RHB Asset Management

FUND FACTSHEET - NOVEMBER 2020

All data expressed as at 31 October 2020 unless otherwise stated

3-year Fund Volatility **14.0** high
Lipper Analytics 10 OCT 2020

RHB LEISURE, LIFESTYLE & LUXURY FUND

The Fund aims to achieve long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

INVESTOR PROFILE

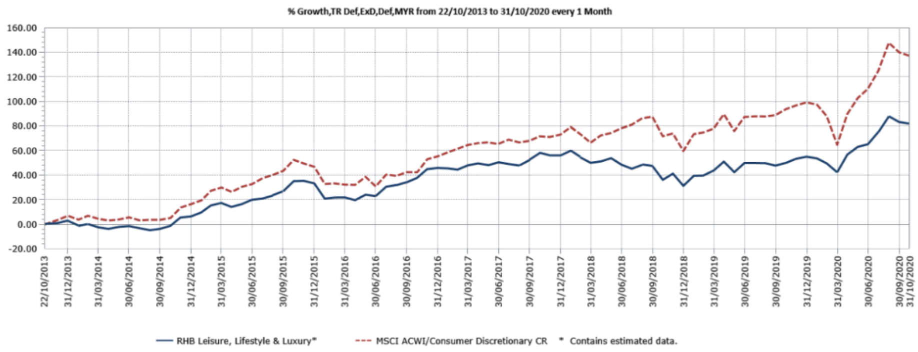
This Fund is suitable for Investors who:
• seek long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

INVESTMENT STRATEGY

• At least 70% of NAV: Investments in equities and equity related securities.
• Up to 30% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**-0.75**	**3.88**	**16.09**	**17.39**
Benchmark	-1.22	5.42	24.97	19.00

	1 Year	3 Years	5 Years	Since Launch
Fund	**21.33**	**15.15**	**34.65**	**81.70**
Benchmark	22.42	37.99	55.34	137.02

Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	**18.10**	**-15.83**	**6.63**	**9.67**	**24.94**
Benchmark	24.63	-7.67	11.31	5.76	26.06

Source: Lipper IM

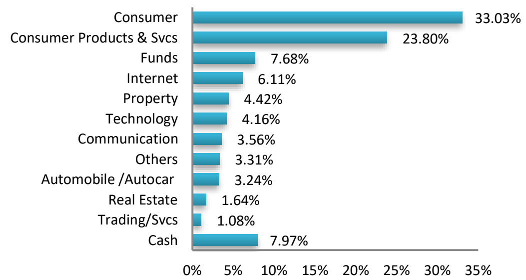
FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Equity Fund
Fund Type	Growth Fund
Launch Date	22 October 2013
Unit NAV	RM0.9085
Fund Size (million)	RM14.23
Units In Circulation (million)	15.67
Financial Year End	30 November
MER (as at 30 Nov 2019)	2.22%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI ACWI Consumer Discretionary Index
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	Up to 0.06% p.a. of NAV, subject to a min of RM18,000 p.a.*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	None

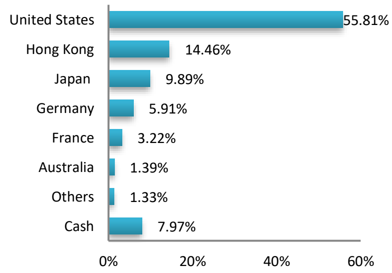
**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management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

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

AMAZON.COM INC	8.86
ALIBABA GROUP HOLDING LTD	8.09
HOME DEPOT INC/THE	4.42
MCDONALDS CORP	3.67
TENCENT HOLDINGS LTD	3.56

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9536	0.9536	0.9536
Low	0.9085	0.6502	0.4584

Source: Lipper IM

RHB LEISURE, LIFESTYLE & LUXURY FUND

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MANAGER'S COMMENTS

MARKET REVIEW

With concerns over rising Covid-19 cases and newly implemented mobility restrictions, the global equity markets fell by 2.5% in October, bringing the year to date return to -2.5%. Communication services (+1.8%) and utilities (+1.7%) sectors registered positive returns for the month, while energy was the worst performing sector, falling by -5.9%. Within regions, Asia ex Japan (+2.8%) registered positive return in USD terms, while the US (-2.7%), Europe (-5.9%), UK (-5.2%) and Japan (-1.6%) delivered negative returns in USD terms.

Increasing Covid-19 numbers have pushed European governments to once again start imposing nation-wide lockdown measures. Until 1 December, people in France will only be allowed to leave their homes to buy essential goods, for medical reasons, or to exercise for an hour a day. Unlike the first lockdown, however, schools and nurseries will remain open. Restrictions elsewhere remain targeted, but the direction of travel on restrictions is rapidly headed towards additional tightening. In Germany, Angela Merkel's government will impose a partial lockdown starting 2 November, which will last for four weeks. Bars and pubs will close, while restaurants will only remain open for takeaways only. Spain imposed a national curfew (11 PM-6 AM) since 25 October, while Italy shut down several services and limited operating hours for bars and restaurants for a month since 26 October. Prime Minister see England into a second lockdown on November 2, making the country the latest in Europe to impose new national restrictions.

While the measures are less restrictive than the first wave currently, violent protests broke out in reaction to the new restrictions. Italy had violent clashes between demonstrators and police in Rome, Milan, and Turin. In Spain, the far-left and pro-independence party CUP organized protests in Barcelona, which followed earlier protests from the service sector. The UK has also seen intensifying protests, with several arrests in London and demonstrations in many other cities.

The ECB Governing Council left all policy parameters unchanged, as expected. The Governing Council maintained the overall envelope of its pandemic emergency purchase programme (PEPP) at €1.35 trillion and reiterated that it will conduct net asset purchases under the PEPP until at least the end of June 2021. But ECB flagged strong concerns around the near-term growth outlook due to the re-intensification of Covid-19 containment measures. Against this backdrop, the Governing Council effectively pre-announced more easing at the December meeting, signaling that it "will recalibrate its instruments, as appropriate" in order to "counteract the negative impact of the pandemic on the projected inflation path."

In the US, hospitalizations for Covid-19 have risen at least 10% over the past week. However, this time it's different – the hospitalization trend is flatter than both the initial and summer outbreak. Fiscal stimulus will have to wait until after the election. On the election front, the odds for Biden victory are increasing again. Biden, along with a Democratic Senate, would most likely lead to a more aggressive stimulus. Fed Chair Powell (among others) has been steadfast in his message that there cannot be a sustainable economic recovery until the virus is controlled.

On the positive side, the AstraZenica-University of Oxford vaccine has reportedly shown promising results in treatment for the elderly, but we would need to wait for the phase 3 trial results to get a more conclusive picture about its safety metrics. Separately, J&J's vaccine could be available for emergency use by January, assuming no surprise in the results from its latest trial, expected later this year.

The Bank of Japan kept all policy settings unchanged, as expected. Growth forecasts for FY20, FY21, and FY22 were changed to -5.5%, +3.6%, and +1.6% from -4.7%, +3.3%, and +1.5% in July. Core inflation forecasts for FY20, FY21, and FY22 were changed to -0.6%, +0.4%, and +0.7% from -0.5%, +0.3%, and +0.7% in July. This means that the 2% target for inflation ex-fresh food still not be reached until FY23. The BOJ warned that "the outlook for economic activity and prices provided in this Outlook report is extremely unclear" and could change depending on the virus numbers. The bank also said that it will decide, when necessary, to extend its emergency measures whilst maintaining its economic assessment at "severe" after upgrading it in September from "extremely severe." Separately, Prime Minister Yoshihide announced its 2050 net zero target on 26 October, joining EU, Korea and China. Japan is the world's fifth-largest emitter and relies on coal for a third of its electricity generation. The net zero target requires significant investment in renewables and a complete overhaul of the country's existing climate strategy which focuses heavily on coal power.

The Chinese Communist Party (CCP) held the Fifth Plenum of the 19th Party Congress on October 26-29 to discuss the proposals for the 14th Five-Year Plan that runs from 2021 through 2025. The Fifth Plenum of the 19th Party Congress's key summary reiterated direction towards Quality Growth, and laid out non-numerical goals over long term (GDP per capita reaching level of mid income developed economies and expansion in mid income population), with a focus on innovation and market reform. Over next few months, NDRC will prepare more detailed draft of the 14th Five Year Plan to be submitted for final approval during the "Two Sessions" in March 2021.

MARKET OUTLOOK AND STRATEGY

This month's outperformance can be attributed to selective underweight in the consumer discretionary sector. The underweight position in consumer discretionary helped the fund's performance as consumer discretionary names (which were more related to E-commerce than brick & mortar) fizzled into November as the markets continue to have one eye on the presidential election in November. We continue to stay constructive on equities with a cautious optimism amidst the ongoing rhetoric surrounding the trade war and the containment of the COVID-19 pandemic

Our strategy remains intact where the fund will continue to invest in quality companies with excellent balance sheet that are trading at a deep discount as a result of COVID-19. We are also turning more positive and have reduced our cash positions that was held since the COVID-19 outbreak. We remain opportunistic and prefer stocks that have healthy balance sheet, visible earnings growth, and valuations support.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 October 2020, the Volatility Factor (VF) for this fund is 14.0 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 6 October 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 market risk, country risk, currency risk, equity risk, regulatory risk, liquidity risk and equity related securities 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.