

RHB ASIAN REAL ESTATE FUND

This Fund aims to achieve a long term capital appreciation through investments in the real estate market.

INVESTOR PROFILE

This Fund is suitable for Investors who:

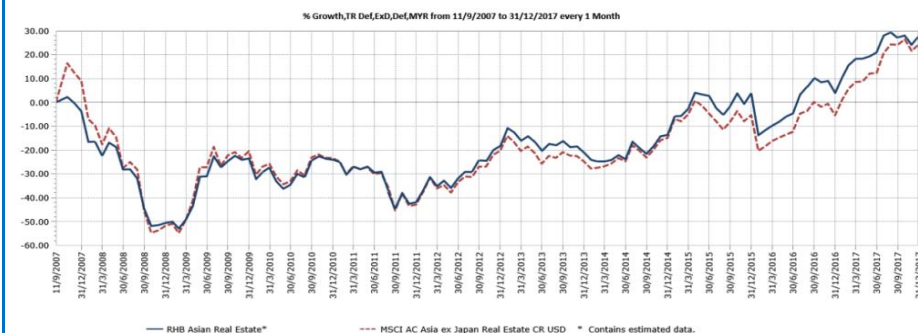
- wish to participate in the opportunities offered by the Asian real estate markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

INVESTMENT STRATEGY

- Up to 98% of NAV (with at least 70% of NAV in equity): Investments in primarily Asian real estate securities and listed Real Estate Investment Trusts (REITs).
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	2.94	0.38	5.47	22.97
Benchmark	2.24	0.15	10.71	31.42

	1 Year	3 Years	5 Years	Since Launch
Fund	22.97	47.83	55.96	27.64
Benchmark	31.42	45.84	55.61	24.32

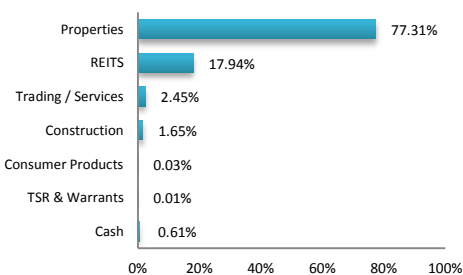
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	22.97	0.04	20.18	9.37	-3.54
Benchmark	31.42	-0.05	11.03	13.08	-5.65

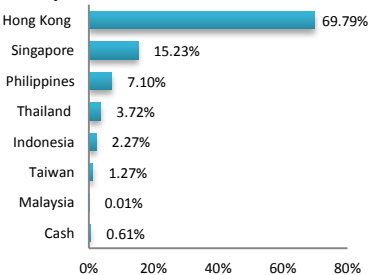
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SUN HUNG KAI PROPERTIES LTD	9.85
CK ASSET HOLDINGS LTD	8.94
THE LINK REIT	7.66
AYALA LAND INC	5.77
CIFI HOLDINGS GROUP CO LTD	5.69

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6403	0.6657	0.6657
Low	0.6097	0.5190	0.2187

Source: Lipper IM

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	Maybank Trustees Bhd
Fund Category	Equity Fund
Fund Type	Growth Fund
Launch Date	22 August 2007
Unit NAV	RM0.6382
Fund Size (million)	RM10.28
Units In Circulation (million)	16.11
Financial Year End	31 March
MER (as at 31 Mar 2017)	2.49%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI AC Asia-ex-Japan Real Estate Index (RM)
Sales Charge	Up to 5.00% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a min. of RM18,000 p.a.*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	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.

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MANAGER'S COMMENTS

MARKET REVIEW

China property shares rebounded in December, driven by strong national sales data. November national sales increased by Nov sales rose 13.3% year-on-year, compared to -1.7% year-on-year in October, while volume was up 5.3% year-on-year. In general, mid-cap names continued to outperform big-cap names in the month. That said, cash call through share placement took place for some mid-cap developers as their share prices have way outperformed their peers throughout this year. Investors considered this as an opportunistic move by the management and so their share prices saw deep correction subsequently.

Hong Kong property ended higher December. The upsurge happened during the end of the month, in tandem with the rally in the broad market. Investors had already digested the negative factor of rising Hong Kong Interbank Offer Rate (HIBOR). On the flip side, home prices kept running up the hill and secondary housing transaction heated up, which fuelled the strong performance for the developer stocks. Retail landlords and retail-related Real Estate Investment Trusts (REITs) also posted a strong run, driven by encouraging retail sales number.

ASEAN property shares ended mixed in November. S-REITs outperformed regional developers as investors welcomed Fed's dovish tone despite rate hike kicking in December. Indonesian developers also staged a relief rebound given already distressed valuation. Singapore developers, on the other hand, retreated in the wake of weaker presales performance and the lack of positive news flow lately.

MARKET OUTLOOK AND STRATEGY

We have turned more bullish over China property sector. After the correction in the preceding month, sector valuation has become less demanding. Listed developers' presales keep growing faster than the overall housing market, which indicated market share gain. On the earnings side, market will start to factor in the upside surprise during the next reporting season in March next year. At the moment, we still prefer large-cap names having solid market share, or mid-cap names with low valuation and high dividend yield.

We maintain our negative view over Hong Kong property sector. Rising HIBOR, in our view, would still be the major drag over the sector in the near term. We also expect sharper volatility within the sector as good and bad news turns up intermittently. With our negative sector view, we prefer developers with strong balance sheets, abundant farmland reserves or enlarged recurring incomes from overseas projects. We also favour retail landlords more than developers as most listed retailers have reported strong monthly sales data, indicating a recovery in the overall domestic retail sales.

We remain selective in ASEAN property stocks. We keep our positive view over Philippines and Thailand property. For Philippines, developers with solid expansion plan in urban areas outside Metro Manila are our favourites given housing demand growth are the strongest in those areas. For Thailand, the higher presales momentum for both landed property and condos should improve the developers' backlogs. We have turned positive over Singapore, where the recovery in the physical market continues to broaden, as shown by the latest industry flash data by Urban Renewal Authority. We remain neutral over Indonesia as current share valuation is at a distressed level and property sales have shown gradual recovery.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 December 2017, the Volatility Factor (VF) for this fund is 16.1 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 Master Prospectus dated 3 September 2017 and its supplementary(ies) (if any) ("the Master Prospectus") before investing. The Master Prospectus 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 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.

The Manager wishes to highlight the specific risks of the Fund are real estate risk, foreign investment risks such as country risk and currency risk and equities investment risks such as market risk and particular security risk. These risks and other general risks are elaborated in the Master Prospectus.

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.