

RHB ASEAN FUND

This Fund aims to achieve medium to long term capital appreciation through investments in securities of companies with high growth potential.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in equities and equity related securities (such as warrants).
- Up to 30% of NAV: Investments in fixed income securities such as government and semi-government bonds, corporate debt securities and money market instruments.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

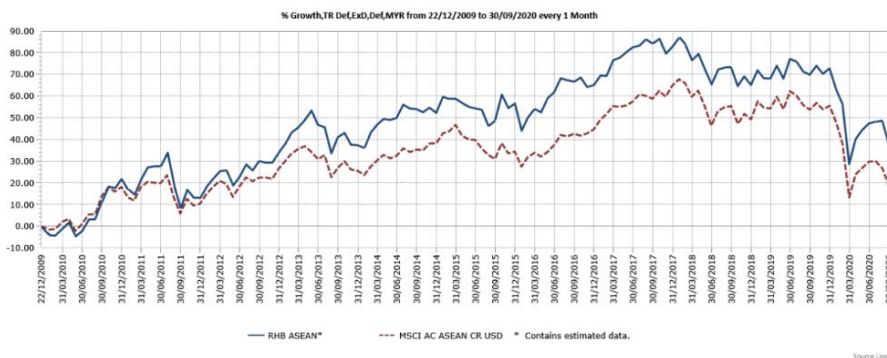
INVESTOR PROFILE

This Fund is suitable for investors who:

- wish to participate in the potential and investment opportunities of the fast growing ASEAN economies; and
- are willing to accept higher risk in their investments in order to achieve medium to long term capital growth.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-6.94	-6.02	7.59	-19.87
Benchmark	-6.16	-8.27	5.04	-23.49

	1 Year	3 Years	5 Years	Since Launch
Fund	-18.50	-24.89	-6.95	38.38
Benchmark	-22.59	-25.04	-9.18	18.96

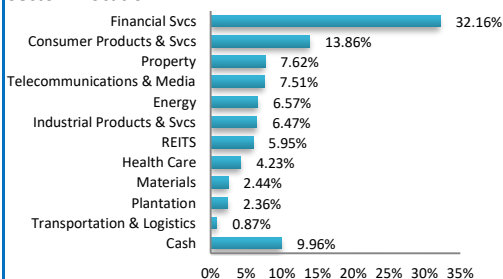
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	4.60	-9.74	10.85	5.55	2.67
Benchmark	4.17	-9.44	13.98	7.64	-2.79

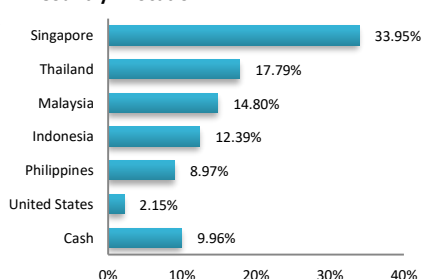
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

DBS GROUP HOLDINGS LTD	5.82
UNITED OVERSEAS BANK LTD	4.83
OVERSEA-CHINESE BANKING CORP	4.39
CP ALL PCL	3.10
WILMAR INTERNATIONAL LTD	3.08

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3705	0.4749	0.6743
Low	0.3437	0.3192	0.3192

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
24 Apr 2020	3.0000	6.67
25 Apr 2019	3.0000	6.13
20 Apr 2018	3.4000	6.05
28 Apr 2017	-	-
28 Apr 2016	6.0000	11.24

Source: RHB Asset Management Sdn. Bhd.

RHB ASEAN FUND

This Fund aims to achieve medium to long term capital appreciation through investments in securities of companies with high growth potential.

MANAGER'S COMMENTS

MARKET REVIEW

September was a tough month for ASEAN equities. The JCI index led the decline (-7.0%), followed by Malaysia (-5.8%) and Thailand (-5.6%) in local currency terms. The Indonesian Rupiah depreciated 2.2% and Thai Baht depreciated 1.8% against the US dollar.

The Indonesia equities market suffered as the government reintroduced its large scale social distancing in Jakarta. The concern is that hospital capacities will max out by September 17 as coronavirus infection surges. Companies in non-essential sectors can continue to operate on condition that only 25 percent of their employees work in offices. Dine in services are not allowed and only takeaways and delivery services are allowed in restaurants and cafes.

Philippine unemployment rate eased to 10% in July, equivalent to around 4.6 million jobless Filipinos. The latest figure is lower than the 17.7% unemployment figure last April, which is the highest unemployment rate on record. The BSP's latest survey on consumer and business confidence however, reflect a sharp decline in sentiment with the 3Q20 and 4Q20 confidence index (CI) falling to -54.5% and -4.1%. This dim outlook translates to weakened confidence in spending in 4Q20 for both basic, discretionary, and big ticket items. Meanwhile, the business survey suggests more layoffs across sectors can be expected both in 4Q and the next 12 months, especially for hotels and restaurants, social services and transportation. POGOs were also in the limelight this month after Finance Secretary Dominguez confirmed that China is clamping down on money transfers while many POGO workers are unable to return to work in the Philippines due to cancelled passports. POGOs currently occupy about 9% of office GLA in the country.

Singapore August home sales was 1227 units, 13.6% y/y which seem to benefit from pent up demand. The strong sell through for Singapore property was evident in the HDB upgraders. New launch, Penrose project, reported 60% units sold was far better than market expectations. The Singapore government capped the extension of Option to Purchase (OTP) to 12 weeks vs. the previous market practice of reissuing up to 18 months with effect from 28 September 2020. Previously, the government made special cases for buyers to extend OTP to allow buyers sufficient time to dispose of their existing property.

The Bank of Thailand upgraded its internal forecasts of the economic outlook amid signs of nascent improvements in private consumption and investment. It is projecting a smaller GDP contraction of 7.8% in 2020 (vs. -8.1% previously).

Malaysia unveiled additional stimulus package to support the economy recovery and target the low-middle income class and small businesses. This stimulus package is MYR10 billion (0.7% of GDP) and seems to add some urgency as the loan moratorium at the end of September.

MARKET OUTLOOK AND STRATEGY

We have moved our strategy more defensive names as ASEAN struggles to exit the Covid-19 pandemic. We have also increased our exposure to high yield dividend stocks but also increased our exposure to value plays.

In the next 5-10 years, Asia, especially ASEAN, will emerge as the region with relatively stronger growth than the rest of the world. ASEAN, with its structural advantage in demographics, will emerge as the complimentary piece to China's evolution into a giant consumption economy. Adding on to the commitments by the governments in Asia/ASEAN towards infrastructure development, the region will feature prominently as the place for equity investments. We would look to buy stocks during periods where investors largely ignore these positive developments in the region.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 September 2020, the Volatility Factor (VF) for this fund is 15.2 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 12.8 but not 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 3 September 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 Master 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 country risk and currency 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.

RHB Asset Management Sdn Bhd (174588-X)

Head Office: Level 8, Tower 2 & 3, RHB Centre, 50400 Kuala Lumpur

General Line: 603-9205 8000