

### RHB GROWTH AND INCOME FOCUS TRUST

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

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

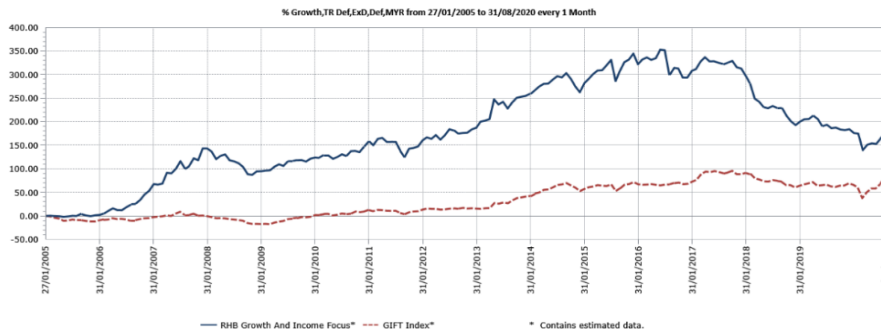
- seek long term capital appreciation through investments in high growth potential small cap securities whilst requiring the flexibility of a conservative portfolio of fixed income securities in order to capitalise and adapt to prevailing market conditions; and
- are willing to accept slightly higher risk in their investments than that normally associated with a general balanced fund in order to achieve long term capital growth and income.

#### INVESTMENT STRATEGY

- 30% - 70% of NAV: Investments in securities of companies with market capitalization of not more than RM750 million ("small cap securities").
- 30% - 70% of NAV: Investments in 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	4.13	8.47	0.35	-2.90
Benchmark	8.65	15.05	13.35	7.62

	1 Year	3 Years	5 Years	Since Launch
Fund	-3.67	-34.70	-28.37	175.61
Benchmark	11.80	-4.14	19.74	82.33

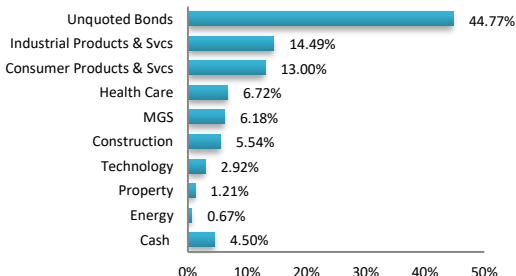
##### Calendar Year Performance (%)\*

	2019	2018	2017	2016	2015
Fund	-3.04	-29.12	5.08	-11.62	22.73
Benchmark	5.33	-14.77	12.19	-1.96	12.80

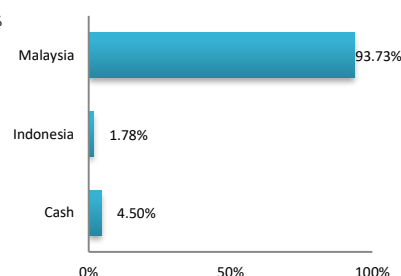
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

MEX II SDN BHD 5.7% (29/04/2027)	18.83
MEX I CAPITAL BHD 2.5% (24/01/2030)	18.13
MGS 3.502 % (31/05/2027)	6.18
PHARMANIAGA BERHAD	4.94
BANK MUAMALAT (M) BHD 5.8% (15/06/2026)	3.89

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.2576	0.2703	0.9179
Low	0.2472	0.2140	0.2140

Source: Lipper IM

##### Historical Distributions (Net)

	Distribution (sen)	Yield (%)
Dec 2019	-	-
20 Dec 2018	1.0000	3.02
20 Dec 2017	4.5000	9.89
Dec 2016	-	-
16 Dec 2015	2.0500	4.27

Source: RHB Asset Management Sdn. Bhd.

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**MANAGER'S COMMENTS**

**MARKET REVIEW**

The MSCI Asia Ex Japan Index 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. Oil prices continued to move higher supported by expected recovery in economic activities, weak US Dollar, and compliance of Organization of the Petroleum Exporting Countries and alliances (“OPEC+”) in their production cuts plan.

Over in Malaysia, August 2020 turned out to be a dreadful month for Malaysia equity market. Malaysia is one of the worst performing market for month of August dragged down by poor earnings particularly banking sector. Except for gloves, insurance, technology and plantations, all other sectors saw a sharp contraction in second quarter 2020 (“2Q20”) earnings due to the lockdown. The FTSE Bursa Malaysia KLCI (“FBM KLCI”) declined by 78 points during the month of August to close at 1525.21 points. Apart from poor corporate earnings season, the index was also dragged down by weakness in glove companies from the vaccine discovery newsflows. Meanwhile, Malaysia's 2Q2020 gross domestic product (“GDP”) contracted 17.1% year-on-year (“YoY”), falling short of consensus.

**MARKET OUTLOOK AND STRATEGY**

After the 17.1% contraction of GDP in 2Q20, Malaysia’s economy may have bottomed out with the recovery of business activities. However, it is still too early to tell if it is a sustained rebound. We are seeing lower unemployment rate and positive export growth in tandem with the easing of the nationwide lockdown. In addition, market liquidity remained elevated in July 20 as M1 money supply grew by an astounding 15.7% YoY, its highest since 2011. This also marked three consecutive months of double-digit growth in liquidity which explains the buoyant market sentiment with retail participation exceeding 30%, resulting in record market trading volume and value. Malaysia's June 2020 unemployment rate declined month-on-month to 4.9% from a record-high of 5.3% in May 2020 as more sectors, including the services industry, reopened due to the implementation of the nation's recovery movement control order (“RMCO”) to revive the country's economy while curbing the Covid-19 pandemic. Earnings risks remain elevated, underscoring our preference for growth stocks and exporters.

**DISCLAIMER:**

Based on the fund’s portfolio returns as at 10 August 2020, the Volatility Factor (VF) for this fund is 11.7 and is classified as “Moderate”. (source: Lipper) “Moderate” includes funds with VF that are above 9.6 but not more than 12.8 (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 August 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 for the Fund are liquidity risk of underlying investments, interest rate risk, credit/default risk, inflation/purchasing power risk, market risk and particular securities 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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