

### RHB GLOBAL EXTENDED ALPHA FUND - USD CLASS

The Fund aims to achieve long-term<sup>^</sup> capital growth by investing in one (1) target fund.

Note: <sup>^</sup>“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 Accumulation Shares - class P units of the Target Fund;
- The balance of the NAV: Investments in liquid assets including money market instruments, Deposits and collective investment schemes investing in money market instruments and Deposits.

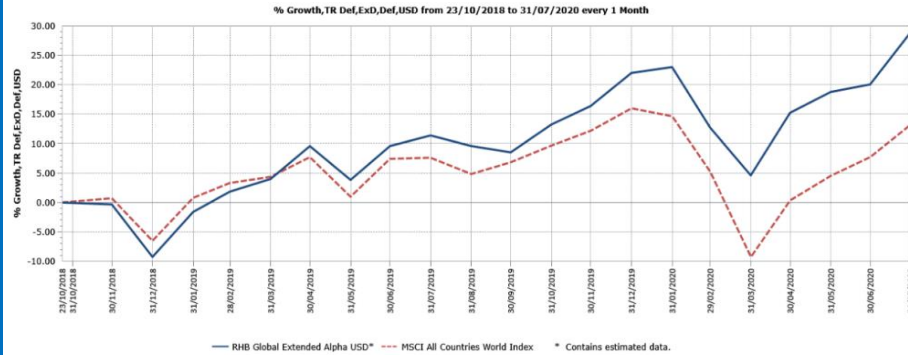
#### INVESTOR PROFILE

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
<b>Fund</b>	<b>7.40</b>	<b>11.87</b>	<b>4.82</b>	<b>5.68</b>
Benchmark	5.14	12.82	-1.20	-2.36

	1 Year	Since Launch
<b>Fund</b>	<b>15.74</b>	<b>28.90</b>
Benchmark	5.25	13.24

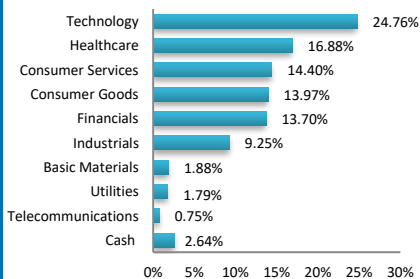
##### Calendar Year Performance (%)\*

	2019
<b>Fund</b>	<b>34.37</b>
Benchmark	24.05

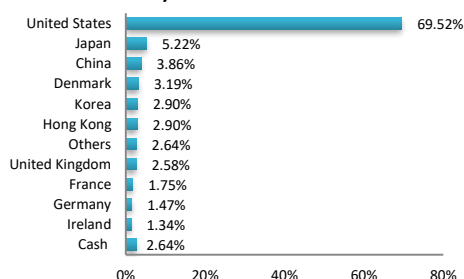
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

AMAZON.COM INC	8.38
ALPHABET INC CL A	6.66
MICROSOFT CORP	6.15
COMCAST CORP CLASS A	3.35
LAM RESEARCH CORP	3.33

\*As percentage of NAV

\*Source: Threadneedle, 31 July 2020. Exposure in Threadneedle Specialist Investment Funds

ICVC - Global Extended Alpha Fund - 95.66%

#### FUND DETAILS

<b>Manager</b>	RHB Asset Management Sdn. Bhd.
<b>Trustee</b>	SCBMB Trustee Berhad
<b>Fund Category</b>	Feeder Fund
<b>Launch Date</b>	03 October 2018
<b>Base Currency</b>	USD
<b>Unit NAV</b>	USD 1.2890
<b>Fund Size (million)</b>	USD 5.54
<b>Units In Circulation (million)</b>	4.27
<b>Financial Year End</b>	30 November
<b>MER (as at 30 Nov 2019)</b>	0.90%
<b>Min. Initial Investment</b>	USD 1,000.00
<b>Min. Additional Investment</b>	USD 500.00
<b>Benchmark</b>	MSCI All Countries World Index (with income reinvested)

**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	1.3121	1.3121	1.3121
Low	1.2002	0.9024	0.8791

Source: Lipper IM

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### MANAGER'S COMMENTS

#### SUMMARY

- Global equities made further gains in local-currency terms in July.
- The Target Fund Manager established a long position in Abbott Laboratories.

#### MARKET BACKGROUND

Global stocks rallied further in July, with the MSCI All Country World index gaining 4.0% in local-currency terms. Investors were encouraged by the vast stimulus measures, a largely positive start to the US earnings season and signs that the Chinese economy was recovering from the Covid-19 pandemic. However, equities weakened near month end, amid concern that the pandemic might re-intensify as the WHO reported record single-day increases in virus infections.

US stocks advanced on better-than-expected earnings and hopes that stimulus measures would tide the economy over. However, Congress failed to agree on a deal to extend the unemployment benefits scheme. Meanwhile, concern around rising Covid-19 infections delayed reopening plans, which clouded the economic outlook and caused the dollar to fall over the month.

Europe ex UK stocks declined modestly. Sentiment was boosted as EU countries reached agreement on a €750bn pandemic recovery fund. The resulting strength in the euro, however, impacted the region's export-heavy stock markets, as did a spike in infections in Spain. UK equities also declined on concerns about Brexit and a resurgence of Covid-19, as some social-distancing measures were imposed in northern England and the government halted further reopening plans. The pound strengthened, which was a headwind for the overseas earners that dominate the stock market.

Similarly, Japan's export-dependent stock market was weak as the yen strengthened against the greenback. Economic indicators for June were supportive, reflecting the increase in activity after the government lifted a nationwide state of emergency. Emerging-market equities materially outpaced the global benchmark, supported by the weaker dollar, higher commodity prices and encouraging Chinese economic data.

At a sector level, consumer discretionary fared best, led by sector heavyweight Amazon. Technology stocks continued to outperform, aided by robust earnings from major US players. Materials outperformed too as prices of industrial metals continued their rebound, on hopes of a recovery in Chinese demand. The energy sector was the weakest performer, amid worries about the drop in demand for oil and the resulting toll on profitability. Financials also performed poorly, amid expectations that interest rates would likely stay 'lower for longer'.

#### ACTIVITY

In the long book, the Target Fund Manager initiated a position in medical devices and healthcare company Abbott Laboratories. Results for the second quarter showed strength, particularly in the company's glucose-monitoring Libre Sensor business. The Target Fund Manager believes that Abbott's broad, diversified portfolio of increasingly differentiated products will alleviate the impact of Covid-19 and continue to drive industry-leading organic growth. The balance sheet is strong, and the Target Fund Manager feels that the company is well positioned to deliver stable results and take advantage of any market dislocations post-Covid.

The Target Fund Manager topped up their position in Fidelity National Information Services (FIS). The payment-services provider's acquisition of Worldpay has strengthened the company's market position and competitive edges. The deal provides cost and revenue synergies, enhances FIS's distribution network, and leaves it better placed to capitalise on trends such as cashless transactions, e-commerce and emerging-market wealth creation.

To help fund these purchases, the Target Fund Manager sold Estée Lauder. Shares rebounded strongly from earlier weakness, amid optimism around accelerating e-commerce activity and a resumption of pre-Covid demand in China. The Target Fund Manager subsequently decided to take profits and reallocate this capital elsewhere, owing to rising risks around supply-chain disruption and increased competition from independent brands.

The Target Fund Manager also exited Suncor. Over the longer term, margins stand to benefit from digitalisation, the use of autonomous mining trucks and synergies from a bidirectional gas pipeline. However, the Target Fund Manager decided to sell their position to reduce exposure to the oil industry, given the ongoing uncertainty around the outlook for oil prices.

In the short book, the Target Fund Manager initiated positions in a financial firm and a developer of management software. The Target Fund Manager completely covered the short in another software business.

#### MARKET OUTLOOK

Despite recent turbulence, investors have continued to focus on the recovery from the pandemic. While unknowns remain, the indiscriminate market sell-offs have created opportunities to invest in companies with the ability to weather the current storm and win out over the long term, at attractive valuations. There are also opportunities to benefit from structural trends, such as the increasing demand for e-commerce, biotech and remote working, which have all been accelerated by the pandemic. The Target Fund Manager's long-held belief is that there are structural factors driving a world which is lower for longer, including debt, demographics and technological disruption. The scale of recent economic interventions in response to the spread of the coronavirus only strengthens this argument. In the current environment, the Target Fund Manager remains firmly of the view that companies with the ability to sustain above-average growth rates should remain attractive for investors. In the long book, the Target Fund Manager therefore retain their focus on companies with durable competitive advantages, as the Target Fund Manager believes these are best placed to continue delivering high returns and earnings growth across a range of market conditions. By contrast, the Target Fund Manager continues to seek businesses experiencing secular declines or deteriorations in their competitive positions for the short book.

#### 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 3 October 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 ("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 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 management risk, liquidity risk, currency risk and country risk and the specific risks of the target fund are general risk, currency exchange rates risk, counterparty risk, political and financial risk, volatility risk, valuation risk, short selling risk, leverage risk, investments in derivatives and forward transactions and the use of Efficient Portfolio Management ("EPM") risk, emerging markets risk, investments in collective investment schemes risk, taxation risk, investments in the People's Republic of China ("PRC") and the China-Hong Kong Stock Connect Programme 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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