

### RHB ASIAN REAL ESTATE FUND

This Fund aims to achieve a long term capital appreciation through investments in the real estate market.

#### INVESTOR PROFILE

This Fund is suitable for investors who:

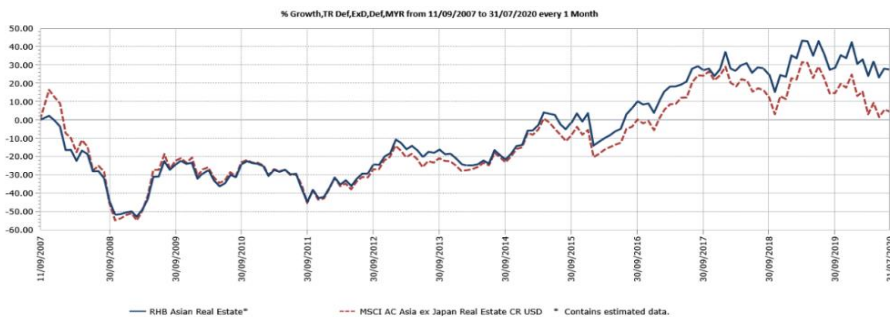
- wish to participate in the opportunities offered by the Asian real estate markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

#### INVESTMENT STRATEGY

- Up to 98% of NAV (with at least 70% of NAV in equity): Investments in primarily Asian real estate securities and listed Real Estate Investment Trusts (REITs).
- 2% - 5% 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	-0.39	-3.42	-2.31	-10.41
Benchmark	-1.14	-4.38	-7.62	-16.23

	1 Year	3 Years	5 Years	Since Launch
Fund	-6.25	-0.38	30.71	27.52
Benchmark	-14.91	-13.42	13.49	4.47

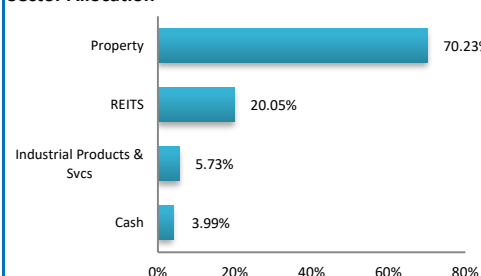
##### Calendar Year Performance (%)\*

	2019	2018	2017	2016	2015
Fund	15.24	-3.23	22.97	0.04	20.18
Benchmark	11.96	-10.39	31.42	-0.05	11.03

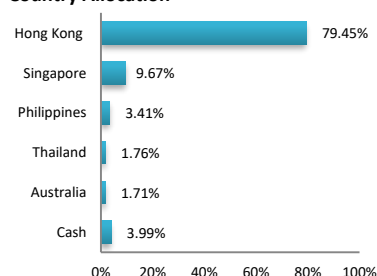
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

LINK REIT	8.67
NEW WORLD DEVELOPMENT CO LTD	8.53
SUNAC CHINA HOLDINGS LTD	7.67
SUN HUNG KAI PROPERTIES LTD	6.23
CHINA RESOURCES LAND LTD	5.63

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6946	0.7212	0.7377
Low	0.6294	0.5733	0.2187

Source: Lipper IM

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### MANAGER'S COMMENTS

#### MARKET REVIEW

In China, the preliminary data of developers' July contracted sales was released by CRIC on 31 July. Top-100 developers' July sales retreated on a MoM basis with a decline of 25%/23% in gross/attributable terms (vs +33%/+31% growth in June) due to seasonality. On a YoY basis, sales momentum further accelerated to 25%/24% in gross/attributable terms compared with 14%/13% growth in June. YTD sales growth stood at 1%/0% in gross / attributable terms for 07M20.

The Politburo hosted a regular meeting on 30th Jul and reiterated two property-related messages: (i) to promote stable & healthy development of property market; (ii) "Houses are built for inhabitation, not for speculation". The overall property is not the focus given shortest mention on the sector, signaling a stable policy tone. Given its focus on consumer spending & infrastructure investment, we see the need to increase money velocity and effectiveness of easing by having stable size of property financing, with more efficient allocation on existing loans to prevent systematic and price risk. Onshore/ offshore funding costs was down 94/83bps in 7M. We view recent local fine-tunes at core cities as city-specific prevention for over-heating of home prices but most other cities are far from "heated".

#### MARKET OUTLOOK AND STRATEGY

The strong YoY sales momentum in July is in-line with our expectation. Developers would like to catch up project launches in the early part of the second half despite a traditionally low season in July and August. We expect sales should continue to pick up thanks to more supply, promotions and omnichannel of online sales. The Politburo meeting held on 30 July reiterated the policy stance of "Housing is for living, not for speculation", which ruled out the possibility of stimulus for the sector. Near-term catalysts remain sales picking up, spin-offs of property management branches and improvement in the credit environment. The near-term catalysts should be policy stimulus and improvement in credit environment. The sector should rebound in the coming months on supply-driven sales beat, sector rotation and 1H earnings growth along with defensive valuation.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 14 July 2020, the Volatility Factor (VF) for this fund is 17.4 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are 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 real estate risk, foreign investment risks such as country risk and currency risk and equities investment risks such as market risk and particular security 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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