

RHB EUROPEAN SELECT FUND

The Fund aims to achieve capital growth over the long-term* by investing in one target fund, i.e. the Threadneedle (Lux) - European Select Fund.

*Note: "long term" in this context refers to a period of between 5 - 7 years.

INVESTOR PROFILE

This Fund is suitable for investors who:

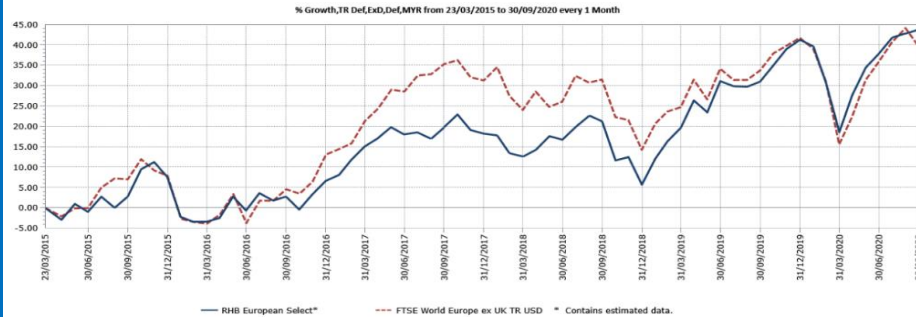
- are 'qualified investors' as defined in the Information Memorandum.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in units of Threadneedle European Select Fund.
- 2% to 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	0.69	4.33	21.24	1.78
Benchmark	-3.04	2.90	20.89	-1.40

	1 Year	3 Years	5 Years	Since Launch
Fund	9.76	20.04	39.93	43.74
Benchmark	4.51	3.26	30.59	39.70

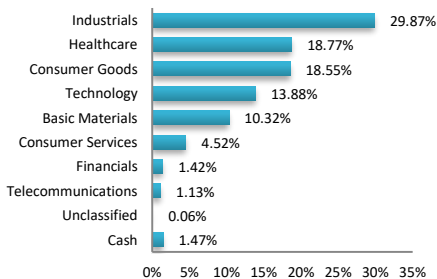
Calendar Year Performance (%)*

	2019	2018	2017	2016
Fund	33.66	-10.56	10.85	-0.97
Benchmark	24.01	-12.95	16.07	4.85

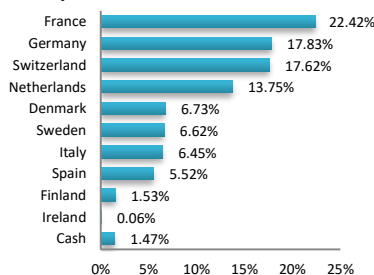
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SAP SE	5.36
NESTLE SA-REG	5.28
WORLDLINE SA	4.90
BRENTAG AG	4.79
NOVO NORDISK A/S-B	4.03

*As percentage of NAV

*Source: Threadneedle, 30 September 2020. Exposure in Threadneedle European Select Fund - 96.51%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7263	0.7329	0.7329
Low	0.6952	0.5226	0.4517

Source: Lipper IM

FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustee Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth (Wholesales Fund)
Launch Date	03 March 2015
Unit NAV	RM0.7187
Fund Size (million)	RM44.95
Units In Circulation (million)	62.54
Financial Year End	28 or 29 February
MER (as at 29 Feb 2020)	0.43%
Min. Initial Investment	RM20,000.00
Min. Additional Investment	RM10,000.00
Benchmark	FTSE World Europe ex UK (RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	Up to 1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.06% 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.

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MANAGER'S COMMENTS

SUMMARY

- European equity markets were subdued in September;
- Key relative contributors included IMCD and adidas;
- Worldline was among the detractors.

MARKET BACKGROUND

European stocks were subdued in September, amid a steep sell-off in the US technology sector, and ongoing uncertainty regarding the US election. The COVID-19 pandemic also undermined equities as escalating virus infection rates prompted some countries to re-impose controls. The Target Fund's benchmark index fell by 0.9% in euro terms over the month. Consumer discretionary, healthcare and materials were the top performers. Energy was the weakest sector, followed by financials.

September's estimated composite PMI for the eurozone suggested that overall economic growth in the region was close to stalling. The index showed that the services sector had contracted, amid renewed efforts to contain the virus, but manufacturing proved more buoyant.

The European Central Bank remained supportive, temporarily easing capital rules for banks with the aim of encouraging lending, while France launched a national recovery plan, with an emphasis on green energy. At the month end, the ECB said it was considering relaxing its stance on inflation, echoing a dovish policy shift by the Federal Reserve in August. A spate of merger speculation swirled in the banking sector as two Spanish banks announced a tie-up, and Swiss banks explored similar options.

ACTIVITY

The Target Fund Manager made several minor adjustments to stock weightings.

MARKET OUTLOOK

COVID-19 dominates sentiment. Infections and fatalities are ticking up in some European countries, so this second wave has meant a return of lockdowns and travel restrictions, although some of these are localised. This has made markets nervous, while the virus news in the US is worse and has political implications in an already fraught election year. The Black Lives Matter movement, a chaotic election TV debate, the Supreme Court appointment battle and President Trump's illness are all in the news too.

The search for tests and vaccinations continues. Fiscal and monetary policy aim to stimulate growth and, if effective, should generally help economies and corporate profitability. However, some previously fragile business models are proving unsustainable, impacting some small businesses and employment in the hospitality and travel sectors.

The Brexit transition is underway: negotiations have been bad-tempered and there is a real risk of no exit deal being agreed. The Spanish and Italian coalitions are surviving although Germany's Chancellor Merkel and her succession plan are under some pressure.

The Target Fund Manager's main focus in managing this high-conviction portfolio is on stock selection. The Target Fund Manager seeks to identify high-quality companies with the pricing power to sustain strong returns.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 September 2020, the Volatility Factor (VF) for this fund is 13.5 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 Information Memorandum dated 3 March 2015 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 "qualified 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 for the Fund are market risk, currency risk, hedged share classes, effect of portfolio concentration and restrictive geographical market.

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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