fund is suitable for investors who:
- wish to diversify their sources of stable income from other traditional asset classes like fixed deposits or bonds;
- wish to participate in the potential upside of the global emerging and developed equity markets but who have a medium risk tolerance;
- seek a well-diversified investment across global markets.

INVESTMENT STRATEGY

- Up to 98% of NAV: Investments in securities of and securities relating to companies that have attractive dividend yields and good growth potential.
- 2% - 10% of NAV: Investments in liquid assets including bonds, money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**9.85**	**-3.85**	**-1.87**	**-6.28**
Benchmark	10.07	-8.12	-5.80	-9.03

	1 Year	3 Years	5 Years	Since Launch
Fund	**-1.67**	**4.71**	**18.03**	**53.34**
Benchmark	-3.07	6.45	35.37	83.16

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**19.91**	**-11.86**	**10.47**	**2.09**	**13.96**
Benchmark	22.79	-9.31	9.72	10.36	17.57

Source: Lipper IM

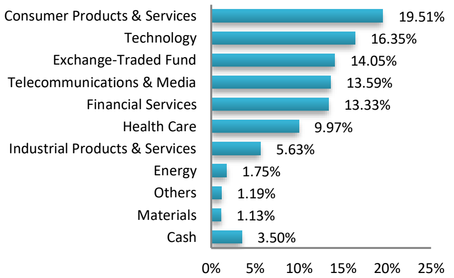
FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Income and Growth Fund
Launch Date	09 November 2005
Unit NAV	RM0.5820
Fund Size (million)	RM8.28
Units In Circulation (million)	14.23
Financial Year End	30 June
MER (as at 30 June 2019)	2.28%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI AC World Free Index (RM)
Sales Charge	Up to 5.26% of investment amount*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.07% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Semi-annually, if any and will be reinvested

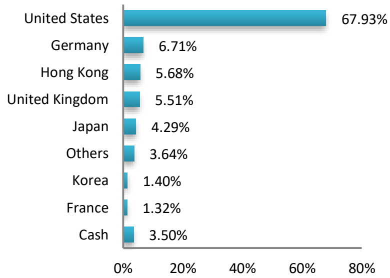
**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALPHABET INC	5.11
MICROSOFT CORP	4.00
AMAZON.COM INC	3.73
APPLE INC	2.94
SIEMENS AG	2.78

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5906	0.6355	0.6355
Low	0.5161	0.4816	0.2588

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET REVIEW

The financial market welcomed the implemented stimulus measures as the global market rose 10.6% in April, bringing the year to date loss to 13.5%. All sectors registered a gain in April, with cyclical sectors such as energy (+15.7%), consumer discretionary (+15.5%) and materials (+15.1%) outperforming. On the other side, utilities (+3.7%), consumer staples (+5.7%) and financials (+6.8%) underperformed. Within regions, United States (+13.0%) outperformed global peers. Asia ex-Japan (+8.9%), Europe (+5.8%), Japan (+5.4%) and UK (+5.3%) underperformed.

The lockdown measures continue to show results, as the COVID-19 curve continues to flatten. At the time of writing, total confirmed cases reached 3.4 million - an increase from 2.99 million the prior week. Out of the total confirmed cases, around 61.1% still remain infected, while 31.9% have recovered, leaving the virus with a fatality rate of around 7.0%. The stages of recovery differ across the world. We will look forward for the decline in the number of new cases and increases in the number of recoveries, as well as potential medical response (from treatment care (antiviral) to preventive care (vaccines), while being cautious of any possible 'second wave'. Indeed, many factors could affect the numbers.

Indeed, the narrative in the news has shifted from crisis to recovery. Over a dozen US states, Europe as well as Asia have started removing mobility restrictions after experiencing slower growth in new cases. Mirroring China's process, reopening of economies are anticipated in phases. Analysis of China data shows that it takes longer for the consumer to return to normalcy (get back to play) than for manufacturing to recover ("get back to work"). A major constraint to "back to work" is the high percentage of children affected by school closures. According to UNESCO, as of May 1, there are 1.29 billion or 73.8% of total learners in 186 countries still facing school closures. While a lion's share of students is subjected to national or regional shutdowns complicated parents "back to work" plan, it is an improvement from 1.6 billion or 91.4% in 195 counties on April 1. In gauging a return to play, flight activity between major cities in the greater China area are starting to pick up. The impact of COVID on the Chinese aviation reached a peak in the week starting February 17, with flight numbers down by 70.8% and it is still down by 39.2% in the week starting April 27.

Major central banks across the world continue to assure the market of their commitment. Last week, the BOJ abandoned its QE limits in favor or buying "whatever is needed". The Federal Reserve's kept policy steady across the board; its focus on medium-term risks was taken as dovish. During the week, the Fed announced an expansion of its Municipal Liquidity Facility (MLF) and expanded the scope and eligibility of its so-called Main Street Loan Program. The ECB meeting produced no real surprises. The ECB lowered the rate on its targeted refinancing operations (TLTROs) by 25 basis points and launching a new series of pandemic lending operations (PELTROs). But ECB officials put little emphasis on sovereign stress, leaving the pandemic QE programme (PEPP) unchanged and signalling a high hurdle for activating Outright Monetary Transactions (OMT).

STRATEGY

Markit PMI data continue to suggest deterioration in both manufacturing and services sector for US and Europe. Manufacturing PMI for US fell to 36.1 for April from 48.5 in March. The similar picture is same for services at 27.0 in April (from 39.8 last month). As a result of the pandemic, over 30 million have filed for jobless aid over the past 6 weeks since the pandemic forced millions of employers to halt operations and slash their workforce. All eyes will also be on US non-farm payroll and the double digit unemployment rate for April as compared to March's 4.4%.

The IMF updated their GDP growth projections for 2020 and 2021 to take into account the negative impacts of Covid-19 and projected that Advanced Economies will contract -6.1% in 2020, while Emerging Markets will only contract by -1%. Within Advanced Economies, the United States fares better at -5.9% while within Emerging Markets, Emerging Asia fared better at 1.0%. In 2021, IMF expects the Emerging Markets to rebound 6.6% while Advanced Economies will expand by 4.5%.

This projection is in line with our portfolio preference. Within developed markets, we like US relatively as it has more policy space as compared to the other developed markets. Within the emerging markets, we like Asia ex Japan on prospects of growth uptick and within which, we favor China as it is in the early stage of restarting the economy and more policy space to revive activity along as new cases moderated.

Mirroring China's process, reopening of economies are anticipated in phases. Analysis of China data shows that it takes longer for the consumer to return to normalcy (get back to play) than for manufacturing to recover ("get back to work"). In that, our sector preference are consumer staples, technology, domestic delivery, e-commerce and healthcare.

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