

RHB ASIA CONSUMER FUND

This Fund aims to achieve capital appreciation through investment in equities or equity-related securities of Asian (excluding Japanese) companies whose businesses are likely to benefit from or are related to growth in consumer spending in Asia.

INVESTOR PROFILE

This Fund is suitable for investors who:

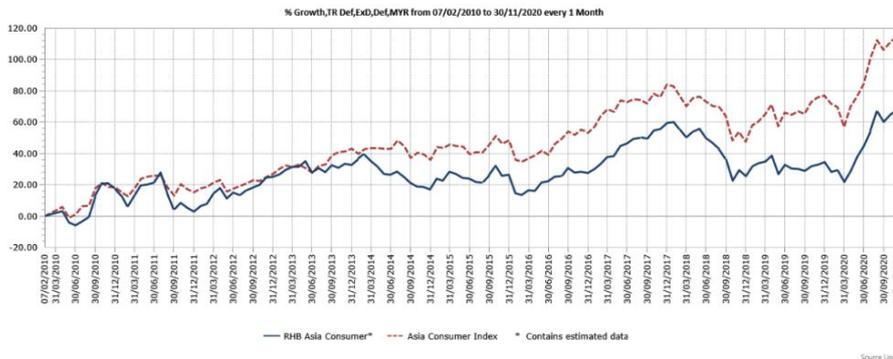
- seek investment opportunities in companies whose businesses are likely to benefit from or related to growth in consumer spending in Asia;
- seek capital appreciation rather than income; and
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Asia Consumer Fund.
- 2% - 5% 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 | 1.76 | 0.40 | 21.36 | 24.60 |
| Benchmark | 1.75 | 1.13 | 21.56 | 21.33 |

| | 1 Year | 3 Years | 5 Years | Since Launch |
|-------------|--------------|-------------|--------------|--------------|
| Fund | 26.14 | 7.61 | 33.50 | 67.53 |
| Benchmark | 22.09 | 22.01 | 46.66 | 114.51 |

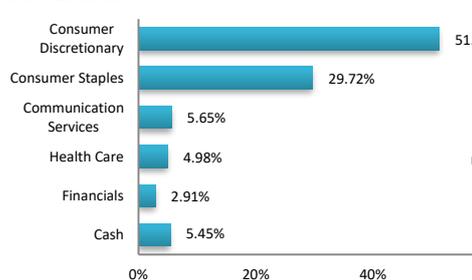
Calendar Year Performance (%)*

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------|-------------|---------------|--------------|-------------|-------------|
| Fund | 7.17 | -21.33 | 24.89 | 1.15 | 7.86 |
| Benchmark | 19.80 | -19.72 | 19.95 | 3.21 | 9.17 |

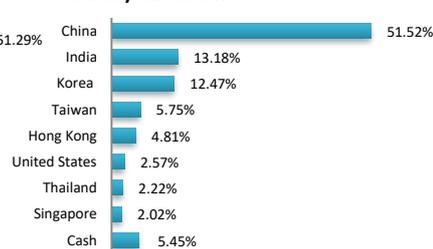
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

| | |
|---------------------------|------|
| JD.COM INC | 9.02 |
| ALIBABA GROUP HOLDING LTD | 7.56 |
| HINDUSTAN UNILEVER LTD | 6.34 |
| TENCENT HOLDINGS LTD | 5.65 |
| MEITUAN | 4.55 |

*As percentage of NAV

*Source: UOBAM, 30 November 2020. Exposure in United Asia Consumer Fund - 97.31%

FUND STATISTICS

Historical NAV (RM)

| | 1 Month | 12 Months | Since Launch |
|------|---------|-----------|--------------|
| High | 0.6214 | 0.6214 | 0.6451 |
| Low | 0.5914 | 0.4085 | 0.4085 |

Source: Lipper IM

Historical Distributions (Net)

| | Distribution (sen) | Yield (%) |
|-------------|--------------------|-----------|
| 25 Jul 2019 | 1.6000 | 3.26 |
| 20 Jul 2018 | - | - |
| 20 Jul 2017 | 5.2000 | 9.56 |
| 31 Jul 2016 | - | - |
| 31 Jul 2015 | - | - |

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET OUTLOOK AND STRATEGY

The outlook for Asia looks set to be on a firm footing heading into 2021. Improving global growth expectations and positive progress on Covid-19 vaccines alongside continued global fiscal policy impulse and accommodative monetary policy should drive an upturn in external demand. The Target Fund Manager expects easing lockdowns in trade partners and the eventual broad vaccination to boost overall exports and services demand in the growth-sensitive Asia region. The Target Fund Manager's constructive view on Asia is reinforced by expectation of a more stable and multilateral approach in US/China trade and foreign policy under the new Biden US administration, which bodes well for corporates' investment appetite.

In this vein, the Target Fund Manager has tilted their positioning towards more consumer discretionary sectors such as travel, hospitality, F&B and gaming related sectors which are likely to benefit from a gradual opening up of the economy with the new vaccines. On the other hand, even though the Target Fund Manager saw a pull in eCommerce stocks which had benefitted from WFH demand, they believe that the long term structural growth story for these companies remain intact. The Target Fund Manager is more inclined to ride through the volatility in the stock price at this point in the absence of any serious concerns on the fundamental story.

The Target Fund had outperformed this month helped by their positions in India and Korea which had done well in the month of November. Cyclical sectors such as Korean autos and Indian discretionary consumption stocks have seen their share prices trough and recovered. Given their cheap valuations and their relatively underowned status amongst investors, these stocks can continue to do well in the months ahead. On the other hand, the Target Fund Manager saw some detractions from their performance from their relative underweight in Asean countries and HK which had seen a meaningful rebound.

Going forward, the Target Fund Manager continues to position favourably towards North Asia over ASEAN and India, as economic growth prospects in North Asia remain solid. However, at the margin, the Target Fund Manager will be slowly reducing their underweights in Asean as and when they see more evidence of a recovery in the consumption in these countries. The Target Fund Manager retains their overweight stance on China as its economic recovery is well-poised for a complete normalization on back of a resilient corporate earnings' outlook. Korea will remain an overweight as it is a major cyclical export market. Korea's domestic market should enjoy a boost from the upturn in exports of non-tech cyclicals such as autos and industrials, alongside firm demand for memory chips. This will ultimately filter down to better consumer sentiments and spending.

Key downside risks to the Target Fund Manager's constructive stance on Asia includes the resurgence in Covid-19 infections during the winter months (Dec 2020 – Mar 2021) and/or delays in broad virus vaccinations, which may delay anticipated economic recovery.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 November 2020, the Volatility Factor (VF) for this fund is 15.0 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 for the Fund are management risk and foreign investment risks such as country risk and currency risk and the specific risks of the Target Fund are market risk in Asian (excluding Japan) markets, foreign exchange risk, political risk, derivatives risk, liquidity risk, small capitalisation companies risk, single sector and regional risk, counterparty risk, financial institution risk, equity risk, broker risk and investment management 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

www.rhbgroup.com

 RHB Group
  @RHBGroup
  RHB Group
  RHBGroup

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