FUND FACTSHEET – AUGUST 2020

All data expressed as at 31 July 2020 unless otherwise stated

3-year Fund Volatility 9.1 low Lipper Analytics 14 JUL 2020

RHB GOLDEN DRAGON FUND

This Fund aims to maximise total returns through a combination of long term growth of capital and current income.

INVESTOR PROFILE

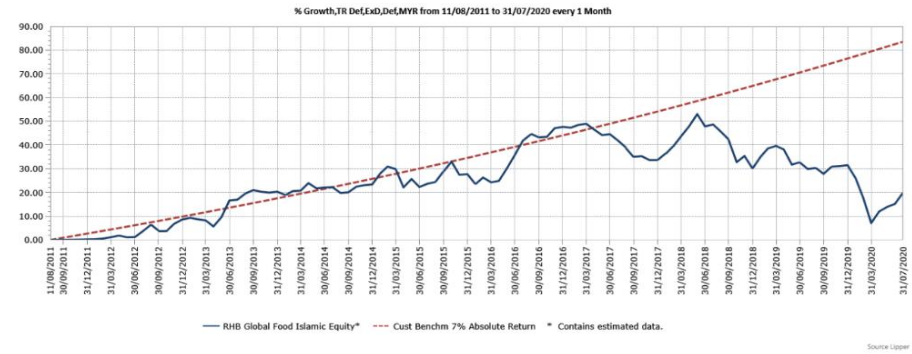
This Fund is suitable for investors who:
• are conservative and yet wish to participate opportunistically in the potential of the fast growing Greater China markets;
• seek a flexible investment mandate capable of capitalising and adapting to prevailing market conditions;
• are willing to accept moderate risk in their investments in order to achieve long term capital growth and income.

INVESTMENT STRATEGY

• 30% - 70% of NAV: Investments in securities of & securities relating to companies whose businesses are in the Greater China (i.e. the People's Republic of China, Hong Kong SAR and Taiwan) & are listed on the Greater China markets and/or other markets.
• 30% - 70% of NAV: Investments in Malaysian fixed income securities, money market instruments, cash and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**5.80**	**11.18**	**16.23**	**14.93**
Benchmark	4.93	8.36	11.77	9.84

	1 Year	3 Years	5 Years	Since Launch
Fund	**17.04**	**15.65**	**32.11**	**74.04**
Benchmark	15.80	20.42	46.28	106.47

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**8.09**	**-7.74**	**13.68**	**2.02**	**11.36**
Benchmark	13.01	-6.09	16.20	6.02	8.85

Source: Lipper IM

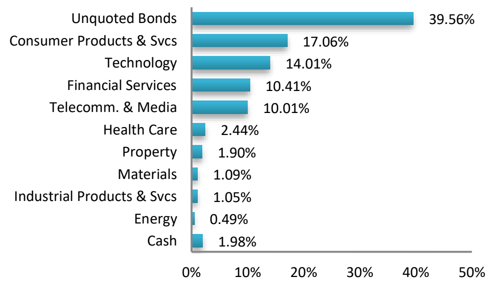
FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity / Bond Fund
Fund Type	Growth and Income Fund
Launch Date	08 May 2007
Unit NAV	RM0.6237
Fund Size (million)	RM25.30
Units In Circulation (million)	40.56
Financial Year End	31 December
MER (as at 31 Dec 2019)	2.06%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% MSCI Golden Dragon Index (RM) + 50% RAM qs MGS 3-7 (medium)
Sales Charge	Up to 5.26% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Annually, if any

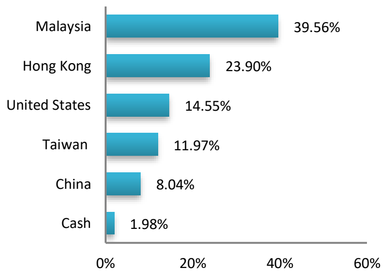
**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

MEX II SDN BHD 6.2% (29/04/2032)	16.22
ALPHA CIRCLE 5.6% (18/11/2022)	10.29
TENCENT HOLDINGS LTD	7.63
TAIWAN SEMICONDUCTOR MANUFACTURING	6.90
ALIBABA GROUP HOLDING LTD	6.17

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6351	0.6351	0.6351
Low	0.5895	0.5129	0.3026

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
Dec 2019	-	-
Dec 2018	-	-
Dec 2017	-	-
28 Dec 2016	3.6000	7.51
16 Dec 2015	4.5750	8.24

Source: RHB Asset Management Sdn. Bhd.

RHB GOLDEN DRAGON FUND

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MANAGER'S COMMENTS

MARKET REVIEW

MSCI China advanced 8.9% in July, outperforming EM and World by 0.5% and 4.2%, respectively. In particular, domestic A-shares took the lead, with CSI300 rising 14% and reaching multi-year high before some consolidation from the peak. Key drivers for the outperformance include: (i) Robust capital inflows over the Stock Connect in early July and surging equity/mutual fund issuance driving A-share turnover. (ii) Solid incoming economic data confirmed recovery outlook driving catch-up of cyclical laggards such as financials and materials. (iii) Accelerated capital market reform, such as refinancing rule revision for STAR and increasing equity investment threshold for insurers. Of note, new waves of cases emerged in July, which is now relatively under control in mainland China, but remains challenging in Hong Kong. Sector-wise, materials was the best performing sector, surging 22% in July, mainly fueled by non-ferrous metal sector as pricing momentum improved amidst economy recovery. Besides, construction materials held up well as fixed assets investment (infra and real estate) have largely normalized. Consumer staples came in second place by rising 16% thanks to upbeat earning results and defensiveness amid rising geopolitical risk and virus contagion. Consumer discretionary rose 14%, mainly powered by auto sector on earnings beats. Leisure names also recovered as pandemic control measures were gradually removed. Lastly, IT was up 13% and sentiment remained positive on Apple supply chain and semiconductors that associated with SMIC's STAR board dual-listing.

Hong Kong SAR's equity market underperformed in July amid the worsening local spread of COVID-19. The Hang Seng Index rose marginally by 0.7% led by China shares, whereas MSCI HK fell 0.8% and underperformed the region and China by 8.3% and 9.7% respectively. The government has tightened the social distancing measures given the deteriorating pandemic situation, which include limiting group gatherings to two persons, requiring mask-wearing in all public places, banning dine-in services from 6pm to 5am, and closure of entertainment/sports facilities. Meanwhile, the legislative election, which was scheduled for this Sep, will be delayed for a year. On the external front, after the US announced it would revoke the HK special status, Australia, Canada, the UK, and Germany also decided to suspend extradition treaties with HK in response to the National Security Law imposed on June 30. The property sector (-5.2%) was negatively impacted by tightened anti-epidemic measures, with retail landlords suffering the most while developers continued to outperform on resilient sales and ASP (CCL+1.8%). Macau gaming stayed flat. The Macau-Guangdong border was re-opened on July 15 without mandatory quarantine. However, the impact on gaming demand is still minimal (Jul GGR -95% YoY) as tourist visas are still suspended.

Macro data confirmed further economic recovery. China's 2Q GDP beat expectations by growing 3.2%. As for high frequency data, June macro condition was backed by normalizing production activity, while domestic demand was mainly led by infrastructure, real estate and the auto sectors, along with gradual recovery in consumer spending.

The July NBS PMI came in above expectations again, rising 0.2pt to 51.1 in July, following the gain of 0.3pt in June. The stable PMI readings suggest the impact of heavy rains and floods in central and eastern China may be less severe than expected. General demand conditions appear to be improving further, with new orders component rose further by 0.3pt to 51.7, as well as the notable rebound of export order component by 5.8pt to 48.4. On the other hand, service PMI eased 0.2pt to 54.2 in July, yet business activity indices for resident and entertainment services rose above the 50 thresholds. Meantime, Caixin manufacturing PMI improved notably by rising 1.6pt to 52.8, reaching a nine-year high.

The 2H policy guidance highlighted in Politburo meeting remained broadly the same as in the NPC meeting in late May. Note that the next rate cut may take place after the completion of LPR reform by August 31.

MARKET OUTLOOK AND STRATEGY

Looking ahead, we expect positive earnings revisions amidst the 1H/2Q earnings season given that 2Q GDP came in firmly stronger than market expectations. The positive earnings revisions will likely provide some relief to the already stretched valuations for MSCI China and could provide some near term support for further market upside, particularly for deep cyclicals and value plays which have lagged the market rally. Meanwhile, concerns on geopolitical will likely become louder as the US elections approach and the sustainability of economic re-openings remains highly questionable, particularly in the US. Post results season, we see the risk-reward for China equities as more balanced with developments on the vaccine front a key focus for addressing one of the major risk overhangs.

We will continue our focus on domestic-oriented sectors as external headwinds and geopolitical tensions rise; consumer staples and healthcare more resilient to second wave risks. Additionally, we are positioned in sectors that could benefit from a more permanent change in consumer behavior due to the outbreak include healthcare/grocery retailers/ online gaming/e-commerce. We are also mindful of policy tailwinds in consumer real estate and infrastructure FAI. Key risks for 2H continue to be US-China frictions on multiple fronts, as well as how second wave risks are managed globally.