

RHB CHINA-INDIA DYNAMIC GROWTH FUND

This Fund aims to achieve medium to long term* capital appreciation through investing mainly in the securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located) which, in the opinion of the managers, derive significant revenue or profits from or have significant assets or business interests in, the People's Republic of China ("China") or the Republic of India ("India").

*Note: "medium to long term" in this context refers to a period of between 3 - 7 years.

INVESTOR PROFILE

This Fund is suitable for investors who:

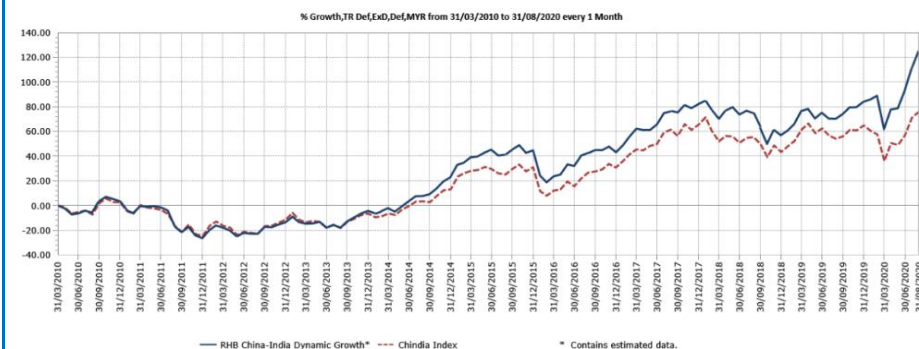
- wish to tap the growth prospects of two emerging growth engines of the world i.e. China and India;
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the medium to long term; and
- seek capital appreciation.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United China-India Dynamic Growth Fund.
- 2% - 5% of NAV: Investments in liquid assets including 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	6.80	25.99	19.22	22.40
Benchmark	2.78	18.16	11.72	6.73

	1 Year	3 Years	5 Years	Since Launch
Fund	32.26	27.79	59.80	125.32
Benchmark	14.38	8.98	40.84	75.90

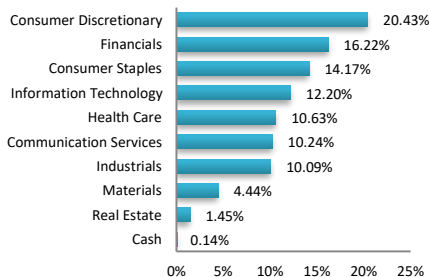
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	17.20	-13.73	27.15	-0.90	17.79
Benchmark	15.13	-12.72	30.57	2.34	13.06

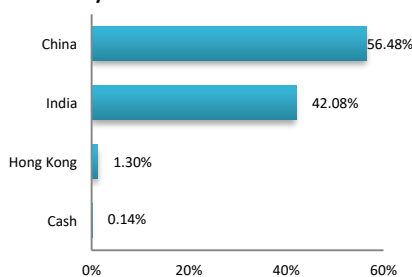
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALIBABA GROUP HOLDING LTD	7.80
TENCENT HOLDINGS LTD	6.25
BAJAJ FINANCE LTD	2.94
WULIANGYE YIBIN CO LTD	2.92
KWEICHOW MOUTAI CO LTD	2.72

*As percentage of NAV

*Source: UOBAM, 31 August 2020. Exposure in United China India Dynamic Growth Fund - 96.85%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.1266	1.1266	1.1266
Low	1.0502	0.7654	0.3648

Source: Lipper IM

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	11 March 2010
Unit NAV	RM1.1266
Fund Size (million)	RM18.19
Units In Circulation (million)	16.15
Financial Year End	31 July
MER (as at 31 July 2019)	0.47%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	25% MSCI China (RM), 25% SSE50 A Share (RM) and 50% MSCI India (RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a min. of RM18,000 p.a.*
Switching Fee	RM25.00 per switch*
Distribution Policy	None

*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

US Federal Open Market Committee updated its "Statement on Longer-Run Goals and Monetary Policy Strategy" which is the foundation for Fed's monetary policy actions. Fed monetary policy will now be based on flexible inflation targeting along with maximum employment. This means that following periods when inflation has been running persistently below 2%, appropriate monetary policy will likely aim to achieve inflation moderately above 2%. In addition, Fed's policy decisions will be informed by its assessments of the "shortfalls of employment from its maximum level" as compared to "deviations from its maximum level" earlier. Fed will now interpret its maximum employment goal as a "broad-based and inclusive goal", which suggests that Fed will also be looking at the employment for low-income and minority labour participation rather than solely focusing on the unemployment rate. Going ahead, Fed won't pre-emptively raise interest rates as the unemployment rate falls unless that is accompanied by actual signs of inflation.

The U.K. economy contracted by 20.4% in the second quarter of 2020, compared to the previous three months. The second-quarter plunge is the worst on record and follows a 2.2% contraction in the first quarter. Britain's quarterly contraction is by far the deepest among comparable advanced economies. French GDP contracted by 13.8%, Italy 12.4%, Germany 10.1%, Canada 12%, the U.S. 9.5% and Japan 7.6%. Expecting a sharp rebound in the third quarter as the burden of lockdowns diminishes, The Bank of England has forecast an 18% third-quarter jump.

China's CPI inflation rate rose 2.7% in July, up from the 2.5% gain in June driven by an increase in food and energy prices. Food prices rose 13.2% year on year as floods that have swept across China since late June appear to have disrupted supply chains and production. Core inflation, which excludes food and energy prices, declined from 0.9% year on year to a 10-year low of 0.5%. Pressure on China's manufacturing sector following the impact of the coronavirus pandemic, meanwhile, eased slightly in July as the producer price index (PPI), reflecting the prices that factories charge wholesalers for their products, fell 2.4%. That was a smaller drop than June's reading of a 3.0% decline.

SSE 50 China A Share rose 2.98% and MSCI China rose 3.75% (MYR terms) in the month of Aug 2020, outperforming emerging markets and Asia, but lagging MSCI World by about 1%.

Positive drivers of China equities include: (i) positive 2Q/1H20 earnings surprise, mainly driven by the internet sector, lifted MSCI China, while onshore equities were weighed down by banks due to sharp profit contraction. (ii) Accelerated registration-based IPO reform has broadened into ChiNext board, with the first batch of 18 IPOs starting to trade on Aug 24 and daily price range widening to +/-20% (previously: 10%). Similar to the STAR board, the first batch made a strong debut, with median return surging 126% on first trading day but quickly retraced about 30% from the peak. On the negative side: (i) Escalating US-China tension has been the key overhang, as the US further added 38 Huawei-affiliated companies to the Entity List and tightened financial scrutiny over ADRs. (ii) With the economic recovery on track, PBOC calibrated the policy guidance and introduced a less dovish tone compared to 1H.

China's July activity data confirmed continuous economic recovery but signaled moderating momentum. In particular, industrial production growth slowed while retail sales came in below expectation. More recently, August NBS manufacturing PMI eased 0.1-pt to 51.0, with a slight moderation of production offset by improving demand conditions. Service PMI has improved in recent months, rising 1.0pt to 55.2 in Aug. In addition, Caixin manufacturing PMI rose 0.3pt to 53.1, marking the new high since Feb 2011.

The Covid-19 pandemic has been well under control as domestic new cases have returned to zero and infected regions gradually removed restriction measures, in favor of recovery in service sectors. In terms of sector performance, consumer discretionary (mainly e-commerce) took a notable lead, thanks to superior earnings print amidst the economic recovery.

MSCI India rose 2.09% (MYR terms), Sensex rose 3.06% (MYR terms) and Nifty rose 3.18% (MYR terms) in Aug 2020.

August continued to be another positive month for the equity market as strong sentiment prevailed driven by data points indicating consistent pick-up in economic activity. Sensex delivered a return of 2.72% over the month closing at 38628.29. Nifty delivered a return of 2.84% over the month closing at 11,387.50. As per latest data, FIIs were net buyers in Equity markets with inflow of USD ~5.14 Bn and net seller in Fixed Income markets with outflow of USD ~0.43 Bn. Domestic Institutions were net seller in equities with net outflow of USD ~1.27 Bn in the month.

MARKET OUTLOOK

Indian equity market, just like its global peers, continues to remain resilient despite near term uncertainty regarding economic growth driven primarily by gradually improving economic data and the unprecedented monetary and fiscal stimulus provided by the central bank and government. The focus has quickly shifted from gauging the impact in the near future to the sustainability of long-term growth driven by higher adoption of technology and increase in efficiencies in manufacturing processes and supply chains. The pandemic will give rise to more efficient ways of doing business and create many new opportunities for growth for Indian companies by participating more meaningfully in the global supply chain. The Target Fund Manager shall continue to focus on well-run companies with leadership position in their respective industries, having healthy Balance Sheets, strong return on capital and steady cash flows.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 August 2020, the Volatility Factor (VF) for this fund is 16.7 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 ("SC") 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 management risk and foreign investment risks such as currency risk and country risk and the specific risks of the Target Fund are equity risk, single country, sector and regional risk, small and medium capitalisation companies risk, repatriation risk, regulatory risk, taxation risk and political 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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