

RHB EMERGING INCOME FUND - USD CLASS

The Fund aims to provide income[^] and capital growth by investing in one (1) target fund i.e. Schroder International Selection Fund Emerging Multi-Asset Income.
Note: [^]The income is in the form of units of the Fund.

INVESTOR PROFILE

This Fund is suitable for:

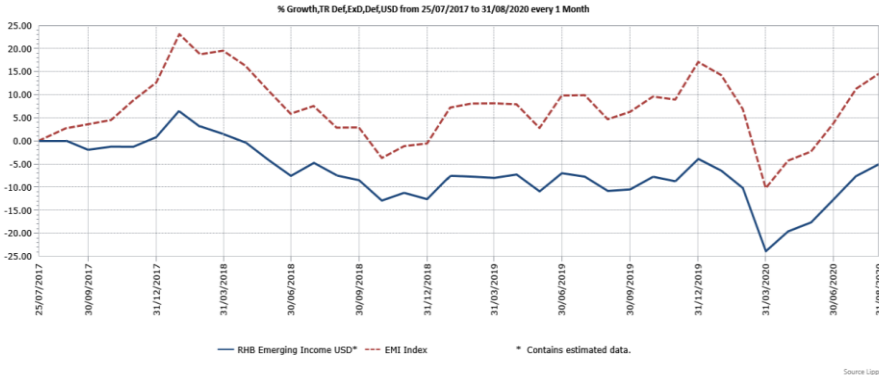
- 'Sophisticated Investor(s)' as defined in the Information Memorandum.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the USD AX distribution share class of the Target Fund;
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and placements of cash.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	2.82	15.43	5.87	-1.08
Benchmark	2.96	17.30	7.20	-2.13

	1 Year	3 Years	Since Launch
Fund	6.62	-5.00	-5.00
Benchmark	9.47	11.55	14.61

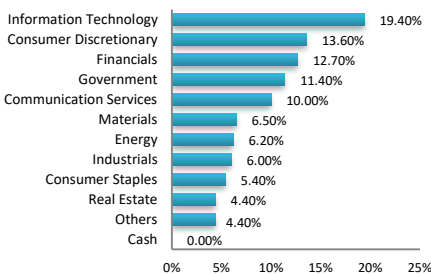
Calendar Year Performance (%)*

	2019	2018
Fund	9.98	-13.31
Benchmark	17.74	-11.72

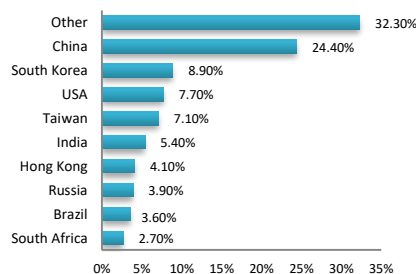
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALIBABA GROUP HOLDING LTD	3.40
TAIWAN SEMICONDUCTOR MANUFACTURING	2.60
TENCENT HOLDINGS LTD	2.60
BROADCOM INC 8.0 (30/09/2022)	1.80
SAMSUNG ELECTRONICS NON VOTING PRE PEF	1.70

*As percentage of NAV

*Source: Schroder, 31 August 2020. Exposure in Schroder International Selection Fund Emerging Multi-Asset Income - 92.86%

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Income & Growth Fund
Launch Date	04 July 2017
Base Currency	USD
Unit NAV	USD 0.9259
Fund Size (million)	USD 2.59
Units In Circulation (million)	2.80
Financial Year End	31 August
MER (as at 31 August 2019)	0.66%
Min. Initial Investment	USD 1,000.00
Min. Additional Investment	USD 500.00
Benchmark	50% MSCI Emerging Markets Index (USD) + 25% EMBI Global Diversified (USD) + 25% GBI-EM Global Diversified (USD)

Sales Charge Up to 5.50% of investment amount*

Redemption Charge None

Annual Management Fee 1.80% p.a. of NAV*

Annual Trustee Fee 0.06% p.a. of NAV*

Switching Fee USD 10.00 per switch*

Redemption Period Within 10 days after receipt the request to repurchase

Distribution Policy Quarterly, 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	0.9270	0.9541	1.0762
Low	0.9005	0.6806	0.6806

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
28 Aug 2018	1.1600	1.25
24 May 2018	1.2600	1.25

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS
MARKET REVIEW

Emerging market (EM) equities recorded a positive return as hopes for a Covid-19 vaccine increased, and as the Federal Reserve's (Fed) new monetary policy strategy suggested that interest rates could remain low for longer. The MSCI Emerging Markets Index increased in value but underperformed the MSCI World Index

China outperformed as stronger-than-expected Q2 earnings results, notably in the e-commerce sector, boosted sentiment. This was despite an escalation in US-China tensions.

A pick-up in materials and energy prices was supportive of net exporter EM countries and the reciprocal UAE-Israel diplomatic recognition also boosted sentiment towards Middle Eastern markets. India finished ahead of the index, despite a further acceleration in daily new cases of Covid-19, and renewed tensions on its border with China on the final day of the month.

The Fed reiterated its intention to keep rates lower for longer, marginally lifting hard currency sovereign and corporate debt, where local denominated bonds were broadly flat, with currencies continuing to stabilise.

MARKET OUTLOOK

With a backdrop of ongoing global easing, the path of the US dollar remains key for emerging markets, although short-term moves are hard to predict in an environment of volatile geopolitics and the lingering threat of coronavirus.

Adding to the uncertainty are increasing trade barbs between China and the US and, as the US election draws closer, the incentive to increase the rhetorical temperature will only rise.

Overall, the Target Fund Manager is comfortable with their current positioning, retaining a bias for high quality corporates paired with an increasingly selective approach to sovereigns as emerging market fiscal conditions deteriorate in the wake of coronavirus. After the volatility of the last few days, the Target Fund Manager's exposure to high growth equities and convertibles leaves the portfolio well placed to capitalise on an eventual improvement in sentiment while their USD denominated credit provides a degree of downside protection together with a helpful income buffer.

With this in mind, the Target Fund Manager continues to tilt the portfolio to areas of the market that clearly exhibit high potential growth, and countries that have dealt decisively and effectively with the initial bout of the coronavirus. Looking forward, increasing dispersion between countries, regions and companies is likely, requiring an ever more selective and active approach to capitalise on evolving opportunities, and navigate the risks.

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 4 July 2017 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 Information Memorandum 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, country risk and currency risk and the specific risks of the Target Fund are capital risk due to distribution policy of Target Fund, capital risk due to negative yields, China country risk, counterparty risk for derivatives, counterparty risk for money market and deposit, credit risk, currency risk, derivatives risk, emerging markets and frontier risk, equity risk, high yield bond risk, interest rate risk, leverage risk, liquidity risk, operational 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.

RHB Asset Management Sdn Bhd (174588-x)

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

General Line: 603-9205 8000

www.rhbgroup.com



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