RHB Asset Management

FUND FACTSHEET – MAY 2020

All data expressed as at 30 April 2020 unless otherwise stated

3-year Fund Volatility 8.0 Low Lipper Analytics 10 APR 2020

RHB MULTI ASSET REGULAR INCOME FUND

The Fund aims to provide regular income and medium to long term capital growth through a multi asset strategy.

INVESTOR PROFILE

This Fund is suitable for investors who:

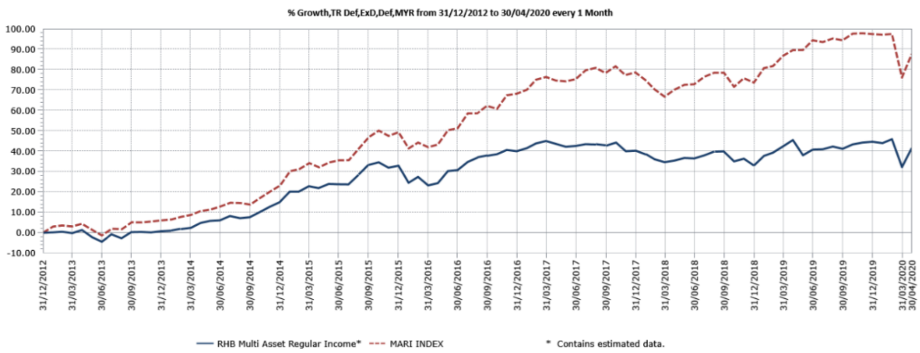
- seek regular income and capital growth over the medium to long term;
- are willing to accept moderate risk in their investments; and
- wish to benefit from investment exposure in the Asia and Asia Pacific (ex Japan) region.

INVESTMENT STRATEGY

- 65% - 98% of NAV: Investments in Asian (ex Japan) debt instruments/bonds, Asia Pacific (ex Japan) dividend equities and Asia Pacific (ex Japan) REITs.
- 2% - 35% of NAV: Investments in liquid assets including 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	**7.04**	**-1.69**	**-1.26**	**-2.14**
Benchmark	6.52	-4.81	-5.06	-4.96

	1 Year	3 Year	5 Year	Since Launch
Fund	**-2.71**	**-1.47**	**16.05**	**41.55**
Benchmark	-1.01	7.43	42.01	87.57

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**8.76**	**-5.21**	**0.19**	**5.41**	**15.46**
Benchmark	13.51	-3.38	6.19	12.65	21.25

Source: Lipper IM

FUND DETAILS

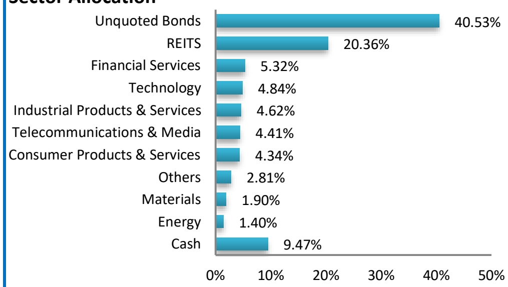
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Mixed Asset Fund
Fund Type	Income and Growth Fund
Launch Date	07 December 2012
Unit NAV	RM0.5177
Fund Size (million)	RM20.00
Units In Circulation (million)	38.62
Financial Year End	31 January
MER (as at 31 Jan 2020)	2.04%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% JP Morgan Asia Credit Index TR Composite (RM) + 30% MSCI AC Asia Pacific ex Japan Index (RM) + 20% MSCI AC Asia Pacific ex Japan REITS Index (RM)
Sales Charge	Up to 5.00% 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	RM25.00 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.*

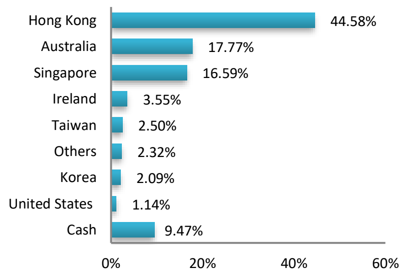
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

GOODMAN GROUP	5.09
CIFIHG 7.625% (28/02/2023)	4.41
TPHL 7.625% (21/02/2022)	4.35
DIANJIAN HAIYU LTD @4.3% (20/12/2067)	4.29
CCCI TREASURE LTD 3.65% (21/02/2027)	4.21

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5254	0.5593	0.6266
Low	0.4876	0.4682	0.4636

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
24 Apr 2020	0.8000	1.53
23 Jan 2020	1.0000	1.86
29 Jan 2018	0.8500	1.57
26 Oct 2017	0.8500	1.52
20 Jul 2017	1.4500	2.54

Source: RHB Asset Management Sdn. Bhd.

RHB MULTI ASSET REGULAR INCOME FUND

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MANAGER'S COMMENTS

MARKET REVIEW

The financial market has welcomed the stimulus 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 as shown in the table above. We will look forward for the decline in the number of new cases turns, increase in the number of recoveries as well as potential medical response (from treatment care (antiviral) to preventive care (vaccines) while cautious any possible 'second wave'. Indeed, many factors could affect the numbers.

Indeed, narrative in the news has shifted from the crisis to recovery. Parts of US states, Europe as well as Asia have started removing mobility restrictions after experiencing slower growth in 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. 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).

On the back of all the stimulus announced globally and the improvement in risk sentiments, Asian USD bonds also recovered some of the losses suffered in the prior month. In April, Asian high yield bonds outperformed Asian investment grade bonds with returns of 1.05% and 4.46% respectively. Liquidity in the secondary market and primary market also started to improve with a few investment grade issuers like AIA, Baidu and Indonesia sovereign etc successfully tapping the market for new money.

MARKET OUTLOOK & STATEGY

During the month, we took profit on one of our bond holding to raise the liquidity profile for the fund and to standby cash in anticipation of new opportunities in the market.

During this period, we held a slight underweight positions to equities as we remained cautious on the recovery and remained rigorous in our stock selection process. In terms of country-wise, we have overweight positions in China as the country leads ahead in terms of reopening of economies in phases. Chinese data analysis shows positive recovery and improvement as business activities resume and people get back to work. As such, we saw positive value-add from our positions across the China equities space, mainly attributable to our positions in the internet space, consumer names, property management services companies, as well as information technology. Our careful allocation to Australia property and Singapore Reits contributed positively in the month of April as well. On the flipside, we saw value detraction coming from our underweight positions to the energy and materials sectors which saw steep recovery after plunging earlier in the year.

During the month, we gradually added some weights to the oil-related names, as well as property names in Singapore and Australia amid attractive valuations and potential recovery as the Covid-19 turns for the better. We also added to some Korean consumer names to play on consumption recovery. Like-wise, we took profits from specific companies, like Chinese gaming companies and food delivery business which are key beneficiaries of the outbreak. We also took profits on some healthcare companies over the period.

While global economic recovery remains uncertain and the IMF updated their GDP growth projections where Advanced Economies is estimated to contract by -6.1% in 2020, while Emerging Markets will only contract by -1%. Within Advanced Economies, United States fare better at -5.9% while within Emerging Markets, Emerging Asia fared better at 1.0%. While the Chinese workforce are coming back online in China and economic activity picking up, the same cannot be said for the rest of the world. But nonetheless, mirroring China's process, reopening of economies are anticipated in phases. In that, our sector preference are consumer staples, technology, domestic delivery, e-commerce and healthcare.