

RHB ASEAN FUND

This Fund aims to achieve medium to long term capital appreciation through investments in securities of companies with high growth potential.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in equities and equity related securities (such as warrants).
- Up to 30% of NAV: Investments in fixed income securities such as government and semi-government bonds, corporate debt securities and money market instruments.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

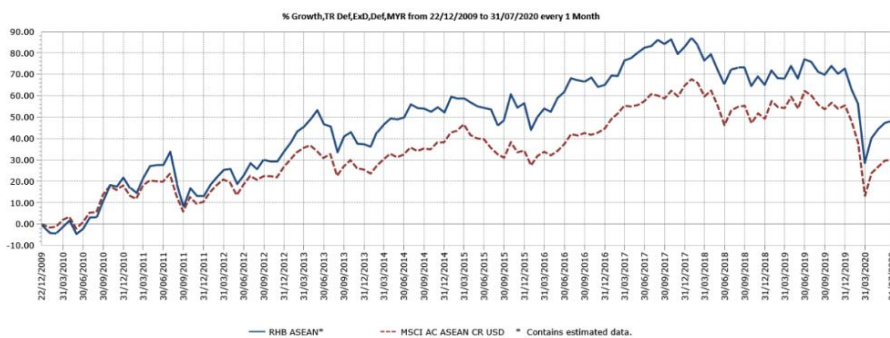
INVESTOR PROFILE

This Fund is suitable for investors who:

- wish to participate in the potential and investment opportunities of the fast growing ASEAN economies; and
- are willing to accept higher risk in their investments in order to achieve medium to long term capital growth.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.63	5.79	-9.04	-14.20
Benchmark	0.20	4.93	-12.04	-16.43

	1 Year	3 Years	5 Years	Since Launch
Fund	-15.73	-19.13	-3.56	48.17
Benchmark	-18.83	-19.15	-4.25	29.94

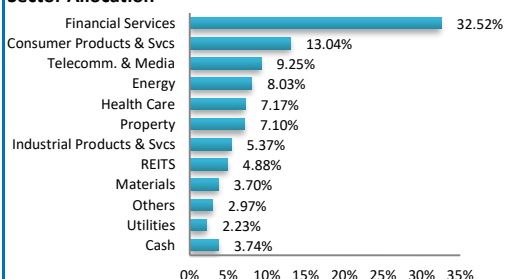
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	4.60	-9.74	10.85	5.55	2.67
Benchmark	4.17	-9.44	13.98	7.64	-2.79

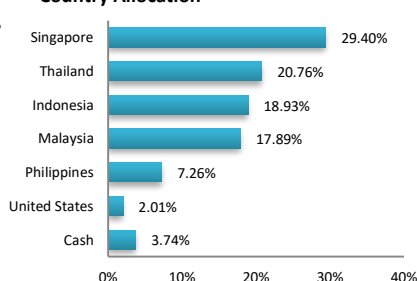
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

BANK CENTRAL ASIA TBK PT	6.51
DBS GROUP HOLDINGS LTD	5.12
UNITED OVERSEAS BANK LTD	4.36
OVERSEA-CHINESE BANKING CORP LTD	3.95
CP ALL PCL	3.15

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3796	0.4775	0.6743
Low	0.3669	0.3192	0.3192

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
24 Apr 2020	3.0000	6.67
25 Apr 2019	3.0000	6.13
20 Apr 2018	3.4000	6.05
28 Apr 2017	-	-
28 Apr 2016	6.0000	11.24

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

ASEAN countries delivered a mixed bag of returns in July. Malaysia and Indonesia markets led the rally with 6.9% and 5.0% respectively in local currency terms. Thailand was relatively flat at -0.8%, and Singapore and Philippines declined -2.3% and -4.5% respectively. The Thai Baht and Indonesian Rupiah depreciated 0.8% and 2.4% respectively against the US dollar.

Singapore held its General Election on 10 July 2020 with the incumbent party, the PAP, holding onto its supermajority seats at 61.2%. This election's showing was weaker than prior year's elections, as the opposition won 10 parliamentary seats and a reduced majority vote compared to prior year of 69.9%. Singapore's 2Q20 GDP came in at -12.6% y/y, following a -0.3%/y contraction in the previous quarter. This was the sharpest contraction ever recorded and pushes Singapore into a technical recession. On corporate news, the Monetary Authority of Singapore has called on Singapore banks to cap their dividends per share for FY20 at 60% of FY19 DPS, and offered shareholders the option to receive dividends to be paid for FY20 in scrip in lieu of cash. REITS reported their earnings with a clear trend showing the resilience of industrials, data center and logistics over the office and retail sectors.

The Malaysian Prime Minister announced measures to provide a targeted extension of the moratorium and repayment flexibility to individuals and SMEs who continue to be affected by COVID-19. The existing 6 month blanket moratorium is set to end on 30th September 2020. With the resurfacing of COVID19 cases abroad, the healthcare sector namely gloves companies continue to buoy the Malaysian market and positive guidance from regional IT firms also saw Malaysian IT firms benefitting.

Philippines central bank surprised markets with a 50bps policy rate cut, primarily driven by its expectation of a more protracted recovery. President Duterte decided to maintain the General Community Quarantine (GCQ) status of Metro Manila as the pace of new COVID cases more than doubled in July from just under 650/day in June to an about 1,650 new cases/day in July. The Department of Labour and Employment estimated, one month ago, the number of displaced OFWs at 345,000 which is equivalent to 0.8% of the labour force. Around 100,000 have returned to the Philippines with another 50,000 expected to return in the coming months.

Bank Indonesia has cut the policy rate by 25bps to 4.00% in the July policy meeting. However, the Governor mentioned that support for the economy going forward will be more effective through the quantity channel rather than the price (interest rate) channel.

In Thailand, domestic demand improved in June, as the reopening of the economy gained pace. Tourism stayed in hibernation and exports plunged to a decade-low. Trips to retail and recreation venues are normalizing to near pre-pandemic levels as of end July, with the full reopening of the economy from 1 July.

MARKET OUTLOOK AND STRATEGY

We have moved our strategy more defensive names as ASEAN struggles to exit the COVID19 pandemic. We have also increased our exposure to high yield dividend stocks but also increased our exposure to value plays.

Over the next 5-10 years, Asia and especially ASEAN will emerge as the region with relatively stronger growth compared to the rest of the world. ASEAN, with its structural advantage in demographics, will emerge as the complimentary piece to China's evolution into a giant consumption economy. Adding on to the commitments by the governments in Asia and ASEAN towards infrastructure development, the region will feature prominently as the place for equity investments. We would look to buy stocks during periods where investors largely ignore these positive developments in the region.

DISCLAIMER:

Based on the fund's portfolio returns as at 14 July 2020, the Volatility Factor (VF) for this fund is 15.2 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 12.8 but not more than 15.4 (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 30 June 2020 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 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 contents of the PHS and Master Prospectus dated 3 September 2017 and its supplementary(ies) (if any) ("collectively known as the Master Prospectus") before investing. The Master Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. The SC's approval or authorization, or the registration of the Prospectus should not be taken to indicate that the SC has recommended 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. If in any doubt, consult your banker, lawyer, stockbroker or an independent financial adviser.

The Manager wishes to highlight the specific risks of the Fund are country risk and currency risk. These risks and other general risks are elaborated in the Master Prospectus. This Fund 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.

This Fund Factsheet has not been reviewed by the SC.

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