

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:

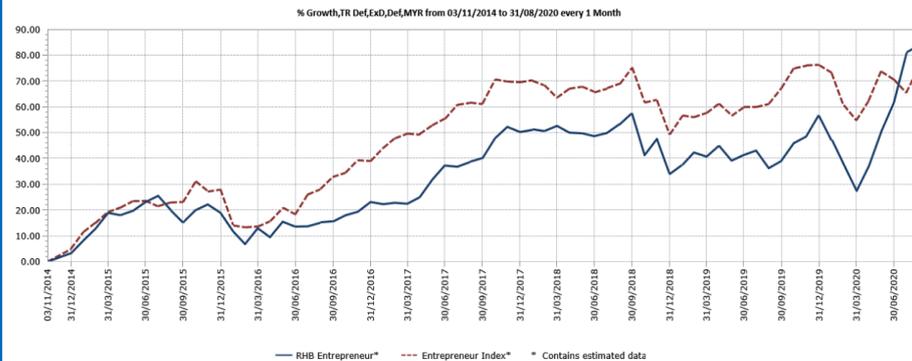
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

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	1.52	21.90	33.58	17.17
Benchmark	5.96	0.87	9.15	-0.50

	1 Year	3 Years	5 Years	Since Launch
Fund	34.85	32.50	53.08	83.67
Benchmark	8.84	8.45	42.74	75.28

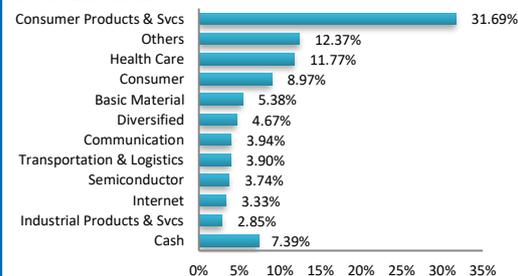
Calendar Year Performance (%)*

	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

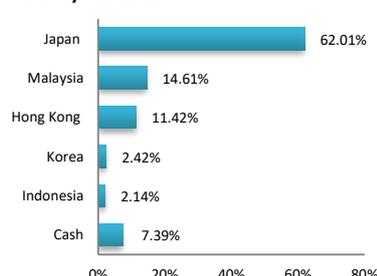
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENCENT HOLDINGS LTD	8.00
MCJ CO LTD	7.54
NITORI HOLDINGS CO LTD	6.88
KOSSAN RUBBER INDUSTRIES	6.43
RIDE ON EXPRESS HOLDINGS CO LTD	6.01

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6858	0.6858	0.7345
Low	0.6497	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.

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MANAGER'S COMMENTS

MARKET REVIEW

MSCI Asia Ex Japan rallied 3.6% in August 2020, but underperformed World Equity Index which rose 6.0%. Asian equities rallied amidst declining dollar, progress on vaccine development and relaxed stance on US inflation targeting. Broad-based firming in macro data suggests a demand recovery associated with re-opening in the major economies. US-China tensions broadly remained mixed with commitment towards Phase I deal was a positive, while sanctions on Huawei, export controls and the South China dispute were clear negatives. The commitment of Federal Reserve Chair J. Powell to effectively maintain the fed funds rate at zero over an extended period of time resulted in a weaker US dollar (-1.3%). China equity market was up 5.6% as the economic recovery gathered pace across the manufacturing as well as services industries in the largest economy of the region. Hong Kong (7.6%) sprung back into life, buoyed by the rejuvenation of the gaming industry (15.2%) in Macau as well as a sharp rise in index heavyweight AIA Group Ltd (13.9%).

The TOPIX and the Nikkei Stock Average climbed 8.16% and 6.59% respectively over the month. Japanese equity markets climbed at the start of the month as US data suggests recovery prospects, with the ISM Manufacturing Index topping forecasts. Stocks continued to climb mid-month following more good news for recovery prospects, this time from the Leibniz Centre for European Economic Research (ZEW) in Germany. Earnings season in Japan provided further positives, with corporate earnings on the whole beating expectations. Shinzo Abe's announcement at the end of the month that he would be stepping down as Prime Minister led to a momentary tumble, but markets climbed once again as a fall in new COVID-19 cases in the country propped up hopes for a real recovery in economic activity. Japanese equities ended the month with a rebound on 31 August as investors took the view that the economic policies of the LDP-Komeito coalition administration would be continued.

Among August's best performing sectors were air transportation, iron & steel, and land transportation, as hopes grew for a recovery in economic activity; worst performers, meanwhile, included information & communication, electric appliances, and pharmaceuticals.

MARKET OUTLOOK AND STRATEGY

The coronavirus situation remains as uncertain as ever, but the rate of new cases is slowing in Tokyo and elsewhere in Japan, and hopes are rising for a gradual return to normal levels of economic activity. Abe's resignation will mean increased political uncertainty, however, which may be a temporary cap on the market's upside. Across the Pacific, meanwhile, Republicans and Democrats have yet to reach an agreement on further fiscal stimulus in the US, and failure to pass a deal before current aid packages dry up could potentially push stocks down.

The key issue at present looks to be political uncertainty in both Japan and the US, which points to a slight decline in Japanese equity markets in the month ahead.

Our focus remains on stock names with relatively strong earnings visibility. We will also continue to concentrate on stocks and sectors most likely to benefit from business returning to normal, as well as those building on the new normal that COVID-19 has unlocked.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 August 2020, the Volatility Factor (VF) for this fund is 17.3 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 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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