

### RHB ABSOLUTE RETURN FUND

The Fund aims to achieve medium to long term capital appreciation through investments in equity and equity related securities of companies, and exchange traded funds with the potential to deliver total return in excess of the Fund's benchmark return.

#### INVESTMENT STRATEGY

- Up to 98% of NAV: Investments in equity, equity related securities of companies, and ETFs listed in Asia Pacific excluding Japan stock exchange;
- 2% to 100% of NAV: Investments in depositis with financial institutions, money market instruments, and fixed income securities.

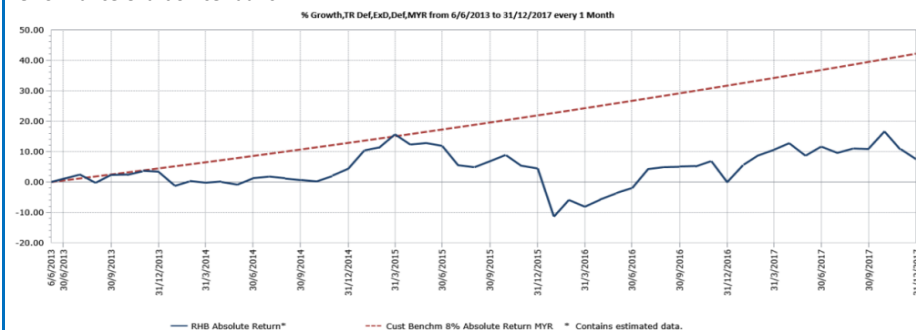
#### INVESTMENT STRATEGY

This Fund is suitable for Investors who:

- are "Qualified Investors" as defined in the Information Memorandum.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
Fund	-3.10	-3.18	-3.84	7.45
Benchmark	0.66	1.96	3.96	8.00

	1 Year	3 Years	Since Launch
Fund	7.45	2.95	7.34
Benchmark	8.00	25.97	42.12

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

	2017	2016	2015	2014
Fund	7.45	-4.31	0.13	0.96
Benchmark	8.00	8.00	8.00	8.00

Source: Lipper IM

#### FUND DETAILS

<b>Manager</b>	RHB Asset Management Sdn. Bhd.
<b>Trustee</b>	HSBC (Malaysia) Trustee Bhd
<b>Fund Category</b>	Wholesales Fund
<b>Fund Type</b>	Growth Fund
<b>Launch Date</b>	16 May 2013
<b>Unit NAV</b>	RM0.8996
<b>Fund Size (million)</b>	RM0.55
<b>Units In Circulation (million)</b>	0.61
<b>Financial Year End</b>	31 July
<b>MER (as at 31 July 2017)</b>	5.80%
<b>Min. Initial Investment</b>	RM20,000.00
<b>Min. Additional Investment</b>	RM10,000.00
<b>Benchmark</b>	8.00% growth p.a. in NAV of a unit over the medium to long term
<b>Sales Charge</b>	Up to 2.00% of investment amount*
<b>Redemption Charge</b>	None
<b>Annual Management Fee</b>	1.80% p.a. of NAV*
<b>Annual Trustee Fee</b>	0.06% p.a. of NAV*
<b>Switching Fee</b>	RM25.00 per switch*
<b>Redemption Period</b>	Within 10 days after receipt the request to repurchase
<b>Distribution Policy</b>	Annually, if any

\*The implementation of GST will be effective from 1 April 2015 at the rate of 6% and the fees or charges payable is exclusive of GST.  
\*For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

#### FUND STATISTICS

Historical NAV (RM)	1 Month	12 Months	Since Launch
High	0.9284	0.9842	1.1883
Low	0.8981	0.8372	0.7874

Source: Lipper IM

##### Historical Distributions (Last 3 Years) (Net)

	Distribution (sen)	Yield (%)
27 Jul 2017	-	-
27 Jul 2016	8.5000	9.23
29 Jul 2015	8.5500	7.98

Source: RHB Asset Management Sdn. Bhd.

## RHB ABSOLUTE RETURN FUND

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### MANAGER'S COMMENTS

#### MARKET REVIEW

MSCI AC Asia Pacific ex Japan Index and MSCI AC South East Asia Index returned 1.3% and 3.8% respectively. MSCI Indonesia Index and MSCI Malaysia Index were among the best performing indices with returns of 7.7% and 5.1% respectively. The worst performing indices were MSCI Taiwan Index and MSCI Singapore Index with returns of 0.9% and 0.3% respectively.

China's industrial output slowed to 6.1% due to reduction of production from polluting factories and coal-burning furnaces. Fixed-asset investment grew 7.2% and this is the fifth consecutive month that investment growth fell as infrastructure projects were scaled back. Headline Consumer Price Index ("CPI") inflation came in lower than expected at 1.7% year over year ("YoY") and Producer Price Index ("PPI") inflation slowed to 5.8% YoY. Industrial profit growth rose to 14.9% YoY but declined -6.8% month over month ("MoM"). Indonesia's sovereign credit rating was upgraded from BBB- to BBB with stable outlook. This is the country's second sovereign rating upgrade this year. South Korea Industrial Production expanded 0.2% MoM but declined -1.6% YoY, and this was driven by improvement in autos and machinery equipment.

#### MARKET OUTLOOK AND STRATEGY

The US finally enacted its first major tax reform in 30 years with President Trump signing into law on 22 December. Corporate tax rates were reduced to a single rate of 21%, effective on 1 January 2018. Income tax was cut for several tax brackets with the top rate reduced from 39.6% to 37%. In the December Fed meeting, the Fed raised the fed funds target rate to 1.25% - 1.5%, and are expecting three more rate hikes in 2018. It also upgraded its assessment of the labour market and expect it to remain strong.

The Fund is positioned into high quality Asia stocks in structurally strong markets/sectors and companies with improving earnings and/or dividend.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 15 December 2017, the Volatility Factor (VF) for this fund is 14.5 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are more than 10.7 (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 2017 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2017.

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 PHS and the contents of the Information Memorandum dated 1 December 2013 and its supplementary(ies) (if any) ("the Information Memorandum") before investing. The Information Memorandum has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. 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 Information Memorandum relates will only be made on receipt of a form of application referred to in the Information Memorandum. The Fund are only offered to "qualified investors" as defined in the Information Memorandum. For more details, please call 1-800-88-3175 for a copy of the PHS and the Information Memorandum or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks for the Fund are currency risk, county risk, market risk, particular security risk, credit/default risk, inflation/purchasing power risk, interest rate risk, derivatives risk, liquidity risk, single issuer/concentration risk and return are not guaranteed. These risks and other general risks are elaborated in the Information Memorandum.

This 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.

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