RHB Asset Management

FUND FACTSHEET - OCTOBER 2020

All data expressed as at 30 September 2020 unless otherwise stated

3-year Fund Volatility 14.0 high Lipper Analytics 10 SEP 2020

RHB ASIAN GROWTH OPPORTUNITIES FUND

This Fund aims to achieve long term capital growth by investing primarily in small capitalisation stocks and stock-related securities issued by corporations in the Asia Pacific region (excluding Japan).

INVESTOR PROFILE

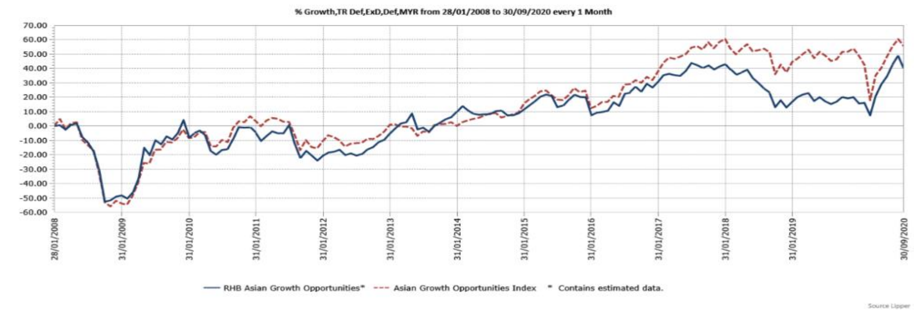
This Fund is suitable for investors who:
- seek investment opportunities in the small cap securities in the Asian (excluding Japan) region;
- wish to invest in an established foreign fund managed by a renowned fund manager; and
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Asian Growth Opportunities 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*



With effect from 31 August 2018, the Fund's performance benchmark was changed to 70% MSCI AC Asia Pacific ex Japan Small Cap Index and 30% MSCI AC Asia Pacific ex Japan Mid Cap Index. The benchmark chosen for the Fund is to better reflect the investment strategy and focus of the Fund which is to invest primarily in small capitalisation stocks with the remaining of its assets to invest in mid capitalisation stock. Note: Prior to 31 August 2018, the Fund's performance benchmark was MSCI AC Asia Pacific ex Japan Mid Cap Index (RM).

Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**-5.92**	**4.11**	**30.10**	**16.46**
Benchmark	-2.97	5.05	31.85	1.11

	1 Year	3 Years	5 Years	Since Launch
Fund	**19.65**	**-0.20**	**18.25**	**39.94**
Benchmark	6.31	1.58	28.32	55.47

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**6.36**	**-20.05**	**11.68**	**5.33**	**10.57**
Benchmark	12.07	-13.33	20.42	5.71	7.79

Source: Lipper IM

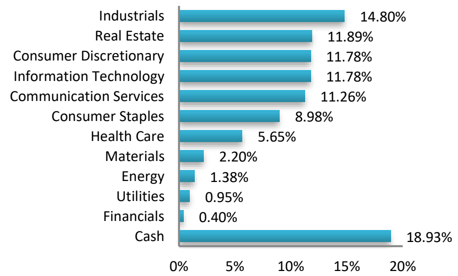
FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	08 January 2008
Unit NAV	RM0.6997
Fund Size (million)	RM6.92
Units In Circulation (million)	9.89
Financial Year End	31 December
MER (as at 31 Dec 2019)	0.78%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	70% MSCI AC Asia Pacific ex Japan Small Cap Index + 30% MSCI AC Asia Pacific ex Japan Mid Cap Index
Sales Charge	Up to 5.00% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Incidental

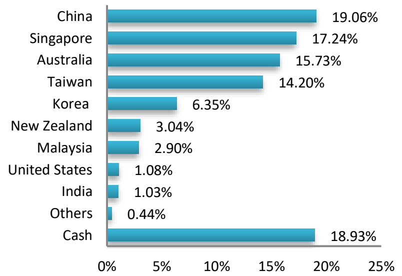
**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

NETLINK NBN TRUST	8.19
UNITED SGD MONEY MARKET FUND	7.22
KOGAN.COM LTD	4.84
QUANTA COMPUTER INC	3.50
COUNTRY GARDEN SERVICES HOLDING	3.05

**As percentage of NAV*

**Source: UOBAM, 30 September 2020. Exposure in United Asian Growth Opportunities Fund - 97.77%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7463	0.7494	0.7494
Low	0.6889	0.4815	0.2213

Source: Lipper IM

RHB ASIAN GROWTH OPPORTUNITIES FUND

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MANAGER'S COMMENTS

MARKET REVIEW

September marked the first month since March that saw a negative return in MSCI AC World. The fall in global equities can be largely attributed to concerns over record high tech valuations, as the Nasdaq Composite fell -4.9%, the largest monthly decline since March. Apart from frothy valuations, concerns over a slowdown in economic recovery and a lack of further fiscal stimulus from the US government saw risk appetite curtailed on global equities. Risk-off behaviour was supported by political uncertainty as we head into the US elections.

MSCI China fell -in September. Equities fell despite positive surprises across key economic indicators, where numbers in industrial production, retail sales and property investment came in above expectations and signalled a continued recovery in economic activity. Covid-19 cases remain muted in the country as the economy continues to run in an almost-virus free environment, with high-frequency data on domestic air travel and cinema near normalization. The correction was broad-based across most sectors, more notably in Energy and Consumer Staples, while Consumer Discretionary was the only sector to remain in the green.

MSCI Hong Kong fell in September. Sentiment around Hong Kong equities remain negative with concerns over a resurgence of Covid-19 as while domestic consumption remains muted. Tourist arrivals to Hong Kong remains tepid as travel restrictions between Hong Kong and mainland China remains in place. The fall in Hong Kong equities was largely led by Consumer Discretionary and Consumer Staples, while Health Care was the notable outperformer.

MSCI India gained in September, outperforming both its Asia Ex-Japan peers. Indian equities continued their outperformance as industrial activity levels based on electricity consumption and steel production data are near pre Covid-19 levels. India also saw improvement in the containment of Covid-19; while total confirmed cases continued to rise at a nationwide level, total active cases fell given the faster pace of total recoveries. Markets continued to move higher despite a widening valuation premium over Asia Ex-Japan peers. The market was largely led by Info Tech, while Utilities and Communication Services underperformed the broader market.

MSCI Korea gained in September, making it the best performer within Asia Ex-Japan. The outperformance was largely sentiment driven as new Covid-19 cases have dropped from late August peak. This came against the backdrop of weakening mom economic data, based on a fall in industrial production as well as services output. Within the sectors, Info Tech and Consumer Discretionary outperformed, while Health Care and Communication Services were key laggards.

MSCI Taiwan gained in September to rebound back the past month amidst rising geopolitical tensions between US and China. The central bank kept borrowing costs unchanged and raised its growth forecast for the year, signalling confidence in the economy as supply chains get relocated from China. Growth in exports are expected to build on the record high achieved in August. The outperformance was largely led by Info Tech, while Industrials and Consumer Staples underperformed.

ASEAN markets were varied in performances as they continued to underperform their North Asian peers. Foreign outflows have continued with no signs of reversal. Given the pick-up in infection cases post-lockdown, several ASEAN markets have extended lockdown restrictions, further stifling the recovery of the service sector. All markets within ASEAN posted negative returns in September.

MSCI Singapore fell in September. Recovery in domestic demand remains anaemic while Phase 2 of local mobility restrictions remain in place. Given further restrictions of international air travel, the lack of consumer demand is exacerbated by absence of tourists. Sentiment around external demand remains negative as neighbouring trading partners extended lockdown restrictions, refuelling concerns over sustainable export growth. Within the sectors, Singaporean equities were largely led lower by Communication Services and Consumer Discretionary, while Consumer Staples were the only sector to end in the green.

MSCI Malaysia fell. The underperformance was largely characterized by a sell down in Health Care (glove stocks), the best performing sector YTD within the country index. The sell down was largely driven by profit taking amongst local funds to realize gains for EPF distribution, while valuations are corrected to more palatable levels. Healthcare and Consumer Discretionary were the main underperformers, while Energy was the notable outperformer.

MSCI Thailand fell in September, underperforming all peers except Indonesia. Thailand's economy remains in a recession despite massive stimulus measures implemented. Given the lack of further monetary support with borrowing costs already at a record low of 0.5%, the path of recovery remains uncertain without further fiscal stimulus. This comes against a backdrop of political uncertainty as September saw the largest demonstration against political reform since 2014. All sectors produced negative returns, with notable underperformers being Energy and Materials.

MSCI Indonesia fell, the worst performer amongst Asia Ex-Japan peers. The fall in Indonesian equities was triggered by a surprise return to lockdown in Jakarta as the country saw a continuous increase in infection numbers as well as an increase in fatality rates. The return of large scale social restrictions dampened the outlook for domestic consumption which had barely started recovering. Utilities and Financials were the most affected, while Energy outperformed.

MSCI Philippines remained relatively flat in September, outperforming all of its ASEAN peers. Philippines showed encouraging signs in containing the pandemic with a mom decline in new Covid-19 cases. The Department of Health extended the general community quarantine status to October in a bid to further sustain the downtrend and prevent a return of stricter restrictions. With the improvement in sentiment over the spread of Covid-19, Consumer Discretionary outperformed while Consumer Staples lagged the market.

MARKET OUTLOOK AND STRATEGY

The Target Fund Manager remains constructive on Asian markets. There is evident recovery in economic activities now, with a rebound in industrial output alongside a pick-up in services. However, the pace of recovery and subsequent growth trajectory continues to be uneven among countries. North Asia markets continue to be more resilient largely owing to strong policy support, better containment of the outbreak as well as an outsized exposure to technology sector which had outperformed year-to-date.

Looking ahead, the weaker US dollar tailwind will benefit Asia's export cyclical economies. Positive clinical trials for a Covid-19 vaccine, continued global monetary and fiscal stimulus, and the absence of widespread subsequent waves of infection might boost corporates' investment appetite for expansionary capex, and drive a more positive corporate earnings outlook. Nevertheless, intensifying US/China trade tension and a contested US presidential election in November remain key risks. The Target Fund Manager expects elevated market volatility as they approach the US election.

Key downside risks to our constructive stance on Asia includes setbacks in Covid-19 vaccination developments, and the evolving US/China tensions escalate into actions with harsh economic impact.