

### RHB CAPITAL FUND

This Fund aims to achieve long term growth through capital appreciation with all income including profits on realisation of investments being automatically reinvested for its compounding effect.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

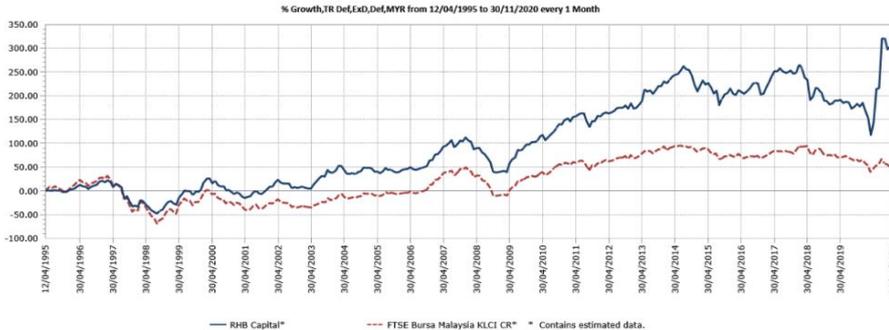
- want a professionally managed portfolio of shares and fixed income securities;
- have a medium to long term investment horizon of 3 to 5 years or more;
- want to achieve regular income and capital gain at an acceptable level of risk; and
- want to invest in shares but do not have the time to manage their own portfolio.

#### INVESTMENT STRATEGY

- Minimum of 60% and up to 95% of NAV will be invested in equities.
- Minimum of 5% of NAV will be invested in fixed income securities and/or liquid assets.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

|           | 1 Month | 3 Months | 6 Months | YTD   |
|-----------|---------|----------|----------|-------|
| Fund      | 0.62    | -3.83    | 29.00    | 42.29 |
| Benchmark | 6.53    | 2.46     | 6.07     | -1.64 |

|           | 1 Year | 3 Years | 5 Years | Since Launch |
|-----------|--------|---------|---------|--------------|
| Fund      | 46.02  | 16.62   | 32.58   | 304.52       |
| Benchmark | 0.06   | -9.03   | -6.55   | 61.77        |

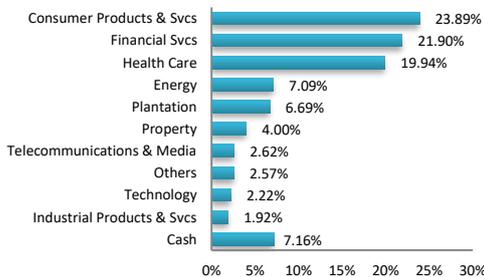
##### Calendar Year Performance (%)\*

|           | 2019  | 2018   | 2017  | 2016  | 2015  |
|-----------|-------|--------|-------|-------|-------|
| Fund      | 1.08  | -19.27 | 14.65 | -3.32 | 1.93  |
| Benchmark | -6.02 | -5.91  | 9.45  | -3.00 | -3.90 |

Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Top Holdings (%)\*

|                     |      |
|---------------------|------|
| MALAYAN BANKING BHD | 7.25 |
| GUAN CHONG BHD      | 5.97 |
| SUPERMAX CORP BHD   | 5.90 |
| TOP GLOVE CORP BHD  | 5.58 |
| BURSA MALAYSIA BHD  | 3.78 |

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

|      | 1 Month | 12 Months | Since Launch |
|------|---------|-----------|--------------|
| High | 1.2782  | 1.3734    | 1.5245       |
| Low  | 1.2230  | 0.6021    | 0.4012       |

Source: Lipper IM

##### Historical Distributions (Net)

|             | Distribution (sen) | Yield (%) |
|-------------|--------------------|-----------|
| 25 Apr 2019 | 1.5000             | 1.60      |
| 20 Apr 2018 | 1.1400             | 1.02      |
| 20 Apr 2017 | 6.5000             | 6.06      |
| 28 Apr 2016 | 10.3500            | 9.16      |
| 28 Apr 2015 | 11.5000            | 8.48      |

Source: RHB Asset Management Sdn. Bhd.

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### MANAGER'S COMMENTS

#### MARKET REVIEW

The crucial announcement of preliminary COVID-19 vaccine results by few pharmaceutical companies, along with the passage of the US election overhang, catapulted global equities to their best monthly performance ever. Global equities rallied by 12.2% in the month of November 2020, lifting YTD returns (9.4%). The strong rally were across all countries as well as all sectors. Reopening themes such as tourism and other beaten down sectors sprung back on the prospects of normalization in global economic activity, triggering a raft of analyst upgrades globally, especially for under-owned stocks and value stocks. Growth-sensitive commodities (Brent Crude: 27.0%, Copper: 12.8%) soared higher at the expense of precious metals (Gold: -5.4%) on expectations of sustained demand recovery.

Asia ex-Japan was up 8.0% in November 2020 (YTD: 14.9%). ASEAN was the best performing region, up 15.7%, rejuvenated by hopes of demand recovery, with Thailand rising 24.9%, Singapore 18.5%, and Indonesia 14.8%. Korea rose 17.9% on the back of a robust 3Q20 earnings season as well as stronger-than-anticipated exports, while Taiwan increased by 10.0%.

Over in Malaysia, November 2020 was the second-best month for FBM KLCI in 2020 with a +6.53% gain (Jul: +6.85%) to 1,563 points, as gainers significantly outnumbered losers. Investors bought into value stocks which were bashed down year to date. The value rally saw YTD losers dominating the top gainers list – Genting Bhd (+37.16%), Press Metal (+27.50%), CIMB (+23.05%), Genting Malaysia (+22.50%), RHBBANK (+21.75%). Top losers were in Gloves (Hartalega -20.00%, Top Glove -16.92%). Foreigners net sold RM1.03bn worth of equities in the month of November 2020 (October: RM669mn), bringing YTD net outflow to RM24.00bn. Local institutionals and retailers each net bought RM523mn/RM504mn worth of equities in November 2020 (October: RM213mn/RM456mn), while retailers continued to account for 39.0% of trades (October: 39.9%).

Energy was the best performing sector, up 24%. Crude oil climbed to its highest level since early March 2020 on optimism surrounding the vaccine announcements, with sentiment also boosted by US election results. Oil futures turned into backwardation to reflect tighter conditions. Financials sector also enjoyed November 2020 rally with the index returned close to 15% due to low price to book. Construction was one beneficiary seen out of the Budget 2021. After all, mega-infra projects now seem to be back in the limelight with mentions of the MRT3 and High-speed Rail by Finance Minister. This was reflected in the construction index's 12.8% return.

COVID-19 cases has not come down here in Malaysia. In fact, November 2020 was the worst for daily reported new cases with 34,149 cases reported, 74% higher than October 2020. We also saw Top Glove (TOPG MK) seeing some of its production factories being shut down progressively and the company's manufacturing area in Klang being put under Enhanced Movement Control Order (EMCO) after a high number of positive COVID-19 cases were reported among its workers there.

#### MARKET OUTLOOK AND STRATEGY

The rotation to value has already started but surely still has a long way to play out given the gaps in price performance between victims and beneficiaries of the pandemic are huge. The uncertain political backdrop continues to be a drag. It is, however, not the overriding investment consideration. We believe the potential sharp downgrade in corporate earnings will not happen unless the resurgence of COVID-19 is out of control. Fear that banking and gloves sectors' earnings will be badly affected by 2021 budget were not materialised was positive for the FBM KLCI's earnings. Index is expected to consolidate in the short term due to strong rebound from end October 2020. However, we do expect index to go higher as corporate earnings improve along with the gradual recovery in the economy and foreign inflows might back in Malaysia. Uncertainties are still prevailing due to the surging local COVID-19 that may force further lockdowns that would overshadow optimism over recent vaccine developments.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 10 November 2020, the Volatility Factor (VF) for this fund is 30.5 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are 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 15 July 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 stock market risk, liquidity risk, individual stock risk and issuer 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.

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