

RHB ENTREPRENEUR FUND

The Fund aims to achieve long term capital appreciation through investments in securities of companies that possess entrepreneurial characteristics as determined by the Manager.

INVESTOR PROFILE

This Fund is suitable for Investors who:

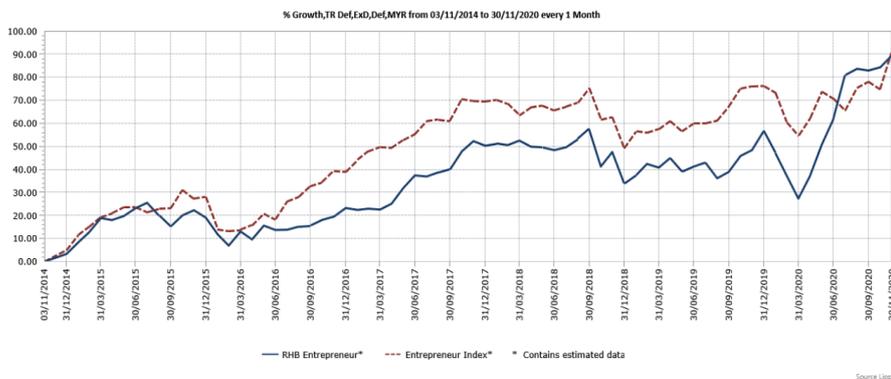
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in securities of companies that are listed on the stock exchanges of Japan and other Asian markets.
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and Deposits.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	2.76	3.12	25.70	20.83
Benchmark	9.25	8.80	9.75	8.26

	1 Year	3 Years	5 Years	Since Launch
Fund	27.61	24.36	54.90	89.41
Benchmark	8.39	12.40	49.94	90.71

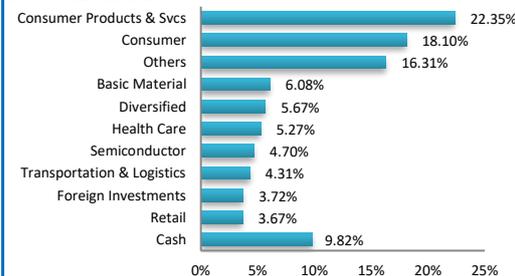
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	17.10	-10.93	22.08	3.41	15.25
Benchmark	18.04	-11.90	21.92	8.59	21.99

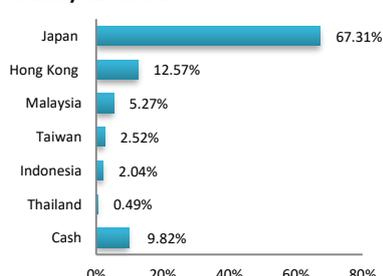
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENCENT HOLDINGS LTD	7.40
FAST RETAILING CO LTD	7.35
NITORI HOLDINGS CO LTD	6.34
RINNAI CORP	6.08
SMC CORP	5.67

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6443	0.7021	0.7345
Low	0.6182	0.4318	0.4318

Source: Lipper IM

Historical Distributions (Net)

	Distribution (sen)	Yield (%)
27 Oct 2020	5.0000	8.75
29 Oct 2019	4.5000	8.11
25 Oct 2018	7.0000	10.48
26 Oct 2017	8.0000	13.47
31 Oct 2016	-	-

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%.

The TOPIX and the Nikkei Stock Average climbed 11.12% and 15.04% respectively over the month despite concerns of a further wave of infections in Japan. A resurgence in Covid-19 case numbers at home looks set to put the brakes on the recovery in consumer spending, as the government reins in travel and dining subsidies, and requests that bars and restaurants return to shorter opening hours. Among November 2020 best performing sectors were iron & steel, marine transportation, and real estate, as vaccine news raised hopes for a recovery in economic activity; worst performers, meanwhile, included fishery, agriculture & forestry, oil & coal products, and electric power & gas.

This month saw small cap stocks lag the market once again, causing the Japan portfolio to underperform the benchmark.

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 international picture, however, is that a vaccine may be approved as early as the end of the year, and prospects of a return to normal economic activity should serve to boost Japanese equity markets. Corporate earnings for the July–September quarter have seen falling revenues, but cost cutting measures have allowed many companies to maintain profitability; assuming costs can be kept in check once the economy recovers, these kinds of structural improvements in Japan Inc. should drive long-term benefits in stock prices.

The portfolio consists of high-quality manufacturing names with good credit standings and market share, as well as domestic demand names that are less likely to be hit by a coronavirus demand slump, or that will benefit from cheaper raw materials. We will continue to concentrate on names and sectors that will most benefit from business returning to normal, as well as those building on the new normal that the pandemic has unlocked. Going forwards, markets look set to focus on the new US administration and the effectiveness of new COVID-19 vaccines.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 November 2020, the Volatility Factor (VF) for this fund is 17.1 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 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 particular security risk, regional risk, currency risk and country 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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