

RHB ENTREPRENEUR FUND

The Fund aims to achieve long term capital appreciation through investments in securities of companies that possess entrepreneurial characteristics as determined by the Manager.

INVESTOR PROFILE

This Fund is suitable for Investors who:

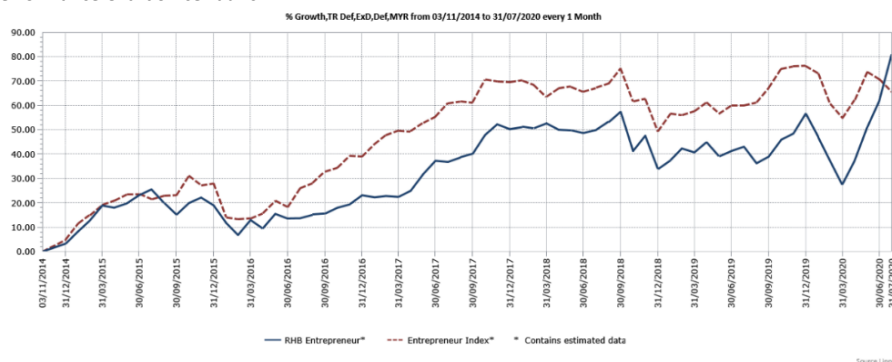
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in securities of companies that are listed on the stock exchanges of Japan and other Asian markets.
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and Deposits.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	11.93	32.03	22.99	15.41
Benchmark	-3.10	2.04	-4.48	-6.10

	1 Year	3 Years	5 Years	Since Launch
Fund	26.49	32.25	44.14	80.92
Benchmark	3.47	2.83	36.32	65.42

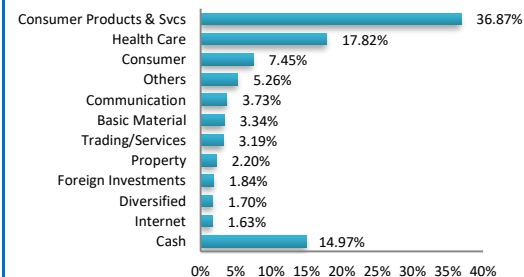
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	17.10	-10.93	22.08	3.41	15.25
Benchmark	18.04	-11.90	21.92	8.59	21.99

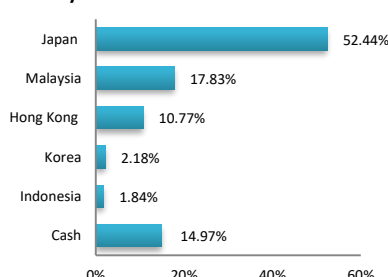
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SUPERMAX CORP BHD	9.64
RIDE ON EXPRESS HOLDINGS CO LTD	9.18
NITORI HOLDINGS CO LTD	8.73
MCJ CO LTD	8.44
KOSSAN RUBBER INDUSTRIES	8.19

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6594	0.6594	0.7345
Low	0.5874	0.4318	0.4318

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
29 Oct 2019	4.5000	8.11
25 Oct 2018	7.0000	10.48
26 Oct 2017	8.0000	13.47
31 Oct 2016	-	-
31 Oct 2015	-	-

Source: RHB Asset Management Sdn. Bhd.

RHB ENTREPRENEUR FUND

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MANAGER'S COMMENTS

MARKET REVIEW

Despite rising COVID-19 cases around the world, global equities continued to rally in July 2020, rising 5.1% during the month and extending the rally since bottoming out on 23 March 2020 to 43.7% (YTD: -2.4%). The unabated spread of COVID-19 in multiple geographies risked delaying the opening up of economies, and consequently the sustenance of normalization in activity. As a result, market participants flocked to safe havens, repricing 10-year US Treasuries to their lowest ever closing yield of 0.53% and precious metals higher, with Gold (10.9%) scaling an all-time high and Silver (34.0%) registering its best monthly performance since 1979.

The TOPIX and the Nikkei Stock Average lost 4.02% and 2.59% respectively over July 2020. The beginning of the month saw Japanese equities rise briefly on the back of better than expected economic data out of the US, but were then dragged down by a falling Shanghai market. Stocks rose mid-month as promising clinical trial results for COVID-19 vaccines and treatments in Europe and the US raised hopes of a path back to normal economic activity, while the EU reached agreement on a joint recovery fund. Markets headed downhill later in the month, however, amid fears of a resurgence in infections in Japan, while tit-for-tat consulate closures between the US and China pushed investors into risk-avoidance mode. Among July's best performing sectors were information & communication, electric appliances, and security & commodity futures. Worst performers, meanwhile, included land transportation, air transportation, and real estate, amid concerns over further disruption from COVID-19.

Meanwhile, Asia Ex-Japan pulled off yet another strong performance in July 2020 (8.0%) to registered its YTD returns (1.8%) into positive territory. Main driver were from China, started off strongly rising 14.6% by 9 July on state media reports that suggested that the onshore market was ready for a "healthy bull market", before giving up 4.9% due to escalation in US-China tensions, to end the month up 8.9%. Hong Kong (-0.8%) struggled due to resurgence of COVID-19 cases that prompted the re-enactment of social distancing protocols, as well as the elimination of its special treatment by the US under the US-HK Policy Act of 1992. Taiwan (14.9%) posted its best monthly returns in more than a decade, as index heavyweight surged after US chipmaker Intel announced delays in its next generation products and that it had decided to outsource its manufacturing operations. ASEAN (1.3%) continued to lag the broader region, dragged down by subpar performances by Singapore (-0.2%), Thailand (-2.9%) and the Philippines (-2.9%).

MARKET OUTLOOK AND STRATEGY

Risk aversion and market volatility will remain high for the foreseeable future given the evolving situation on the COVID-19 pandemic. Localised outbreaks can be expected from time to time. Our base case expectation for COVID-19 to be broadly contained within 1H20 has broadly panned out in the Asian and European context. But surging COVID-19 infections in the US is raising concerns on the potential stalling of the expected economic recovery in the world's largest economy.

We expect market volatility to remain elevated from just the pandemic perspective. Investors should expect a choppy market going forward, despite the robust liquidity conditions that are helping to support risk assets.

We expect Japanese markets to remain largely flat in August 2020. Japan has recently seen a spike in coronavirus infections, with new case numbers hitting record highs several days in a row. We believe the late July 2020 fall in stock prices indicates that a slowdown in economic activity has already been priced in, but markets will most likely keep a wary eye on infection rates going forwards. Markets should, however, be underpinned by indications from the Bank of Japan and its global peers of their intention to maintain loose monetary policy for as long as is necessary.

DISCLAIMER:

Based on the fund's portfolio returns as at 14 July 2020, the Volatility Factor (VF) for this fund is 16.0 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 6 October 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 particular security risk, regional risk, currency risk and country 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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