

RHB GLOBAL ARTIFICIAL INTELLIGENCE FUND - USD CLASS

The Fund aims to achieve long-term[^] capital growth by investing in one (1) target fund.

Note: [^]“long-term” in this context refers to a period of between 5 – 7 years.

INVESTMENT STRATEGY

- At least 95% of NAV - Investments in the USD denominated class AT^{^^} units of the Target Fund;
- The balance of the NAV: Investments in liquid assets including money market instruments, deposits that are not embedded with or linked to financial derivative instruments (“Deposits”) and collective investment schemes investing in money market instruments and Deposits.

^{^^} Class “AT” refers to retail accumulation units of the Target Fund.

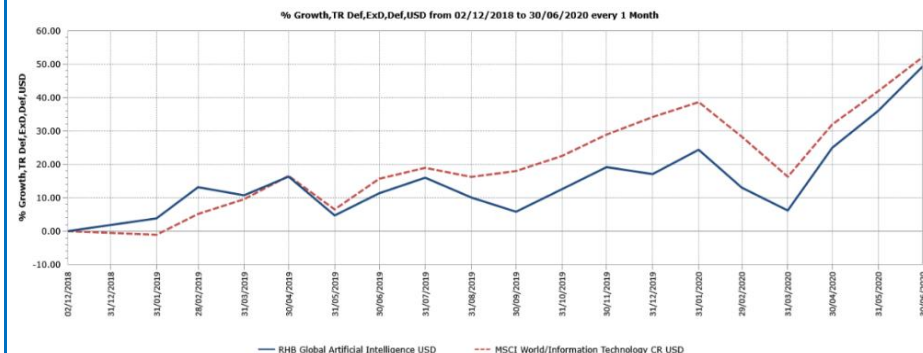
INVESTOR PROFILE

This Fund is suitable for:

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

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	9.78	40.61	27.54	27.54
Benchmark	7.19	30.85	13.39	13.39

	1 Year	Since Launch
Fund	34.10	49.31
Benchmark	31.53	52.11

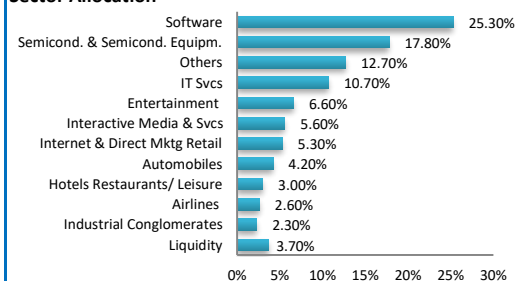
Calendar Year Performance (%)*

	2019
Fund	25.67
Benchmark	46.00

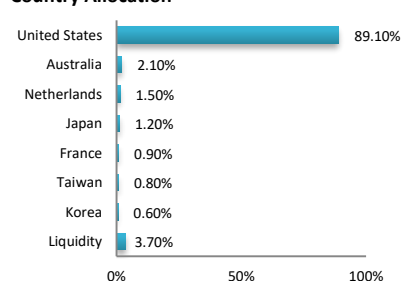
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

CROWDSTRIKE HLDGS INC	5.30
AMAZON COM INC	4.50
ROKU INC	4.20
TESLA MTRS INC	4.20
SPLUNK INC	3.90

*As percentage of NAV

*Source: Allianz Global Investors, 30 June 2020. Exposure in Allianz Global Investors Fund

- Allianz Global Artificial Intelligence - 91.71%

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	SCBMB Trustee Berhad
Fund Category	Feeder Fund
Launch Date	12 November 2018
Base Currency	USD
Unit NAV	USD 1.4931
Fund Size (million)	USD 6.97
Units In Circulation (million)	4.67
Financial Year End	30 September
MER (as at 30 Sept 2019)	0.19%
Min. Initial Investment	USD 1,000.00
Min. Additional Investment	USD 500.00
Benchmark	MSCI World Information Technology Index
Sales Charge	Up to 5.00% of investment amount*
Redemption Charge	None
Annual Management Fee	Up to 1.80% p.a. of NAV*
Annual Trustee Fee	0.03% p.a. of NAV*
Switching Fee	USD10.00 per switch*
Distribution Policy	Incidental, 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	1.5286	1.5286	1.5286
Low	1.3601	0.8534	0.8534

Source: Lipper IM

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MANAGER'S COMMENTS
WHAT HAPPENED

Global equities closed June with solid gains. Growing optimism over economic recovery initially propelled stocks higher, helping them to overcome concerns over racial protests and heightened tensions between the US and China. However, these gains were tempered when central banks dispelled hopes for a V-shaped recovery. Investors were also unnerved by new COVID-19 outbreaks in China, Australia, Germany and the UK, as well as a sharp surge in new infections in the south and west of the US. Once again, information technology was the strongest sector, with consumer discretionary companies also rebounding strongly. However, health care stocks, which had held up relatively well at the start of the COVID crisis, gave up some of their earlier gains. Defensive sectors, such as utilities, also underperformed as investors rotated into more cyclical stocks.

Information technology and related stocks outperformed the broader market during the period. With the resurgence in COVID-19 cases in the United States, the market rotated away from “re-opening” beneficiaries toward secular leaders such as work-from-home software companies. Additionally, investors expressed their preference for mega-cap tech names whose fundamental performances have been especially resilient through these challenged times. A company which designs, manufactures and markets personal computers and related personal computing and mobile communication devices along with a variety of related software, services, peripherals, and networking solutions, as well as a company that develops, manufactures, licenses, sells, and supports software products hit all-time highs during the month, achieving market capitalizations of \$1.5 trillion each. Results in the Internet space were more mixed amid regulatory headwinds which put pressure on the shares of companies such as an operator of a social networking website later in the period.

PORTFOLIO STRATEGY AND ACTIVITY

During the period, the target fund manager exited shares of a customer support platform provider following the strong recovery in shares. While many names have seen a robust recovery, the target fund manager is more concerned about the company as it has greater exposure to small and mid-sized businesses that are likely seeing more impact from the coronavirus. The target fund manager believes the company has interesting long-term, AI-related opportunities and the target fund manager will continue to monitor it for a more attractive point to own shares.

The target fund manager also exited a small position in a chip maker. While the announcement by a company which designs, manufactures and markets personal computers and related personal computing and mobile communication devices to insource its processors for desktops and laptops was not a surprise to us, the target fund manager believes the shares of the chip maker could underperform on a relative basis with this in the background. In addition, the recent departure of a highly regarded senior processor architect also raised a point of concern for us.

The target fund manager redeployed the proceeds to a new position in a company using AI to help companies’ employee populations better manage chronic conditions. The company’s solutions promote healthy behavioural changes based on real-time data captured by intuitive devices and insights driven by data science. The target fund manager believes the company has an attractive long-term business model characterized by high growth and compelling unit economics. Moreover, the company benefits from its ever expanding dataset to better serve its end-users. Finally, the target fund manager added a cruise operator to the portfolio. The company has been leveraging AI in many ways - from removing frictions in the boarding process to identifying parts of the ship that may need greater staff support when crowds form. As the company contemplates sailing again, it has been investing in AI to help monitor and manage passenger health through temperature screening and cameras to ensure social distancing. The target fund manager initiated a position as the target fund manager believes the long-term reward to risk appears compelling.

MARKET OUTLOOK

At the close of Q2 2020, the target fund manager sees economies opening to varied degrees with Asia well along the path to normalcy followed by Europe and the Americas. While flare-ups in the virus are persisting and expected, the target fund manager believes the most strict mitigation efforts were implemented during the second quarter and see gradual recovery underway. Company management teams sound optimistic that demand is returning but remain cautious on the magnitude of the recovery and the trajectory (i.e. V-shaped vs. W-shaped, etc.). In the target fund manager’s view, it is the former point on demand stabilization and recovery that has driven US equity markets back to their highs. However, with the remaining uncertainties around the shape of the recovery, the target fund manager has seen a relatively narrow recovery led by smaller secular growth companies along with mega-cap technology shares that have demonstrated resilient business models through this period.

The Artificial Intelligence strategy has performed well through this period with exposures to many of the secular growth companies finding strong markets for their solutions as new modes of work and consumption take shape. Over the past months, the target fund manager has selectively added new opportunities in different industries where the target fund manager noted dislocations and attractive valuations. Some of these positions face headwinds to the extent there is more uncertainty regarding the path of recovery. Nonetheless, the target fund manager believes that through a combination of improved health care system preparedness, better individual education of social distancing, and progress towards therapies and vaccines, the trend toward normalcy is inevitable. Over time, the target fund manager expects equity market performance to broaden and benefit some of the newer positions in the portfolio. This speaks to the target fund manager’s constructiveness on the overall equity market as significant segments carry attractive long-term risk-rewards for patient investors. In times of elevated volatility, risk management and staying active is critical to take advantage of opportunities as the market recovers.

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 12 November 2018 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 general market risk, currency risk, emerging markets risk, liquidity risk, company-specific risk, concentration risk, volatility risk and derivatives 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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