

RHB GOLD AND GENERAL FUND

This Fund aims to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), base metals of all kinds (e.g. copper, aluminium, nickel, zinc, lead tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal and alternative energy or other commodities or other minerals.

INVESTOR PROFILE

This Fund is suitable for investors who:

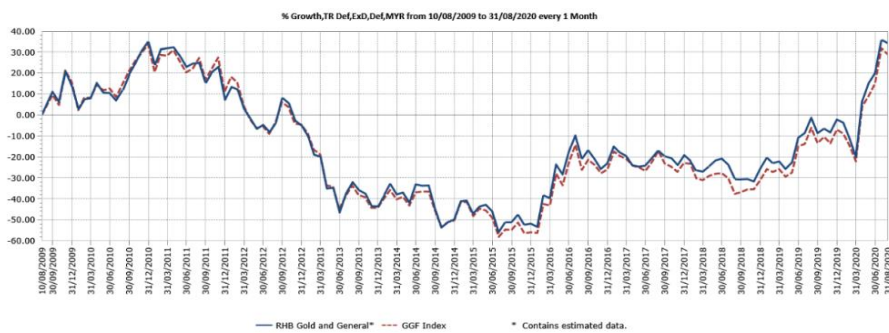
- wish to participate in the potential benefits derived from investment in companies involved in the mining and exploration of precious metals, energy or base metals;
- wish to diversify their investment portfolio from traditional asset classes; and
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Gold and General 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	-1.23	16.48	50.57	37.09
Benchmark	-2.25	18.10	50.53	38.47

	1 Year	3 Years	5 Years	Since Launch
Fund	35.91	61.49	174.32	34.11
Benchmark	37.27	55.53	184.00	28.83

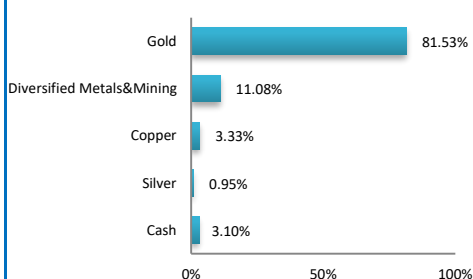
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	31.31	-7.97	5.32	59.38	-4.01
Benchmark	34.74	-10.48	4.07	68.12	-11.34

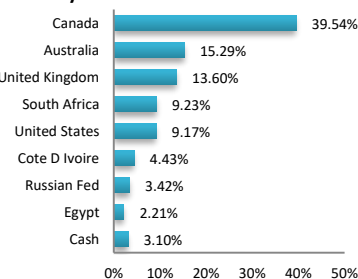
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

NEWMONT CORP	9.23
AGNICO EAGLE MINES LTD	9.19
KIRKLAND LAKE GOLD LTD	8.29
BHP GROUP PLC	7.26
GOLD FIELDS LTD	4.84

*As percentage of NAV

*Source: UOBAM, 31 August 2020. Exposure in United Gold & General Fund - 96.85%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5370	0.5370	0.6393
Low	0.4889	0.2728	0.1622

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET BACKGROUND

In early August, gold hit a new record in nominal terms of US\$2,070/oz, due to continued COVID-linked uncertainty, inflation fears and thin yields on other assets – the latter making gold, which does not produce an income, more attractive on a relative basis. But the metal was volatile, with expectations for US stimulus and some better macro data encouraging some investors back towards general equities and other risk assets. The gold price finished August down 0.4% at US\$1,968 per troy ounce (oz). Total exchange-traded fund (ETF) holdings of gold continued to rise, with 1.01Moz added to reach a new record of 108.9Moz or US\$214.3 billion.

Gold equities underperformed gold as, despite strong results by many companies, the weaker US dollar and doubts about the sustainability of the gold price weighed on investor sentiment. Silver had another strong month, moving up 15.4% to close at US\$28.1/oz, its highest level since March 2013.

Among industrial metals, iron ore and nickel surged as China's stimulus plan, which includes widescale infrastructure building, spurred steel demand. Iron ore prices were further supported by doubts over supply from COVID-hit Brazil. Copper rose 4%, its price benefiting from some encouraging Chinese manufacturing data.

MARKET OUTLOOK AND STRATEGY

The Target Fund Manager's outlook for gold is largely unchanged. The Target Fund Manager continues to believe gold prices are well supported and may move higher over time. The US Federal Reserve has made clear that it wants to keep real interest rates low to aid recovery and, with base rates already very low, inflation will need to rise. At the same time, pressure on the US dollar is likely to increase. If the greenback weakens further, many emerging market economies will increase their efforts to diversify their reserves away from US-dollar holdings. This is especially true in China, where the escalating trade tensions with the US are encouraging Beijing to increase commodity inventories broadly as it diversifies holdings and stockpiles strategic materials.

The Target Fund Manager also maintain their view that gold equities have significant potential. Currently, gold stocks are pricing in gold at around US\$1,800/oz; consequently, if the gold price remains in its current range, the Target Fund Manager expects further gains for the shares of gold companies. Furthermore, gold companies are in their best state for over 20 years. With oil prices low and less pressure on labour markets, costs have fallen in recent years and margins are on average the best the industry has experienced since 1980. Cash generation continues to improve rapidly for many companies, which are responding by lifting dividend payouts and/or share buy-backs.

Among gold businesses, the Target Fund Manager maintains their preference for large- and medium-cap companies with strong balance sheets and diversified asset bases. Supported by strong gold prices and more conservative management teams, the Target Fund Manager expects growing returns to shareholders.

Base metals & bulks have had a very strong year, considering the COVID-19 disruptions. Iron-ore prices were barely impacted during the outbreak in Q1 and have risen significantly since then, to levels last seen in 2013. Copper also kept rallying throughout the summer, to levels above those in 2019. While industrial production should continue to recover around the globe for the remainder of the year, the prices of these commodities may consolidate for a period as re-stocking programmes end. That said, the underlying growth trend in consumption, combined with continued production outages, mainly in South America, in the Target Fund Manager's view should mean prices end the year in a similar range or higher than they are at the time of writing.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 August 2020, the Volatility Factor (VF) for this fund is 27.8 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 market risk in the global markets, foreign exchange/currency risk, political risk, derivatives risk, liquidity risk, small capitalisation companies risk, single sector risk, commodities risk, broker risk, counterparty risk, equity risk and investment management 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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