

RHB GLOBAL EQUITY YIELD FUND

This Fund aims to achieve long term capital appreciation and provide a source of income through investments in securities of companies listed or traded in the global emerging and developed markets.

INVESTOR PROFILE

This Fund is suitable for investors who:

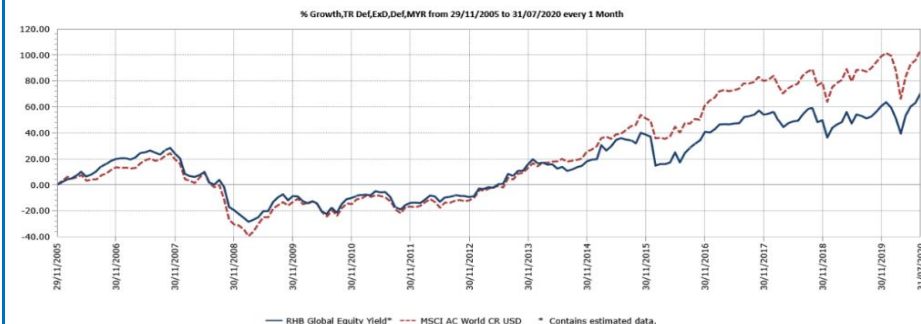
- wish to diversify their sources of stable income from other traditional asset classes like fixed deposits or bonds;
- wish to participate in the potential upside of the global emerging and developed equity markets but who have a medium risk tolerance;
- seek a well-diversified investment across global markets.

INVESTMENT STRATEGY

- Up to 98% of NAV: Investments in securities of and securities relating to companies that have attractive dividend yields and good growth potential.
- 2% - 10% of NAV: Investments in liquid assets including bonds, 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	4.46	11.13	6.86	4.15
Benchmark	4.04	11.25	2.22	1.21

	1 Year	3 Years	5 Years	Since Launch
Fund	11.31	12.08	26.20	70.41
Benchmark	8.15	14.44	43.37	103.76

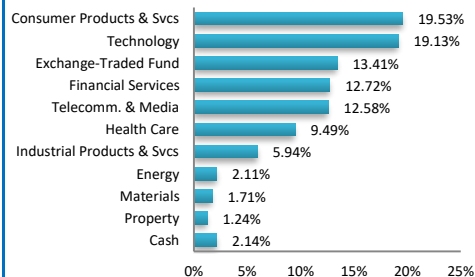
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	19.91	-11.86	10.47	2.09	13.96
Benchmark	22.79	-9.31	9.72	10.36	17.57

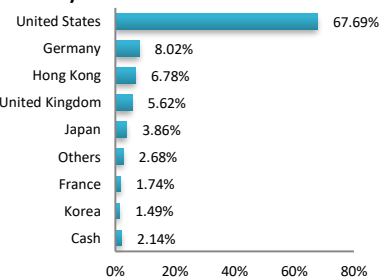
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALPHABET INC	5.40
AMAZON.COM INC	4.27
MICROSOFT CORP	4.23
SIEMENS AG	3.65
APPLE INC	3.58

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6548	0.6548	0.6548
Low	0.6192	0.4816	0.2588

Source: Lipper IM

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Income and Growth Fund
Launch Date	09 November 2005
Unit NAV	RM0.6468
Fund Size (million)	RM8.78
Units In Circulation (million)	13.57
Financial Year End	30 June
MER (as at 30 June 2019)	2.28%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI AC World Free Index (RM)
Sales Charge	Up to 5.26% of investment amount*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.07% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Semi-annually, if any and will be reinvested

*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.

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MANAGER'S COMMENTS

MARKET REVIEW

The global equity markets closed the month of July up by 3.0%, bringing the year to date loss to 2.4%. The top 3 sectors that outperformed in the month of July remained unchanged from the previous month as consumer discretionary (8.1%), materials (+7.8%) and information technology (+7.0%) once again led the pack. On the other side, only the energy (-2.3%) sector registered negative returns in July. Within regions, Asia ex-Japan (+7.6%) and US (+5.8%) outperformed global peers, while Europe (+3.6%), UK (+1.2%) and Japan (-1.6%) underperformed in USD terms.

The outlook for risk assets remain uncertain. Rising infections may force Hong Kong to delay its Legislative Council elections, while Tokyo numbers may lead to a declaration of emergency, as both countries have increased restrictions over recent weeks. The British government reinstated stricter lockdown measures in select cities due to weak adherence to social distancing guidelines. On the other hand, big tech, such as Apple, had a better earnings season than expected.

The Fed delivered a dovish hold with no surprises, with all policy settings left unchanged and a sober outlook was presented. The bank warned that the pandemic still posed considerable risks, and noted that there were signs that the recent surge in the infections is weighing on the economy. Fed Chairman Powell said the path forward is extraordinarily uncertain, with a full recovery unlikely until people feel safe. However, Powell emphasized that the Fed has ways to further support the economy, stressing again that the Fed is “not even thinking about thinking about raising rates.” Powell also said that the Fed is wrapping up its framework review in the near future. If the Fed is preparing to introduce some sort of target-based forward guidance, it would make sense to do it at a time when its macro forecasts and Dot Plots are updated at the next meeting on September 16. The centerpiece of this review will be an average inflation target, allowing the Fed to overshoot the 2.0% level to make up for below target periods.

The EU finalized its recovery package valued at €750 billion (5.4% of GDP) in total. Compared to the original May 27 EC proposal, there was a shift in the composition of the €750bn recovery fund, shifting from €500bn in grants and €250bn in loans to a €390bn/€360bn split. About €390bn of the sum will be distributed in the form of grants, with the remainder coming in the form of loans to facilitate the recovery in member states. The European Central Bank extended its ban on dividend payouts and share buybacks through year-end. It also urged Eurozone banks to show some restraint on paying bonuses. The ECB said it will review its stance in Q4. Despite the improvements with the Eurozone outlook, it is clear that the ECB remains concerned and is requiring banks to be more prudent as well.

The Bank of Japan kept its key short-term interest rate at -0.1% and maintained the target for the 10-year Japanese government bond yield at around 0% during its July meeting by an 8-1 vote. Governor Kuroda sounded a bit more optimistic, noting Japan was past the worst, but still warned that the recovery process will be slow. Updated quarterly outlook report forecasts underscore the challenging path ahead. GDP is now expected to be at -4.7% for FY2020, 3.3% in FY2021, and 1.5% in FY2022. Core CPI (ex-fresh food) is forecasted at -0.5% in FY2020, 0.3% in FY2021, and 0.7% in FY2022, all well below the 2% target and suggests no tightening until FY2023 at the earliest. We believe the bank is on hold for now to see how past monetary and fiscal stimulus work their way through the economy.

China reported mixed official July PMI readings. Manufacturing rose to 51.1 vs. 50.8 expected and 50.9 in June, while non-manufacturing fell to 54.2 vs. 54.5 expected and 54.4 in June. This pushed the composite reading down a tick to 54.1. New export orders rose for the third consecutive month, which suggests a pickup in external demand. Government stimulus and construction activity continue to support the economy. Tensions with the US are likely to remain high after it ordered the closure of the US consulate in Chengdu.

STRATEGY

Overall, we like Asia ex-Japan on prospects of growth uptick and within which, we favour China. Amid “First in First out”, China is at the forefront of restarting the economy and more policy space to revive activity, but we will remain cautious amid the recent escalation of US-China tensions. Within developed markets, we prefer US relatively on the longer run as it has more policy space versus other developed markets, but key risks such as increasing new COVID-19 cases, political risks ahead of November election and delay to the next round of US stimulus, US-China/EU tensions and high valuations remain. With these challenges, there tactical shift to rebalance away from the US, as the re-opening path for the rest of the world such as Europe looks smoother. We remain opportunistic and prefer stocks that have a healthy balance sheet, visible earnings growth and valuations support.

DISCLAIMER:

Based on the fund’s portfolio returns as at 14 July 2020, the Volatility Factor (VF) for this fund is 13.7 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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