

RHB RETIREMENT SERIES – CORE AND NON-CORE FUNDS UPDATE

August 2021

Source: RHBAM, 31 July 2021

Note: The opinions expressed are as of date and are subject to change at any time due to changes in market or economic conditions. Any performance information shown refers to the past and should not be seen as an indication of future returns. This is not intended to be relied upon as a forecast, research or investment advice and is not a recommendation, offer or solicitation to buy or sell any investments or to adopt any investment strategy.

Fund Review

- Asia Pacific equities experienced a weak month in terms of returns, reporting -5.0% for July 2021. Leading the losses was China, which saw equities losses of -14.1% (in USD terms) during July 2021 due to major policy shifts towards Internet and Education sectors. However, no sector was left unscathed and hence the exposure to the Chinese securities mainly dragged the performance of the portfolio to negative territory. Korea and Taiwan also reported losses of -5.7% and -2.9% respectively (all in USD terms). In Association of Southeast Asian Nations (“ASEAN”), with the exception of Singapore, all other countries in the region saw equities returns fall into negative territory.
- The FTSE Bursa Malaysia KLCI (“Index”) also reported losses of -2.48% for the month of July 2021. Only the technology and industrials sector contributed positively to the Index. From a fund perspective, the exposure to these sectors was also the main positive contributor to the fund’s performance.
- For the Islamic Private Retirement Scheme (“PRS”) Funds, the offshore stocks did well for the funds as good stock selection in China/Hong Kong and ASEAN generated positive returns whereas weakness in South Korea partially offset some of the gains. In addition, our underweight exposure in Malaysia also contributed positively to the Funds’ performance against its benchmark.

Strategy

- Even as the post-pandemic landscape continues to shift, earnings are likely to remain supportive for the global market and the upcoming earnings season will help to determine if its support its valuations. We have moved our strategy towards value names and reopening plays in ASEAN, as the developed world begins its move from pandemic to endemic and the developing world’s positive vaccine developments. Our portfolio continues to be positive on structural shifts such as carbon-neutral industries, gaming, e-commerce and technology.

RHB RETIREMENT SERIES – CORE AND NON-CORE FUNDS UPDATE

August 2021

DISCLAIMER

This update is strictly private, confidential and personal to its recipients and should not be copied, distributed or reproduced in whole or in part, nor passed to any third party, without obtaining prior permission of RHB Asset Management Sdn Bhd (“RHBAM”).

This update has been prepared by RHBAM and is solely for information only. It may not be copied, published, circulated, reproduced or distributed in whole or part to any person without the prior written consent of RHBAM. In preparing this update, RHBAM has relied upon and assumed the accuracy and completeness of all information available from public sources or which was otherwise reviewed by RHBAM. Accordingly, whilst RHBAM have taken all reasonable care to ensure that the information contained in this update is not untrue or misleading at the time of publication, RHBAM cannot guarantee its accuracy or completeness and make no representation or warranty (whether expressed or implied) and accept no responsibility or liability for its accuracy or completeness. You should not act on the information contained in this update without first independently verifying its contents.

Any opinion, management forecast or estimate contained in this update is based on information available as the date of this update and reflects prevailing conditions and underlying fund manager’s views as of the date of this update, all of which are subject to change at any time without notice. Such opinions, forecasts and estimates as well as the information contained herein relating to the historical performance of various indices is for information only and is not indicative of the future or likely performance of the Fund and should not be construed as such.

A Product Highlights Sheet (“PHS”) highlighting the key features and risks of the RHB Retirement Series-Growth Fund, RHB Retirement Series-Moderate Fund, RHB Retirement Series-Conservative Fund, RHB Retirement Series-Islamic Equity Fund and RHB Retirement Series-Islamic Balanced Fund (“Funds”) is available and investors have the right to request for a PHS. Investors are advised to read and understand the contents of the Fund’s prospectus dated 3 August 2017 and its supplementary(ies) (if any) (collectively known as “the Prospectus”) before investing. The Prospectus has been registered with the Securities Commission Malaysia (“SC”) who takes no responsibility for its contents. This update does not amount to indicate that the SC has recommended or endorsed 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 Prospectus relates will only be made on receipt of a form of application referred to in the Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Prospectus or collect one from any of our branches or authorised distributors. Investors are advised that investments are subject to investment risk and that there can be no guarantee that any investment objectives will be achieved. Investors should conduct their own assessment before investing and seek professional advice, where necessary and should not make an investment decision based solely on this update. Subscription of units of the Fund is only open to sophisticated investors.

The Manager wishes to highlight the specific risks of RHB Retirement Series-Growth Fund are equity risk, credit risk, interest rate risk, liquidity risk, income distribution risk, derivatives risk, collective investment scheme risk, currency risk and country risk. The specific risks of RHB Retirement Series-Moderate Fund are equity risk, credit risk, interest rate risk, liquidity risk, income distribution risk, derivatives risk, collective investment scheme risk, currency risk and country risk. The specific risks of RHB Retirement Series-Conservative Fund are equity risk, credit risk, interest rate risk, liquidity risk, income distribution risk, currency risk and country risk. The specific risks of RHB Retirement Series-Islamic Equity Fund are management risk and the specific risks of the Target Fund are reclassification of shariah status risk, market risk and particular security risk. The specific risks of RHB Retirement Series-Islamic Balanced Fund are management risk and the specific risks of the Target Fund are reclassification of shariah status risk, market risk, particular security risk, interest rate risk and credit/default risk. These risks and other general risks are elaborated in the Disclosure Document.

This update has not been reviewed by the SC

