RHB Asset Management

FUND FACTSHEET – JUNE 2020
All data expressed as at 31 May 2020
unless otherwise stated

3-year Fund Volatility 12.8 high
Lipper Analytics 10 MAY 2020

RHB ASIAN GROWTH OPPORTUNITIES FUND

This Fund aims to achieve long term capital growth by investing primarily in small capitalisation stocks and stock-related securities issued by corporations in the Asia Pacific region (excluding Japan).

INVESTOR PROFILE

This Fund is suitable for investors who:

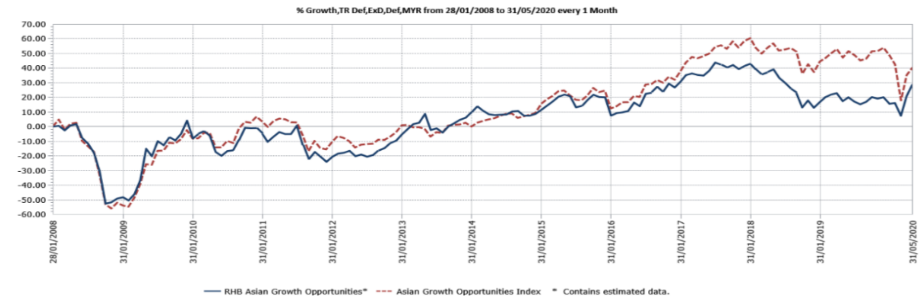
• seek investment opportunities in the small cap securities in the Asian (excluding Japan) region;
• wish to invest in an established foreign fund managed by a renowned fund manager; and
• are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

• At least 95% of NAV: Investments in the units of United Asian Growth Opportunities Fund.
• 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



With effect from 31 August 2018, the Fund's performance benchmark was changed to 70% MSCI AC Asia Pacific ex Japan Small Cap Index and 30% MSCI AC Asia Pacific ex Japan Mid Cap Index. The benchmark chosen for the Fund is to better reflect the investment strategy and focus of the Fund which is to invest primarily in small capitalisation stocks with the remaining of its assets to invest in mid capitalisation stock. Note: Prior to 31 August 2018, the Fund's performance benchmark was MSCI AC Asia Pacific ex Japan Mid Cap Index (RM).

Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**6.75**	**11.03**	**8.20**	**7.39**
Benchmark	3.85	-1.43	-7.37	-8.75

	1 Year	3 Years	5 Years	Since Launch
Fund	**9.82**	**-4.16**	**5.98**	**29.04**
Benchmark	-4.61	-5.27	12.58	40.32

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**6.36**	**-20.05**	**11.68**	**5.33**	**10.57**
Benchmark	12.07	-13.33	20.42	5.71	7.79

Source: Lipper IM

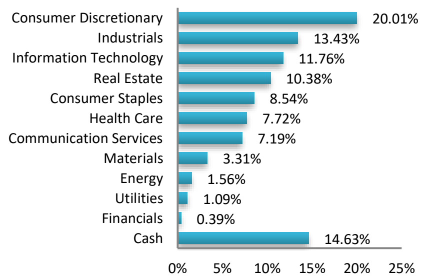
FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	08 January 2008
Unit NAV	RM0.6452
Fund Size (million)	RM5.55
Units In Circulation (million)	8.60
Financial Year End	31 December
MER (as at 31 Dec 2019)	0.78%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	70% MSCI AC Asia Pacific ex Japan Small Cap Index + 30% MSCI AC Asia Pacific ex Japan Mid Cap Index
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*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Incidental

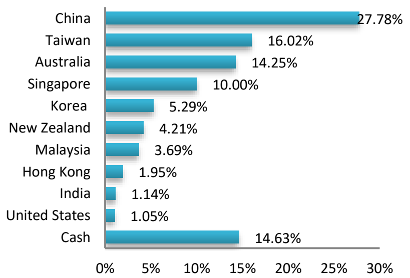
**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management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

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

UNITED SGD MONEY MARKET FUND	7.71
CHINA NEW HIGHER EDUCATION GROUP	7.13
NETLINK NBN TRUST	5.75
FISHER & PAYKEL HEALTHCARE	4.21
EDVANTAGE GROUP HOLDINGS LTD	4.04

**As percentage of NAV*
**Source: UOBAM, 31 May 2020. Exposure in United Asian Growth Opportunities Fund - 97.46%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6452	0.6452	0.7254
Low	0.5882	0.4815	0.2213

Source: Lipper IM

RHB Asset Management Sdn Bhd (174588-x) **Head Office: Level 8, Tower 2 & 3, RHB Centre, 50400 Kuala Lumpur** **General Line: 603-9205 8000**

www.rhbgroup.com
RHB Group @RHBGroup RHB Group RHBGroup

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RHB ASIAN GROWTH OPPORTUNITIES FUND

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MANAGER'S COMMENTS

MARKET REVIEW

Equity markets witnessed on a risk-on session with loosening of COVID-19 shutdowns, positive vaccine development news and slowdown in global infection growth. However, Asian equities performance was contained by reescalation of US-China tensions. Central banks continue to boost fiscal stimulus and monetary rate cuts to minimize the impact of COVID-19 slowdown. Cyclicals jumped against defensives while value strongly outperformed.

MSCI China fell -0.2% in May. There has been a rotation into cyclicals vs defensives starting mid-April. On the positives, with COVID-19 under control, relaxation in control measures led to normalization in economic activity. Normalization in production was ahead of normalization in consumption. IP showed a V-shaped recovery and has returned to pre-COVID-19 level. April activity was led by infrastructure and real estate FAI, as well as the auto sector. China's National People's Congress (NPC) convened on May 22, and declared headline fiscal package is 8.4% of GDP. On the flip side, US-China confrontations expanded from trade to tech (export control and Huawei restrictions), financial (investment restrictions on federal pension fund and ADR Bill) and geopolitical conflicts (Hong Kong SAR, Cross-strait relationship; and South China Sea).

On a macro level, Korea started to show signs of recovery as several indicators, such as 1) consumer sentiment; 2) retail sales and 3) customs exports either rebounded or turned out better than feared. Such indicators, coupled with a 25bp rate cut by the BoK, likely contributed to an optimistic market in May. On a sector basis, communication services (mainly internet names) and energy were notable outperformers. Rotation into value stocks also aided consumer discretionary and industrials. On the other hand, Utilities was the worst performing sector with oil price headwinds.

MSCI Taiwan fell -2.2%. Consumers and Industrials finished higher, outperforming the broader index while Telecoms and Financials outperformed but finished lower over the month. Technology and resources underperformed. The Tech sector had a rough start with Apple not issuing guidance for 2Q20, even as it expects iPad and Mac demand to remain strong in near term. Fresh set of restrictions on Huawei announced by the US Department of Commerce also dampened sentiment.

MSCI India fell -2.3%. Equities took a hit despite the Finance Minister announcing a special economic package of Rs.21trn (10.1% of GDP) including liquidity injected by the RBI and credit guarantees. The overall fiscal impact is expected to be modest in the range of 1-1.2% of GDP. Financials, particularly banks, witnessed a sharp sell-off as the aforementioned package did not address a one-time restructuring of bad loans coupled with the RBI announcing extension of a loan moratorium by three months. To curtail the spread of COVID-19, the government has extended the lockdown up to 30 June, but restricted only to containment zones. 4QFY20 GDP growth came at 3.1% surprising to the upside vs consensus of 1.6%. Full-year FY20 growth came at an 11-year low of 4.2% yoy. FIIs recorded net inflows of US$1.9bn into equities. On sectors, Telecom, Healthcare and Consumer Discretionary outperformed, while Financials and IT Services were notable laggards.

ASEAN markets staged a rebound in the month of May. Thailand, Indonesia and Malaysia led the group while Singapore lagged the market.

MSCI Singapore fell by 2.8% in May. The Singapore equity market largely underperformed even as the government unveiled a 4th stimulus package of S$33 billion dollars to further support the economy ravaged by the COVID-19 pandemic. The Ministry of Trade also slashed its forecast for GDP as it expects it to shrink between 4-7%. Consumer Staples (+9.81%) were the best performing market, followed by Real Estate and Consumer Discretionary while Communication Services (-11.32%) was the clear laggard.

MSCI Malaysia gained 5.0% in May, as it outperformed its ASEAN peers. The Malaysian economy provided some surprises as it grew by 0.7% yoy against the median consensus of -1%. The rebound in global oil prices also provided as sustained recovery in sentiment. The strong rebound in Malaysian market was largely led by Healthcare (+63.69%), as well as Energy (+14.68%) while the worst performing sector was Financials (-3.73%).

MSCI Thailand gained 5.1% in May, the best performer in ASEAN. Thailand was one of the earliest countries in the ASEAN region to exit lockdown. The reopening of the Thai economy has established a turn in positive sentiment that the country could follow the path of North Asian peers such as China and Korea as trade reopens. Financials (+10.05%) were the main outperformers of the index while Communication Services (-0.56%) was the only sector to post a negative performance.

MSCI Indonesia gained 4.4% in May, as it continues its rebound off March lows. The rebound came in while concern over negative economic data such as falling production output and shrinking consumer demand eased. The government rolled out plans to ease lockdown restrictions and move quickly to reopen the economy. Consumer Discretionary (+21.35%) led strongly on hopes of reopening of areas which infection rates are under control. Communication Services (-9.38%) and Real Estate (-6.85%) turned negative for the month.

MSCI Philippines gained 2.3% in May, coming ahead of North Asian peers. The gain comes amidst a backdrop of economic contraction, where the economy shrank 0.2% for the first quarter of the year, the first contraction in more than 20 years. Unlike the rest of the other ASEAN countries, the Philippine index was largely led by Utilities (+9.57%) followed closely by Industrials (8.20%) while Consumer Discretionary lagged (-19.57%).

MARKET OUTLOOK AND STRATEGY

Resumption in economic activities suggests a modest rebound in growth is underway for 2H 2020. However, the path to normalization will be gradual and uneven among countries. Resurfacing US/China trade tension could also weigh on already weak global trade, and remains a key downside risk for the economy. Positive clinical trials for a vaccine, continued monetary and fiscal stimulus, and an absence of a second wave of Covid-19 might help turn the tide in favour of more positive corporate earnings outlook towards the year-end. Other key downside risks includes sluggish external demand due to uncertainty about US/China trade relationship and/or prolonged economic recovery due to intermittent social distancing measures.

The Target Fund Manager is broadly constructive but remain mindful of the risk of pullbacks. The Target Fund Manager will continue to take risks so as to achieve returns for unitholders, while managing the downside risks.