

RHB Investment Management Launches The First Socially Responsible Islamic Fund In The Country That Applies The Principle Of “Maqasid”***Kuala Lumpur, 3 March 2010***

RHB Investment Management Sdn Bhd (RHBIM) officially launched the RHB Asia Pacific Maqasid Fund (RAPMF) today, the first socially responsible Islamic fund in the country that applies the principle of “Maqasid”, while investing in the Asia Pacific (ex-Japan) region (source: Lipper, RHBIM).



(From left) Sharifatul Hanizah Said Ali, Managing Director of RHB Investment Management Sdn Bhd, Dato' Mohamed Khadar Merican, Chairman of RHB Investment Management Sdn Bhd, and Tuan Haji Khairuddin Ahmad, Director of RHB Investment Management Sdn Bhd and Chairman of RHB Insurance Bhd, at the launch.

“Maqasid” means goal or purpose. In the Islamic context, “Maqasid” refers to the purpose of preserving public good by looking into public interest and welfare as a whole. The “Maqasid” principle implies the importance of considering public interest rather than just merely individual interest. And in order to attain public interest, their basic necessities need to be fulfilled. This unique characteristic of the RAPMF qualifies it as a Fund that practises Ethical Investments or Socially Responsible Investments,’ said Sharifatul Hanizah Said Ali, Managing Director of RHBIM.

An open-ended fund, the RAPMF’s investment strategy is to invest in Shariah-compliant securities based on the “Maqasid” principle. It emphasises on growth stocks to provide capital appreciation and high dividend yielding stocks to offer a consistent realised income stream. It invests in Shariah equities or equity-related securities listed on the established stock exchanges in countries within the Asia Pacific (ex-Japan) region.

“The Asia Pacific (ex-Japan) region has the potential to be the first to fully recover from the economic crisis, with developing countries such as China and India spearheading the economic growth for the next decade due to continuous urbanisation and industrialisation. China’s structural shift to a domestic consumption-driven economy also helps to drive the region’s economic activities. On average, the GDP for the Asia Pacific (ex-Japan) region is expected to grow at a rate of 4% to 5%. Based on these factors, the Asia Pacific (ex-Japan) region is expected to be the driving force behind the global economic growth,” she added.

Although an aggressive Fund (the RAPMF invests at least 70% in equities), it adopts an Islamic financial screener process. This helps in the stock filtering of the Fund’s 7 core defensive sectors of healthcare, consumer goods, basic materials, consumer services, infrastructure and utilities, industrials and telecommunication. As such, these stock selection criteria are instrumental in weeding out companies that may not be strong in their balance sheet. The recent financial crisis has



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also taught investors to minimize downside risks while chasing potential higher returns. Therefore, by investing in defensive stocks, this Fund is ideal for investors who are cautious about investing in equities.

The RAPMF is open for subscription from 23 February, 2010 and will be available for purchase until 15 March, 2010. Its main distributor is RHB Bank.

RHBIM is a wholly-owned subsidiary of RHB Investment Bank, under the Corporate and Investment Banking arm of the RHB Banking Group, and currently has a stable of 26 retail funds.

Issued on behalf of RHB Investment Management by Group Corporate Communications Division, RHB Capital Berhad. For more information, please call Eza Dzul Karnain at 012-3420060 or Sandra Foo at 012-3188412.

About the RHB Banking Group

The RHB Banking Group is the fourth largest fully integrated financial services group in Malaysia. The Group's core businesses are streamlined into four Strategic Business Units (SBUs): Retail Banking, Corporate & Investment Banking, Islamic Banking and International Banking. These businesses are offered through its main subsidiaries – RHB Bank Berhad, RHB Investment Bank Berhad, RHB Insurance Berhad and RHB Islamic Bank Berhad, while its asset management and unit trust businesses are held under RHB Investment Management Berhad. RHB's International Banking Division include the commercial banking operations in Singapore, Thailand and Brunei. The Group also has a non-ringgit based offshore funding operations in Labuan as well as a representative office in Vietnam. It is the RHB Banking Group's aspiration to deliver superior customer experience and shareholder value; and be recognised as one of the top financial services groups in ASEAN.

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