

RHB GROWTH AND INCOME FOCUS TRUST

This Fund aims to achieve maximum total returns through a combination of long term growth of capital and current income.

INVESTOR PROFILE

This Fund is suitable for Investors who:

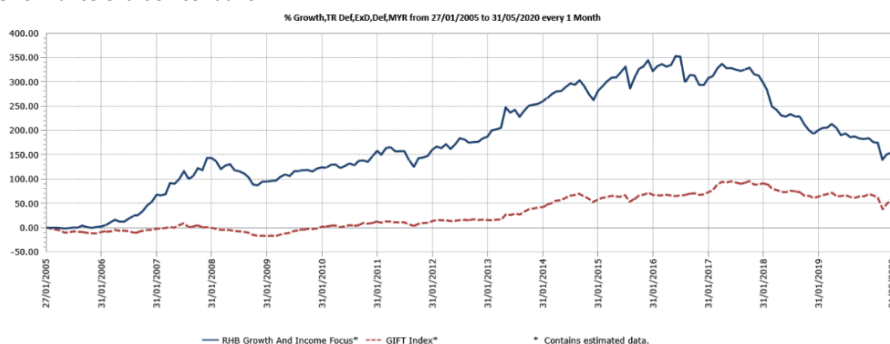
- seek long term capital appreciation through investments in high growth potential small cap securities whilst requiring the flexibility of a conservative portfolio of fixed income securities in order to capitalise and adapt to prevailing market conditions; and
- are willing to accept slightly higher risk in their investments than that normally associated with a general balanced fund in order to achieve long term capital growth and income.

INVESTMENT STRATEGY

- 30% - 70% of NAV: Investments in securities of companies with market capitalization of not more than RM750 million ("small cap securities").
- 30% - 70% of NAV: Investments in fixed income securities, money market instruments, cash and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	1.24	-7.49	-9.94	-10.49
Benchmark	5.42	-1.47	-3.87	-6.45

	1 Year	3 Years	5 Years	Since Launch
Fund	-16.80	-40.56	-37.87	154.09
Benchmark	-3.75	-17.82	-3.13	58.49

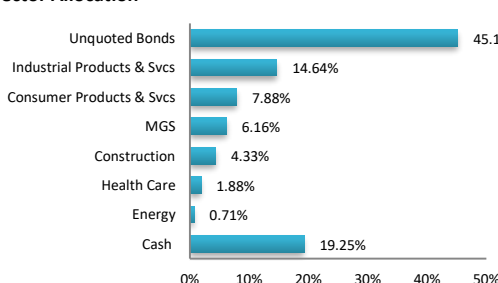
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	-3.04	-29.12	5.08	-11.62	22.73
Benchmark	5.33	-14.77	12.19	-1.96	12.80

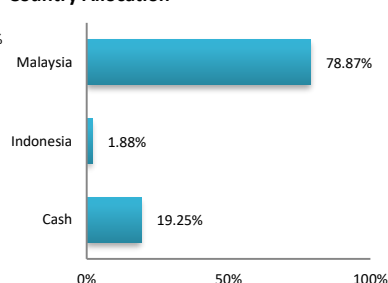
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

MEX II SDN BHD 5.7% (29/04/2027)	19.22
MEX I CAPITAL BHD 2.5% (24/01/2030)	17.98
MGS 3.50% (31/05/2027)	6.16
BANK MUAMALAT (M) BHD 5.8% (15/06/2026)	3.96
FORMOSA PROSONIC INDUSTRIES BHD	3.11

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.2382	0.2852	0.9179
Low	0.2329	0.2140	0.2140

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
Dec 2019	-	-
20 Dec 2018	1.0000	3.02
20 Dec 2017	4.5000	9.89
Dec 2016	-	-
16 Dec 2015	2.0500	4.27

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

Surprisingly, global equity market continued to march higher after a strong rebound in the month of April 2020. Global equities kept up the momentum in May 2020, rising 4.2% during the month of May 2020 (year to date (YTD): -9.9%), assisted by extremely accommodative fiscal and monetary policy, and gradual easing of lockdown measures, especially in Europe. Developed markets led the rally with the US advancing +5.0%, Europe +4.2% and Japan +5.9%. Commodities bounced back led by energy prices. The Asia ex-Japan was the only region to buck the uptrend in May 2020, falling -1.4% during the month (YTD: -12.6%), dragged down by Greater China (China: -0.8%, Hong Kong: -8.9%, Taiwan: -2.5%) and India (-2.9%).

Domestically, the FBMKLCI rallied for the second consecutive month gaining +4.7% month-on-month (MoM) in May 2020 (April +4.21% MoM). The positive sentiments were driven by the gloves sector, recovery in crude oil and palm oil prices. On the monetary front, Bank Negara Malaysia (BNM) has cut its OPR by 50 bps to 2%, a level last seen during the 2008 to 2009 global financial crisis.

MARKET OUTLOOK AND STRATEGY

The lock down and social distancing that would disrupt supply and demand will have an impact on company's revenues. We believe that the equity market has not factored in more cuts in corporate earnings and the indirect impact from MCO. In the short term, we expect equity market to be volatile and range bound as the market is adjusting for the new norm in the economy.

In terms of strategy, due to the volatile domestic equity market, we will focus on stocks with strong balance sheet, cashflows and good earnings growth potential, plus accumulating good quality stocks during weakness to benefit the fund in the longer term.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 May 2020, the Volatility Factor (VF) for this fund is 11.0 and is classified as "Moderate". (source: Lipper) "Moderate" includes funds with VF that are above 8.9 but not more than 12.2 (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 3 August 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 for the Fund are liquidity risk of underlying investments, interest rate risk, credit/default risk, inflation/purchasing power risk, market risk and particular securities 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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