

RHB GLOBAL EXTENDED ALPHA FUND - USD CLASS

The Fund aims to achieve long-term[^] capital growth by investing in one (1) target fund.

Note: [^]"long-term" in this context refers to a period of between 5 – 7 years.

INVESTMENT STRATEGY

- At least 95% of NAV - Investments in the USD Accumulation Shares - class P units of the Target Fund;
- The balance of the NAV: Investments in liquid assets including money market instruments, Deposits and collective investment schemes investing in money market instruments and Deposits.

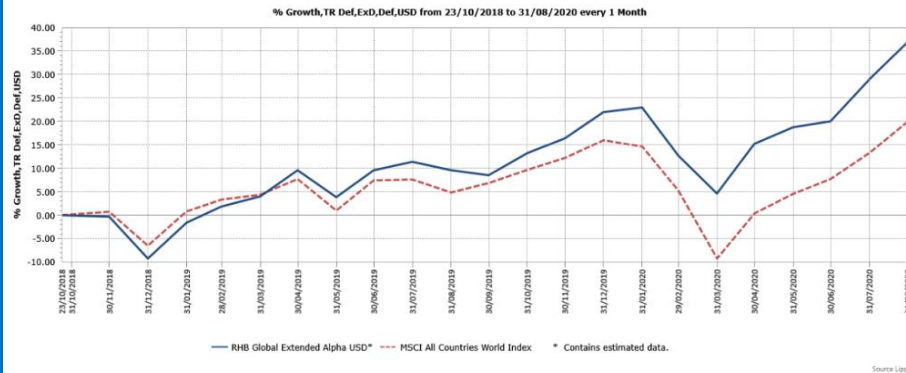
INVESTOR PROFILE

This Fund is suitable for:

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

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	6.25	15.33	21.51	12.28
Benchmark	5.97	14.80	14.06	3.47

	1 Year	Since Launch
Fund	24.98	36.95
Benchmark	14.48	20.00

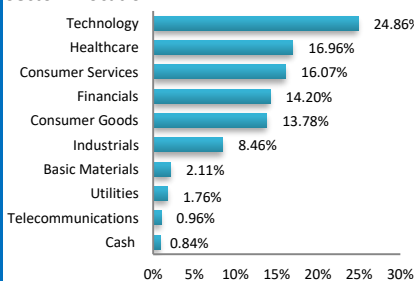
Calendar Year Performance (%)*

	2019
Fund	34.37
Benchmark	24.05

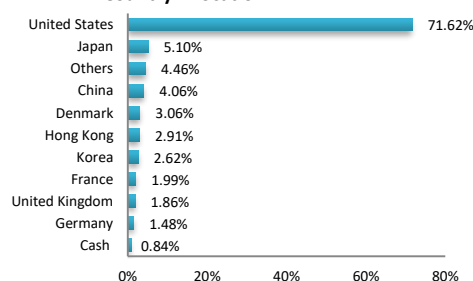
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

AMAZON.COM INC	8.34
ALPHABET INC-CL A	6.86
MICROSOFT CORP	6.43
COMCAST CORP-CLASS A	3.51
RECKITT BENCKISER GROUP PLC	3.20

*As percentage of NAV

*Source: Threadneedle, 31 August 2020. Exposure in Threadneedle Specialist Investment Funds

ICVC - Global Extended Alpha Fund - 96.07%

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	SCBMB Trustee Berhad
Fund Category	Feeder Fund
Launch Date	03 October 2018
Base Currency	USD
Unit NAV	USD 1.3695
Fund Size (million)	USD 5.73
Units In Circulation (million)	4.19
Financial Year End	30 November
MER (as at 30 Nov 2019)	0.90%
Min. Initial Investment	USD 1,000.00
Min. Additional Investment	USD 500.00
Benchmark	MSCI All Countries World Index (with income reinvested)

Sales Charge Up to 5.00% of investment amount*

Redemption Charge None

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

Annual Trustee Fee 0.03% p.a. of NAV*

Switching Fee USD10.00 per switch*

Distribution Policy Incidental, 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	1.3696	1.3696	1.3696
Low	1.2890	0.9024	0.8791

Source: Lipper IM

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MANAGER'S COMMENTS

SUMMARY

- Global equities made further gains in local-currency terms in August.
- In the long book, the Target Fund Manager topped up their holdings in Uber and Illumina.

MARKET BACKGROUND

Global equities rose in August, with the MSCI All-Country World index gaining 5.8% in local-currency terms. Gains were driven by strong corporate earnings and continued optimism that the worst effects of the Covid-19 pandemic had passed. A composite measure of world economic output showed a positive reading in July. Meanwhile, Sino-American tensions persisted; the White House curbed Huawei's access to US-made chips and issued orders effectively requiring the sale of the popular TikTok and WeChat apps by their Chinese owners to avoid a ban in the US.

US stocks continued to outperform the global benchmark, with the S&P 500 index hitting record highs. On the political front, Joe Biden's poll lead over President Trump narrowed, as violence at street demonstrations fanned concern about social unrest. Europe ex-UK shares underperformed, as the euro touched a two-year high against the dollar. Concerns about a second wave of the virus in the region also had an impact: for instance, a rise of Covid-19 infections prompted authorities to reimpose lockdowns in some parts of Spain, which weighed on consumer confidence. UK shares trailed well behind the world benchmark as the pound strengthened further. However, there were some positive signs on the economic front; retail sales rose above pre-pandemic levels in July and house prices rebounded to a record high.

Japanese stocks outpaced the world benchmark as the yen remained relatively weak over the month. However, stocks fell and the currency rose in late August as Prime Minister Abe announced his resignation. Data showed that the economy contracted in the second quarter, but at a smaller rate than the US, the eurozone and the UK. Elsewhere, emerging markets underperformed global equities. The asset class continued to be supported by ongoing weakness in the dollar and higher commodity prices, though the escalation in geopolitical tensions was a headwind. Once again, China outperformed, buoyed by some encouraging economic data.

At the sector level, consumer discretionary stocks led the gains, supported by optimism about a coronavirus vaccine and the ongoing surge in online shopping. Technology and communication services continued to outperform amid optimism over the pandemic-driven shift towards online services and strong earnings from US companies. Healthcare stocks lagged, as investors continued to take profits following the outperformance earlier in the year. Other defensive sectors such as utilities and consumer staples also performed poorly due to the rebound in risk appetite, and the energy sector lagged amid ongoing uncertainty around the demand for oil.

ACTIVITY

In the long book, the Target Fund Manager topped up their holdings in ride-hailing company Uber and gene-sequencing firm Illumina. Uber is the global leader in the ride-sharing and food-delivery sectors. While demand in the ride-sharing market has been hurt by the pandemic, the company is mitigating the hit by implementing cost-cutting measures through restructuring its workforce and shutting some of offices. Meanwhile, the coronavirus has increased the demand of food-delivery services. The Target Fund Manager is positive about Uber's scale, technological expertise and expansion plans in multiple, fast-growing regions around the world. The company has a strong balance sheet, alleviating any near-term concerns around liquidity.

Illumina continues to gain market share in sequencing – an area of secular growth in research and increasing use in clinics. Despite some headwinds around informatics and clinical reimbursement, the company has demonstrated an uncanny ability to out-innovate its rivals and extend its competitive lead. The Target Fund Manager feels Illumina is well-placed over the long-term as it capitalises on the sizeable opportunity in the genomics space.

To help fund these purchases, the Target Fund Manager trimmed their holdings in Trane Technologies and Ferguson following their recent strong returns. The Target Fund Manager is positive on the outlook for both companies. Trane has a longstanding track record of top-line and operational improvement, despite cyclical and capital-intensity challenges. Other factors, including the increasing use of technology and demand for 5G, are also supportive. Meanwhile, the Target Fund Manager believes that Ferguson can continue gaining market share and delivering growth in revenue and earnings. The company's increasing cost discipline should also enable it to protect margins in the event of an economic downturn.

In the short book, the Target Fund Manager increased some of their positions in a software company and a financial-services firm.

MARKET OUTLOOK

Indiscriminate market movements earlier in the year increased the relative attractiveness of the competitively advantaged companies in which the Target Fund Manager invests. While markets have since recovered, uncertainties around the coronavirus pandemic remain. The Target Fund Manager believes that the ongoing global responses to the virus have accelerated certain structural trends, and created an environment in which companies with a sustainable edge can thrive. The Target Fund Manager also feel that the market will increasingly come to recognise the long-term merits of these businesses.

The Target Fund Manager remains firmly of the view that companies with the ability to sustain above-average growth rates will be attractive for investors. The Target Fund Manager therefore retain their focus on companies with durable competitive advantages, as they believe these are best placed to continue delivering high returns and earnings growth across a range of market conditions.

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 3 October 2018 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, currency risk and country risk and the specific risks of the target fund are general risk, currency exchange rates risk, counterparty risk, political and financial risk, volatility risk, valuation risk, short selling risk, leverage risk, investments in derivatives and forward transactions and the use of Efficient Portfolio Management (“EPM”) risk, emerging markets risk, investments in collective investment schemes risk, taxation risk, investments in the People's Republic of China (“PRC”) and the China-Hong Kong Stock Connect Programme 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.

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