

RHB EMERGING INCOME FUND - USD CLASS

The Fund aims to provide income[^] and capital growth by investing in one (1) target fund i.e. Schroder International Selection Fund Emerging Multi-Asset Income.

Note: [^]The income is in the form of units of the Fund.

INVESTOR PROFILE

This Fund is suitable for:

- ‘Sophisticated Investor(s)’ as defined in the Information Memorandum.

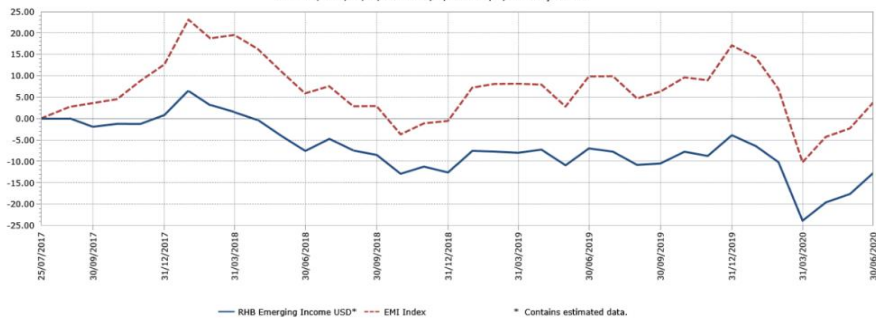
INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the USD AX distribution share class of the Target Fund;
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and placements of cash.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*

% Growth,TR De(ExD,De(USD from 25/07/2017 to 30/06/2020 every 1 Month



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	5.98	14.68	-9.18	-9.18
Benchmark	6.19	15.56	-11.39	-11.39

	1 Year	Since Launch
Fund	-6.16	-12.78
Benchmark	-5.53	3.75

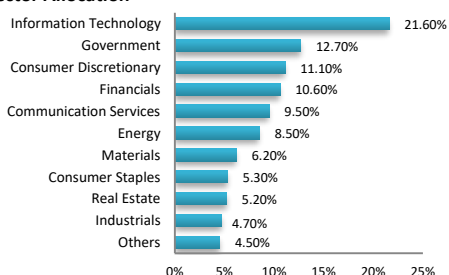
Calendar Year Performance (%)*

	2019	2018
Fund	9.98	-13.31
Benchmark	17.74	-11.72

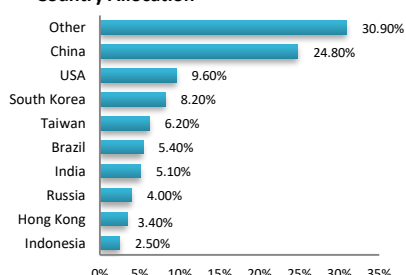
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALIBABA GROUP HOLDING LTD	2.70
TENCENT HOLDINGS LTD	2.70
BROADCOM INC 8.0 (30/09/2022)	2.20
TAIWAN SEMICONDUCTOR MANUFACTURING	2.20
BUNGE LTD PERP 4.875 (31/12/2049)	1.90

*As percentage of NAV

*Source: Schroder, 30 June 2020. Exposure in Schroder International Selection Fund Emerging Multi-Asset Income - 96.68%

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Income & Growth Fund
Launch Date	04 July 2017
Base Currency	USD
Unit NAV	USD 0.8501
Fund Size (million)	USD 2.73
Units In Circulation (million)	3.21
Financial Year End	31 August
MER (as at 31 August 2019)	0.66%
Min. Initial Investment	USD 1,000.00
Min. Additional Investment	USD 500.00
Benchmark	50% MSCI Emerging Markets Index (USD) + 25% EMBI Global Diversified (USD) + 25% GBI-EM Global Diversified (USD)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.06% p.a. of NAV*
Switching Fee	USD 10.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Quarterly, 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 STATISTICS

Historical NAV (USD)

	1 Month	12 Months	Since Launch
High	0.8597	0.9541	1.0762
Low	0.8021	0.6806	0.6806

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
28 Aug 2018	1.1600	1.25
24 May 2018	1.2600	1.25

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS
MARKET REVIEW

Emerging markets traded firmly higher in June, driven largely by Asia, where effective containment measures and supportive policies fed a continued improvement in economic data. The region's ability to contain the virus was again tested in June, with flare ups in Beijing and Seoul which, for now, seem to be under control. On the other hand, India, Brazil and Indonesia, the most populous emerging countries outside China, are experiencing the opposing forces of increasing infection rates and rising markets, a theme not unfamiliar in developed markets.

The MSCI EM index rallied in excess of 7% in June, outpacing the MSCI World Index by almost 5%. Emerging dollar denominated rose 4%, fuelled by demand for higher-yielding dollar assets while local denominated debt was broadly flat, mirroring the mixed picture for emerging currencies.

MARKET OUTLOOK

Looking forward, the Target Fund Manager remains more concerned about growth than inflation for the rest of this year as "coronaphobia" will subdue economic activity. Government intervention has reduced tail risks and has been necessary to plug the huge gap in demand. For now, the Target Fund Manager is assuming that the response has been proportionate rather than an overdose of stimulus. It is notable, however, that an increasing number of emerging markets are now resorting to a variety of forms of quantitative easing for the first time.

With a backdrop of ongoing global easing, the path of the US dollar remains key for emerging markets, although its future harder to predict in an environment of volatile geopolitics and lingering threat of coronavirus. Adding to the uncertainty are increasing trade barbs between China and the US and, as the US election draws closer, the incentive to increase the rhetorical temperature rises.

Overall the Target Fund Manager is comfortable with their current positioning, retaining a bias for quality corporates and sovereigns which are well placed to continue to capture any rebound, whilst providing some comfort should the situation deteriorate. With this in mind, the Target Fund Manager continues to tilt the portfolio to areas of the market that exhibit high potential growth, and countries that have dealt decisively and effectively with the initial bout of the coronavirus. Looking forward, dispersion between countries, regions and companies is likely, requiring an ever more selective and active approach to capitalise on evolving opportunities, and navigate the risks.

DISCLAIMER:

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 Information Memorandum dated 4 July 2017 and its supplementary(ies) (if any) ("collectively known as the Information Memorandum") before investing. The Information Memorandum 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 Information Memorandum relates will only be made on receipt of a form of application referred to in the Information Memorandum. The Fund are only offered to "sophisticated investors" as defined in the Information Memorandum. For more details, please call 1-800-88-3175 for a copy of the PHS and the Information Memorandum 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 management risk, liquidity risk, country risk and currency risk and the specific risks of the Target Fund are capital risk due to distribution policy of Target Fund, capital risk due to negative yields, China country risk, counterparty risk for derivatives, counterparty risk for money market and deposit, credit risk, currency risk, derivatives risk, emerging markets and frontier risk, equity risk, high yield bond risk, interest rate risk, leverage risk, liquidity risk, operational risk. These risks and other general risks are elaborated in the Information Memorandum.

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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