

# RHB SINGAPORE INCOME FUND

## SEMI-ANNUAL REPORT

*For the financial period ended 30 June 2019 (Unaudited)*

**INVESTMENT OBJECTIVE, FOCUS AND APPROACH**

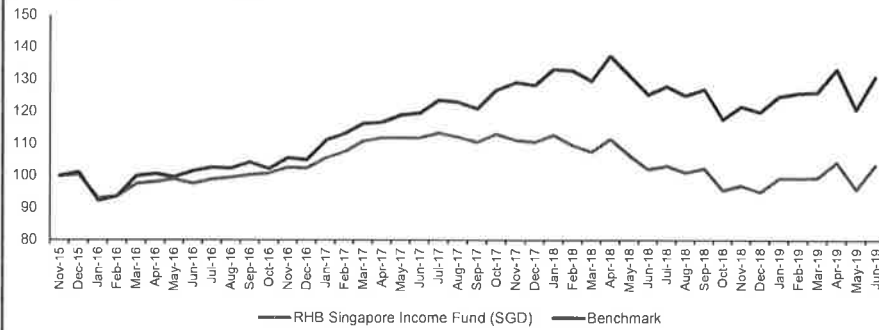
The fund aims to achieve regular dividend payments and long term capital growth through investment in Singapore-listed companies and Singapore-related securities. The Fund primarily invests in the securities of Singapore-listed companies that are expected to benefit from development of Singapore as a regional financial and business centre, and the associated strong economic and social trends. The Fund will focus on investing in companies that have demonstrated consistency in rewarding their shareholders via dividend pay-outs or those companies which have the potential to start paying regular dividends. The Fund will have a minimum equity exposure of 70% of its Net Asset Value ("NAV") to generate returns to the Fund. The Fund may invest up to 30% of its NAV into fixed income securities, money marketing instrument and/or cash to preserve capital.

**FUND PERFORMANCE ANALYSIS**

**Performance Chart\***

(Based = 100)

**RHB Singapore Income Fund SGD Class Performance 30/11/2015 - 30/6/2019**



**Fund Performance (%)\*\***

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception***
Fund	7.91	4.03	8.83	1.31	1.95	-	8.83	0.39
Benchmark****	8.41	3.81	9.11	4.43	8.86	-	9.11	6.52

Source: Lipper as at 30 June 2019

\*Chart performance is rebased to 100 beginning on the last business day on the month of inception and is updated on a monthly basis with figures of the last business day of the current month

\*\*Fund performance figures in the table above are calculated on a NAV to NAV single pricing basis, after deducting subscription fee and realisation charges (if any).

\*\*\*Performance figures for period exceeding 1 year in the table above show the annualized return.

\*\*\*\*Benchmark changed with effect from 11 April 2019 to MSCI Singapore Index from FTSE Straits Times Index to better reflect the investment strategy and focus of the Fund

Past performance is not an indication of future performance. The value of the units in the funds and the income accruing to the units, if any, may fall or rise.

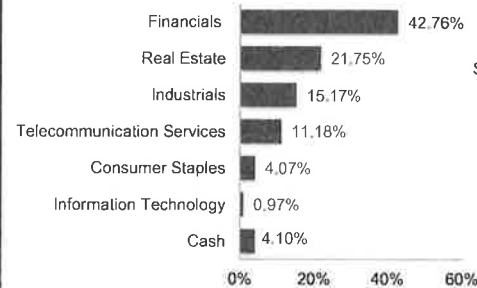
**FUND DETAILS**

<b>Investment Manager</b>	RHB Asset Management Pte Ltd
<b>Trustee</b>	HSBC Trust Services SG
<b>Fund Category</b>	Equity Fund
<b>Trading Frequency</b>	Daily
<b>Unit NAV</b>	SGD 0.8837
<b>Fund Size</b>	SGD 1,171,261.11
<b>Financial Year End</b>	31 December
<b>Base Currency</b>	Singapore Dollar
<b>Min. Initial Investment</b>	SGD 1000 / USD 1000
<b>Min. Additional Investment</b>	SGD 500 / USD 500
<b>Benchmark</b>	MSCI Singapore Index
<b>Sales Charge</b>	Up to 5% of NAV per unit
<b>Annual Management Fee</b>	1.5% p.a. of NAV
<b>Trustee/Admin/Custodian Fees</b>	0.12% per annum

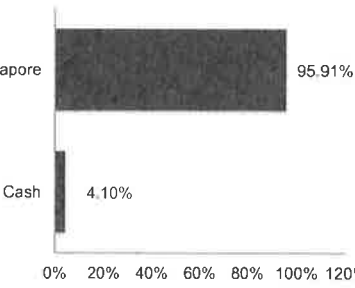
<b>Realisation Charge</b>	Nil
<b>Redemption Period</b>	Within 7 days after receipt the request to repurchase
<b>ISIN (SGD)</b>	SG9999014302
<b>Bloomberg (SGD)</b>	RHBSPIN SP
<b>Launch Price</b>	Class SGD1.00 Class USD1.00
<b>Inception Date</b>	02 November 2015

**FUND PORTFOLIO ANALYSIS**

**Sector Allocation\***



**Country Allocation\***



**Top Holdings (%)\***

DBS Group Holdings Ltd	15.07	Keppel Corp Ltd	5.69
Oversea-Chinese Banking Corp	14.31	Ascendas Real Estate Inv Trst	4.26
United Overseas Bank Ltd	13.39	Singapore Tech Engineering	3.89
Singapore Telecommunications	11.18	Wilmar International Ltd	3.66
Capitaland Ltd	6.03	Capitaland Mall Trust	2.25

\* As at 30 June 2019 - As percentage of NAV

**FUND STATISTICS**

**Historical NAV (SGD)**

	1 Month	12 Months	Since Launch
High	0.8837	0.8960	1.0346
Low	0.8189	0.7993	0.7993

Source: Bloomberg

**Historical Distributions<sup>1</sup> (Net)**

Ex Date	Distribution*
28-Mar-18	0.003
28-Jun-18	0.005
28-Sep-18	0.005
27-Dec-18	0.005

Source: RHB Asset Management Pte. Ltd.

<sup>1</sup>Historical Distributions table above only shows the distribution made in 2018.

\*Distribution comprises of income distribution only. Past distributions are not indicative of future distributions. Any distribution may result in a reduction of NAV per share of the Fund. Any distribution will be subject to the manager's discretion.

**MANAGER'S COMMENTS****FUND PERFORMANCE**

The fund returned 7.91% against the benchmark\* which returned 8.41% for June.

Note: \* Benchmark changed with effect from 11 April 2019 to MSCI Singapore Index from FTSE Straits Times Index to better reflect the investment strategy and focus of the Fund. Source: Lipper

**MARKET REVIEW**

Singapore's 2019 GDP forecast narrowed to 1.5% - 2.5%, down from 1.5% - 3.5% previously. The reduction was due to a less-supportive global backdrop that weighed on outward-oriented sectors, electronics and precision engineering. There could be a further downside to GDP with the ongoing trade conflict. External sources of inflation looks to be benign in 2019 with MAS/MTI maintaining a 2019 headline forecast of 0.5% - 1.5% and core inflation near the midpoint of 1% - 2%.

Singapore market rallied with global equities on expectation of another liquidity driven push. Heavy index weights such as Banks and Property names - which were punished last month - enjoyed a strong rebound. The Monetary Authority of Singapore has indicated that Singapore is not going to relax property cooling measures soon.

**OUTLOOK & STRATEGY**

Singapore stock market is a highly defensive market with strong blue-chip companies that is equipped with strong cash flow to pay high and sustainable dividends. The Target Fund is focused on income-producing equities that pay strong and sustainable dividend yields. These dividends represent a tangible return on investment and provides stability during uncertain times. At times, the fund can also be more tilted towards growth depending on the market cycle. Currently, we favour the reflationary trades, such as banks, given that it is a play on the macro recovery environment

**DISCLAIMER:**

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore (the "MAS"). This document contains information about RHB Singapore Income Fund (the "Fund"). The Fund is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). A copy of the Prospectus dated 10 April 2019 had been lodged with and registered by MAS. MAS assumes no responsibility for the contents of the Prospectus. Investors are advised to obtain, read and understand the Product Highlight Sheet ("PHS") and the contents of the Prospectus dated 10 April 2019 and its supplementary (ies) (if any) before investing. The information provided herein is intended for general circulation and/or discussion purposes only. It does not take into account the specific investment objectives, financial situation or particular needs of any particular person. This does not constitute an offer or solicitation to buy or sell or subscribe for any security or financial instrument or to enter into any transaction or to participate in any particular trading or investment strategy. The information provided herein is based on certain assumptions, information and conditions available as at the date of this document and may be subject to change at any time without notice. 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. A copy of the PHS and prospectus may be obtained from our registered office. Please refer to the prospectus of the fund for the name of the fund manager and the investment objectives of the fund. The Manager wishes to highlight the specific risks and general risks elaborated in the Prospectus. Past performance is not an indication of future performance. The value of the units in the funds and the income accruing to the units, if any, may fall or rise. Subscriptions in the Fund will only be accepted on the basis of the Fund's latest Offering Document, its latest annual reports that may be obtained, free of charge, at the registered office of the Fund or respectively at that of the representative agent duly authorized and agreed by the relevant authority of each relevant concerned jurisdiction. No representation or warranty whatsoever (including without limitation any representation or warranty as to accuracy, usefulness, adequacy, timeliness or completeness) in respect of any information (including without limitation any statement, figures, opinion, view or estimate) provided herein is given by RAMSG and it should not be relied upon as such. RAMSG does not undertake an obligation to update the information or to correct any inaccuracy that may become apparent at a later time. RAMSG shall not be responsible or liable for any loss or damage whatsoever arising directly or indirectly howsoever in connection with or as a result of any person acting on any information provided herein. The information provided herein may contain projections or other forward-looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance. Any reference to any specific company, financial product or asset class in whatever way is used for illustrative purposes only and does not constitute a recommendation on the same. RAMSG does not guarantee that all risks associated to the transactions mentioned herein have been identified, nor does it provide advice as to whether you should enter into any such transaction. The contents hereof may not be reproduced or disseminated in whole or in part without RAMSG's written consent.

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**RHB** 

## RHB Singapore Income Fund

(Constituted under a Trust Deed in the Republic of Singapore)

### Manager's Report

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**a) Investments at fair value and as a percentage of net asset value ("NAV") as at 30 June 2019 under review classified by:**

**i) Country**

Please refer to Statement of Portfolio

**ii) Industry**

Please refer to Statement of Portfolio

**iii) Asset Class**

	Fair Value (S\$)	% of NAV
Equities	1,123,323	95.92
Other net assets	47,720	4.08
<b>Total</b>	<b>1,171,043</b>	<b>100.00</b>

**iv) Credit rating of debt securities**

N/A

**b) Top Ten Holdings**

10 largest holdings at 30 June 2019

	Fair Value (S\$)	Percentage of total net assets attributable to unitholders %
DBS Group Holdings Ltd	176,528	15.07
Oversea-Chinese Banking Corporation Ltd	167,580	14.31
United Overseas Bank Ltd	156,780	13.39
Singapore Telecommunications Ltd	130,900	11.18
Capitaland Limited	70,600	6.03
Keppel Corp Ltd	66,600	5.69
Ascendas Real Estate Investment Trust	49,920	4.26
Singapore Technologies Engineering Ltd	45,540	3.89
Wilmar Intl Ltd	42,920	3.67
CapitaLand Mall Real Estate Investment Trust	26,300	2.25

10 largest holdings at 30 June 2018

United Overseas Bank Ltd	165,912	9.90
DBS Group Holdings Ltd	162,321	9.69
Oversea-Chinese Banking Corporation Ltd	160,632	9.59
Singapore Telecommunications Ltd	158,620	9.47
Singapore Exchange Ltd	93,210	5.56
Jardine Matheson Holdings Ltd	86,037	5.14
Mapletree Commercial Trust	62,800	3.75
Ascendas Real Estate Investment Trust	50,160	2.99
Hongkong Land Holdings Ltd	48,745	2.91
Thai Beverage Plc	47,232	2.82

**RHB Singapore Income Fund**  
(Constituted under a Trust Deed in the Republic of Singapore)

**Manager's Report**

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**c) Exposure to derivatives**

i) fair value of derivative contracts and as a percentage of NAV as at 30 June 2019

N/A

ii) net gains/(losses) on derivative contracts realised during the financial period ended 30 June 2019

N/A

iii) net gains/(losses) on outstanding derivative contracts marked to market as at 30 June 2019

N/A

**d) Amount and percentage of NAV invested in other schemes as at 30 June 2019**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
Ascendas Real Estate Investment Trust	49,920	4.26
Capitaland Commercial Trust	21,700	1.85
CapitaLand Mall Real Estate Investment Trust	26,300	2.25
Frasers Centrepoint Trust	15,813	1.35
Keppel DC Real Estate Investment Trust	20,979	1.79
Mapletree Commercial Trust	23,826	2.04

**e) Amount and percentage of borrowings to NAV as at 30 June 2019**

N/A

**f) Amount of redemptions and subscriptions for the period 1 January 2019 to 30 June 2019**

Please refer to Statement of Movements of Unitholders' Funds.

**g) The amount of related-party transactions for the period 1 January 2019 to 30 June 2019**

i) Purchase/holdings by RHB or its affiliated companies as at 30 June 2019 were as follows:

<u>Affiliated Companies</u>	<u>No. of Units</u>	<u>Unit Price</u> SGD	<u>Market Value</u> SGD
DTMB FOR RHB SINGAPORE INCOME FEEDER FUND	1,039,685.66	0.8837	918,770.22

ii) As at 30 June 2019 the brokerage income earned by RHB Securities Pte Ltd was SGD 0

**RHB Singapore Income Fund**  
(Constituted under a Trust Deed in the Republic of Singapore)

**Manager's Report**

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**h) Expense ratios**

30 June 2019	6.06%
30 June 2018	4.34%

Note: The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio was based on total operating expenses of divided by the average net asset value for the period. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances.

**i) Turnover ratios**

30 June 2019	25.81%
30 June 2018	36.46%

**j) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts**

N/A

**k) For schemes which invest more than 30% of NAV in another scheme, the following key information on the the underlying scheme should be disclosed**

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2019 and 30 June 2018

N/A

ii) expense ratios for the financial period ended 30 June 2019 and 30 June 2018

N/A

iii) turnover ratios for the financial period ended 30 June 2019 and 30 June 2018

N/A

**l) Soft dollar commissions/arrangements**

Nil

**m) Where the scheme offers pre-determined payouts, an explanation on the calculation of the actual payouts received by participants and any significant deviation from the predetermined payouts**

N/A

**n) Others**

The benchmark for RHB Singapore Income Fund has been changed from FTSE Straits Times Index to MSCI Singapore Index with effect from 11 April 2019 to better reflect the investment strategy and focus of the Fund.

**RHB SINGAPORE INCOME FUND***(Constituted under a Trust Deed in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period ended 30 June 2019 (Unaudited)*

	<b>30 June 2019</b>	<b>30 June 2018</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Dividends	32,917	49,381
Interest on cash and bank balances	-	100
	<u>32,917</u>	<u>49,481</u>
<b>Less: Expenses</b>		
Accounting fees	3,486	12,887
Audit fee	5,951	6,290
Custodian fees	133	513
Management fee	10,100	14,679
Registrar fee	5,292	7,850
Trustee fee	3,456	3,202
Transaction costs	3,858	5,922
Valuation fees	10,367	9,608
Other expenses	2,867	(7,692)
	<u>45,510</u>	<u>53,259</u>
<b>Net expenses</b>	<b>(12,593)</b>	<b>(3,778)</b>
<b>Net gains or losses on value of investments and financial derivatives</b>		
Net gains/(losses) on investments	137,749	(123,521)
Net losses on foreign exchange spot contracts	(86)	(468)
Net foreign exchange losses	(191)	(2,460)
	<u>137,472</u>	<u>(126,449)</u>
<b>Total return/(deficit) for the financial period before income tax</b>	<b>124,879</b>	<b>(130,227)</b>
<b>Less: Income tax</b>	<b>(576)</b>	<b>(1,554)</b>
<b>Total return/(deficit) for the financial period</b>	<b><u>124,303</u></b>	<b><u>(131,781)</u></b>

**RHB SINGAPORE INCOME FUND***(Constituted under a Trust Deed in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 30 June 2019 (Unaudited)*

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	30 June 2019	31 December 2018
	\$	\$
<b>ASSETS</b>		
Portfolio of investments	1,123,323	1,425,349
Receivables	94	3,162
Cash and bank balances	72,677	69,806
<b>Total assets</b>	<u>1,196,094</u>	<u>1,498,317</u>
<b>LIABILITIES</b>		
Distribution payable	-	9,027
Payables	25,051	23,371
<b>Total liabilities</b>	<u>25,051</u>	<u>32,398</u>
<b>EQUITY</b>		
Net assets attributable to unitholders	<u>1,171,043</u>	<u>1,465,919</u>



**RHB SINGAPORE INCOME FUND***(Constituted under a Trust Deed in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period ended 30 June 2019 (Unaudited)*

	30 June 2019	31 December 2018
	\$	\$
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	1,465,919	2,466,900
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	124,303	(241,966)
<b>Unitholders' contributions/(withdrawals)</b>		
Creation of units	9,027	291,345
Cancellation of units	(428,206)	(1,016,820)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(419,179)	(725,475)
Distributions	-	(33,540)
Total decrease in net assets attributable to unitholders	(294,876)	(1,000,981)
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	1,171,043	1,465,919

**RHB SINGAPORE INCOME FUND***(Constituted under a Trust Deed in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (Unaudited)*

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
<b>By Industry (Primary)</b>			
<b>QUOTED</b>			
<b>EQUITIES AND FUNDS</b>			
<b>AGRICULTURE</b>			
First Resources	3,000	4,770	0.41
<b>BANK</b>			
DBS Group Holdings Ltd	6,800	176,528	15.07
Oversea-Chinese Banking Corporation Ltd	14,700	167,580	14.31
United Overseas Bank Ltd	6,000	156,780	13.39
		<u>500,888</u>	<u>42.77</u>
<b>ELECTRONIC</b>			
Venture Corporation Ltd	700	11,403	0.97
<b>ENGINEERING &amp; MACHINERY</b>			
SembCorp Industries Ltd	4,600	11,086	0.95
<b>FOODS</b>			
Wilmar Intl Ltd	11,600	42,920	3.67
<b>REAL ESTATE</b>			
Capitaland Limited	20,000	70,600	6.03
City Developments Ltd	2,000	18,940	1.62
First Sponsor Group Ltd	5,000	6,650	0.57
First Sponsor Group Ltd Warrants 30/05/2024	500	40	*
		<u>96,230</u>	<u>8.22</u>
<b>REAL ESTATE INVESTMENT TRUST</b>			
Ascendas Real Estate Investment Trust	16,000	49,920	4.26
Capitaland Commercial Trust	10,000	21,700	1.85
CapitaLand Mall Real Estate Investment Trust	10,000	26,300	2.25
Frasers Centrepoint Trust	6,082	15,813	1.35
Keppel DC Real Estate Investment Trust	12,562	20,979	1.79
Mapletree Commercial Trust	11,400	23,826	2.04
		<u>158,538</u>	<u>13.54</u>
<b>SHIPBUILDING</b>			
Keppel Corp Ltd	10,000	66,600	5.69
Yangzijiang Shipbuilding Holdings Ltd	17,000	26,010	2.22
		<u>92,610</u>	<u>7.91</u>
<b>TELECOM SERVICE</b>			
Singapore Telecommunications Ltd	37,400	130,900	11.18
<b>TRANSPORT</b>			
Comfordelgro Corporation Ltd	5,000	13,300	1.12
Singapore Technologies Engineering Ltd	11,000	45,540	3.89
		<u>58,840</u>	<u>5.01</u>

\* denotes amount less than 0.01%

**RHB SINGAPORE INCOME FUND***(Constituted under a Trust Deed in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (Unaudited)*

	Holdings at 30 June 2019	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
<b>By Industry (Primary) (continued)</b>			
<b>QUOTED (continued)</b>			
<b>EQUITIES AND FUNDS (continued)</b>			
<b>TRANSPORT-AIR</b>			
SATS Ltd	2,900	15,138	1.29
<b>Portfolio of investments</b>		<b>1,123,323</b>	<b>95.92</b>
<b>Other net assets</b>		<b>47,720</b>	<b>4.08</b>
<b>Net assets attributable to unitholders</b>		<b>1,171,043</b>	<b>100.00</b>

	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 31 December 2018 %
<b>By Industry (Summary)</b>			
Agriculture	4,770	0.41	0.32
Airlines	-	-	0.84
Automotive	-	-	1.21
Bank	500,888	42.77	29.31
Electronic	11,403	0.97	1.71
Engineering & Machinery	11,086	0.95	2.25
Entertainment	-	-	2.87
Finance	-	-	3.51
Food & Beverage	-	-	0.92
Foods	42,920	3.67	1.67
Real Estate	96,230	8.22	9.88
Real Estate Investment Trust	158,538	13.54	7.71
Shipbuilding	92,610	7.91	6.16
Telecom Service	130,900	11.18	9.29
Transport	58,840	5.01	3.35
Transport-Air	15,138	1.29	0.92
	1,123,323	95.92	97.23
<b>Portfolio of investments</b>	<b>1,123,323</b>	<b>95.92</b>	<b>97.23</b>
<b>Other net assets</b>	<b>47,720</b>	<b>4.08</b>	<b>2.77</b>
<b>Net assets attributable to unitholders</b>	<b>1,171,043</b>	<b>100.00</b>	<b>100.00</b>

## RHB SINGAPORE INCOME FUND

(Constituted under a Trust Deed in the Republic of Singapore)

### STATEMENT OF PORTFOLIO

As at 30 June 2019 (Unaudited)

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	Fair value at 30 June 2019 \$	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 31 December 2018 %
<b>By Geography (Secondary)</b>			
Cayman Islands	6,690	0.57	0.43
Hong Kong	-	-	2.93
Singapore	1,116,633	95.35	92.95
Thailand	-	-	0.92
<b>Portfolio of investments</b>	<b>1,123,323</b>	<b>95.92</b>	<b>97.23</b>
<b>Other net assets</b>	<b>47,720</b>	<b>4.08</b>	<b>2.77</b>
<b>Net assets attributable to unitholders</b>	<b>1,171,043</b>	<b>100.00</b>	<b>100.00</b>