RHB Asset Management

FUND FACTSHEET – JUNE 2020

All data expressed as at 31 May 2020 unless otherwise stated

3-year Fund Volatility 9.3 moderate Lipper Analytics 10 MAY 2020

RHB GLOBAL ALLOCATION FUND

This Fund aims to maximise total return expressed in Ringgit Malaysia by investing globally in equity, debt and short term securities, of both corporate and governmental issuers, with no prescribed limits.

INVESTOR PROFILE

This Fund is suitable for Investors who:

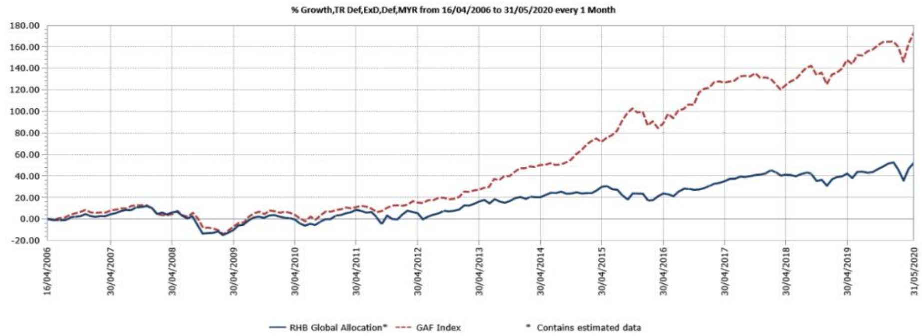
- a well-diversified investment across global markets;
- a flexible and dynamic asset allocation; and
- to invest in an established and proven foreign fund managed by a renowned international fund manager.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in Class A non-distributing shares of the BGF-GAF.
- 2% - 5% of NAV: Investments in liquid assets.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**3.81**	**4.47**	**2.36**	**0.47**
Benchmark	3.92	5.01	3.23	3.13

	1 Year	3 Years	5 Years	Since Launch
Fund	**10.23**	**11.00**	**16.86**	**52.45**
Benchmark	11.93	19.87	55.80	172.90

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**15.71**	**-8.00**	**10.94**	**3.83**	**0.09**
Benchmark	17.59	-2.78	4.78	10.92	21.71

Source: Lipper IM

FUND DETAILS

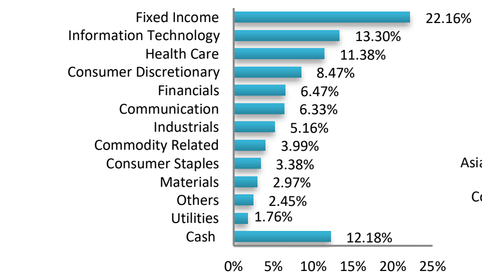
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	27 March 2006
Unit NAV	RM0.6779
Fund Size (million)	RM21.18
Units In Circulation (million)	31.25
Financial Year End	31 August
MER (as at 31 Aug 2019)	0.43%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	36% S&P 500(RM)+24% FTSE World(ex-US)(RM)+24% 5Yr US Treasury Note(RM)+16% Citigroup Non-USD World Govt Bond Index (RM)
Sales Charge	Up to 3.63% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.07% p.a. of NAV*
Distribution Policy	Annually, 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.*

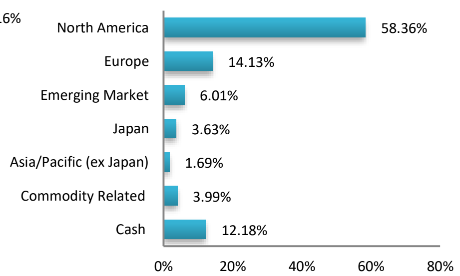
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Region Allocation*



Top Holdings (%)*

TREASURY NOTE 1.75 (15/11/2029)	2.59
SPDR GOLD SHARES	2.10
MICROSOFT CORP	2.02
WI TREASURY (CPI) NOTE 0.125 (15/04/2025)	1.93
APPLE INC	1.87

**As percentage of NAV*

**Source: Black Rock, 31 May 2020. Exposure in BlackRock Global Allocation Fund - 97.16%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6797	0.6988	0.6988
Low	0.6394	0.5607	0.3903

Source: Lipper IM

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RHB GLOBAL ALLOCATION FUND

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MANAGER'S COMMENTS

TARGET FUND'S MAIN PORTFOLIO CHANGES

• Optimism toward the re-opening of the global economy continued to support global equities in May and extended the market recovery following the sharp contraction in Q1. Further stimulus measures, coupled with the hope of additional COVID-19 treatments and vaccines, encouraged investors to bid up risk assets despite continued uncertainties regarding the possibility of subsequent waves of the pandemic and against a backdrop of rapidly deteriorating US/China relations. A continuation of the market's "risk on" sentiment also resulted in gains across more economically sensitive segments of the fixed income market, led by emerging market and U.S. high yield bonds.

• Despite unprecedented fiscal stimulus and historic policy accommodation by the Federal Reserve and other global central banks, the Target Fund Manager remains mindful of the considerable uncertainty that remains over the near-term economic outlook. This, coupled with lofty equity valuations, has led the Target Fund Manager to rotate a portion of their pure equity positioning to credit (though the Target Fund Manager still maintain a modest equity overweight relative to benchmark). The Target Fund Manager preferences is to maintain a balanced portfolio with less concentration in equity beta (relative to the beginning of the market recovery), diversify hedges beyond duration, less exposure to the lowest yielding (rate sensitive) segments of fixed income and increased exposure to high-quality spread assets. To balance the Target Fund's allocation to risk assets, the Target Fund Manager holds a meaningful exposure to portfolio hedges, notably cash, precious metal securities, and duration (albeit at lower levels than in prior months), as well as an overweight to the U.S. Dollar and Japanese Yen.

• From a sector perspective, the Target Fund Manager continues to emphasize secular growth themes across high quality equities in areas such as tech, healthcare, communication services and consumer discretionary. The Target Fund Manager remains cautious on deep value-oriented sectors, notably financials and energy, given both the low likelihood of a "V"-shaped recovery and the fact that many of these businesses, particularly energy, face long-term secular challenges.

• Amid rising US/China tensions, the Target Fund Manager continues to evaluate their positioning in China. Despite the Target Fund Manager convictions in the portfolio's core fundamental positions in the region over the long-term, the Target Fund Manager trimmed exposure over the month in select Chinese consumer discretionary companies given increased potential for near-term volatility.

• Portfolio duration decreased in from 2.4 to 2.2 years as of month-end. While the Target Fund Manager believes that current Fed policy, coupled with near-term damage to the economy, will prevent a significant backup in yields, the Target Fund Manager believes that Treasuries are less attractive at these levels. The majority of the Target Fund Manager duration is sourced from longer-dated U.S. Treasuries, notably the 10 and 30-year, as a partial hedge against equity volatility.

• The Target Fund Manager continues to manage their yield curve exposure to maximize the hedging properties of the book. As the Federal reserve has reduced policy rates to historic lows, the Target Fund Manager feels that opportunities at the extreme long end of the curve have the potential to offer more efficient portfolio diversification than shorter-dated maturities.

• The Target Fund Manager has increased the Target Fund's overall beta, notably through increased exposure to credit-related securities. The Target Fund Manager continues to build yield into the portfolio via high-quality spread assets with a preference for IG and selective HY credit, as well as select EM sovereigns and securitized debt.

• The Target Fund Manager maintains exposure to 5-year U.S. TIPs based on the belief that current inflation expectations of ~0.9% are too low and represent a technical divergence relative to 10-year breakeven rate of ~1.1%.

• The Target Fund Manager maintained their exposure to gold-related securities. The Target Fund Manager believes it can provide resiliency in the portfolio and prove to be an effective hedge against equity risk, particularly in environment where massive central bank bond purchases are likely to keep real-interest rates negative for the intermediate term.

• The Target Fund Manager holds exposure to cash in the Target Fund as a diversifying asset class to help manage risk in the portfolio and as a source of funding as they look to opportunistically deploy capital. In addition to U.S. Treasury bills, the Target Fund Manager also has a position in shortterm bills in Japan to get exposure to the Japanese yen.

• Decreased overweight to the U.S. Dollar (USD), largely as a result of increased exposure to the Canadian dollar (CAD) and the Euro (EUR). While the Target Fund Manager remains overweight the USD given its historical role as a reliable hedge during periods of market volatility, as they trimmed exposure to U.S. equities, the Target Fund Manager took the opportunity towards to the end of the to add back exposure to some higher beta currencies, notably the CAD and EUR.

TARGET FUND'S POSITIONING

• Asset allocation (as % of net assets*): Equity: 62%, fixed income: 22%, precious metals: 4%, cash equivalents: 12%

Within equities, exposure remains focused on high quality companies that exhibit earnings consistency and are positioned as beneficiaries of secular themes. Interestingly, many of the underlying trends that support these themes have only accelerated in recent months, which has further widened the gap between winners and losers across sectors. As Russ Koesterich noted in his recent blog, the technology sector held up surprisingly well in the Q1 downturn given resilient cash flows and the acceleration in adoption of trends such as e-commerce, cloud computing, and streaming. Within fixed income, the Target Fund Manager continues to look for opportunities to add to credit exposure (both investment grade and high yield) and to select emerging market sovereign debt, given rangebound equity market volatility and a preference to add carry by investing alongside the Fed. Exposure to diversified asset classes, notably cash and precious metals, were maintained to manage the Target Fund's overall risk profile.

* All exposures are based on the economic value of securities and is adjusted for futures, options, and swaps (except with respect to fixed income securities) and convertible bonds. Numbers may not sum to 100% due to rounding.