RHB Asset Management

FUND FACTSHEET – JANUARY 2018

All data expressed as at 31 December 2017
unless otherwise stated

3-year Fund Volatility
13.6
very high
Lipper Analytics
15 DEC 2017

RHB CHINA-INDIA DYNAMIC GROWTH FUND

This Fund aims to achieve medium to long term* capital appreciation through investing mainly in the securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located) which, in the opinion of the managers, derive significant revenue or profits from or have significant assets or business interests in, the People's Republic of China ("China") or the Republic of India ("India").

Note: "medium to long term" in this context refers to a period of between 3 - 7 years.

INVESTOR PROFILE

This Fund is suitable for Investors who:

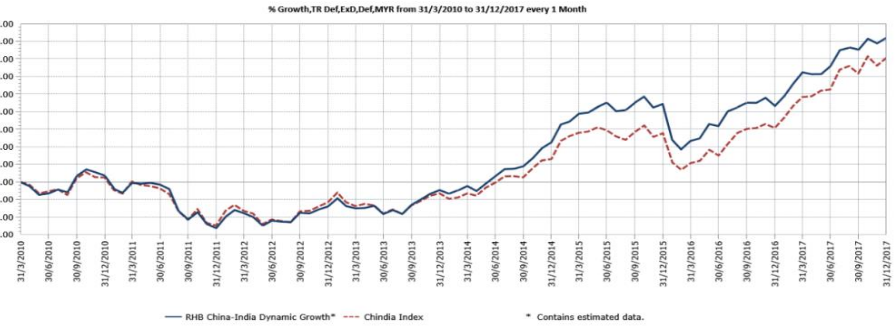
- wish to tap the growth prospects of two emerging growth engines of the world i.e. China and India;
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the medium to long term; and
- seek capital appreciation.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United China-India Dynamic Growth Fund.
- 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	**1.81**	**4.00**	**9.86**	**27.15**
Benchmark	2.72	5.53	11.85	30.57

	1 Year	3 Years	5 Years	Since Launch
Fund	**27.15**	**48.43**	**111.30**	**82.06**
Benchmark	30.57	51.08	93.08	70.61

Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	**27.15**	**-0.90**	**17.79**	**28.49**	**10.79**
Benchmark	30.57	2.34	13.06	20.88	5.73

Source: Lipper IM

FUND DETAILS

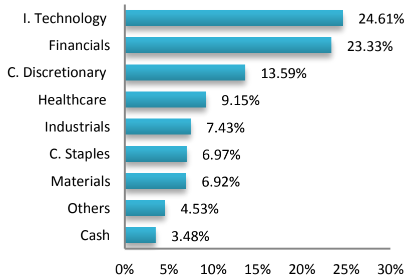
Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	11 March 2010
Unit NAV	RM0.9103
Fund Size (million)	RM42.96
Units In Circulation (million)	47.20
Financial Year End	31 July
MER (as at 31 July 2017)	0.68%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% MSCI China Index (RM) + 50% MSCI India Index (RM)
Sales Charge	Up to 5.50% 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	None

**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.*

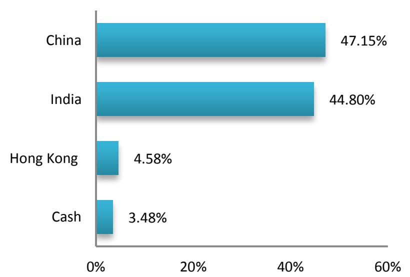
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENCENT HOLDINGS LTD	5.19
ALIBABA GROUP HOLDING LTD	4.93
BAJAJ FINANCE LTD	2.98
INDUSIND BANK LTD	2.40
YES BANK LTD	2.28

**As percentage of NAV*

**Source: UOBAM, 31 December 2017. Exposure in United China India Dynamic Growth Fund - 95.51%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9148	0.9280	0.9280
Low	0.8761	0.7148	0.3648

Source: Lipper IM

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RHB CHINA-INDIA DYNAMIC GROWTH FUND

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MANAGER'S COMMENTS

CHINA MARKET COMMENTARY

SSE 50 China A Share rose 1.47% and MSCI China rose 2.04% (JPY terms) in the month of Dec 2017, outperforming overall global markets but under performing other emerging market equities. Technology stocks continued to be pressured by profit taking that started in mid November, but gains in other sectors particularly healthcare and consumer staples lifted the market.

Global economic growth remained firm in December. The US manufacturing gauge rose to 59.7, as the world's largest economy expanded to its best performance in 13 years. Gains were driven by domestic business investment, and increased American household spending. Though the official Purchasing Managers' Index (PMI) fell slightly to 51.6 in China, the Caixin factory figure reached a four month high. Elsewhere in other economies, manufacturing activity in Japan, India and the Eurozone rose.

China's November activity data came broadly in line with expectation. Industrial Production growth came in at 6.1% yoy in line with expectations. FAI gained 7.2% yoy ytd, for which infrastructure and manufacturing investment growth turned up to 21.5%yoy and 4.1%yoy for the month. Trade activity regained momentum. Exports rose 12.3%yoy (Oct: 6.8%yoy), with a rebound in lower-end consumer goods and high-tech products exports. Bank loans and TSF flows came in stronger than expected in Nov. Banks' new loan creation was RMB1.12tn, while non-bank credit remained subdued.Headline CPI inflation came in lower than expected at 1.7%yoy (Oct: 1.9%) due to lower food prices. PPI inflation eased to 5.8%yoy (Oct: 6.9%) while industrial profit growth concurrently decelerated to 14.9%oya from 25.1% in Oct. Housing transactions (+4.1%yoy) and new home starts (+22.3%yoy) recovered. NBS 70-city house price index rose 0.4%mom (Oct: 0.3%) driven by price acceleration in lower tier cities. December NBS manufacturing PMI eased modestly to 51.6 (Nov: 51.8).

China saw mixed performance across sectors. Technology lagged as rotation out of the sector continued from mid November, despite the strong performance of Tencent post its 3Q2017 strong results. Consumer staples (beer) and healthcare were the best performing sectors. Consumer discretionary outperformed driven by ecommerce/ education while autos lagged. Properties rebounded amid stabilizing home prices and housing activities. Financials gained +2.4% mom; insurance held up well whereas large banks continued to outperform small banks. Defensive sectors like Utilities and telecom services continued to lag.

The PBOC raised open market operations rate by 5bps on 14 December, and announced temporary RRR facility to ease liquidity conditions for the Lunar New Year Holiday on 29 December. China financial regulators issued notice to regulate cash loans issued by online micro lenders and tighten regulations on banks' liquidity management. The Annual Central Economic Work Conference was held on 16-18 December with the key objectives to control financial risk, alleviate poverty and protect the environment.

INDIA MARKET COMMENTARY

MSCI India rose 4.20% (MYR terms), Sensex rose 3.11% (MYR terms) and Nifty rose 3.35% (MYR terms) in Dec 2017.

Equity markets witnessed rallied over the month buoyed by the Gujarat election results. Sensex started the month at 33149.35 and closed at 34056.83, 2.74% higher over the month. Nifty started at 10226.55 and closed at 10530.70 up 2.97%. As per latest data, FIIs were net sellers in Equity with outflow of USD 0.83 Bn compared to inflow of USD 2.97 Bn seen last month. FIIs bought USD 0.39 Bn in Indian debt compared to outflow of USD 0.22 Bn last month. Domestic Mutual Funds were net buyers in equities with substantial net buying of USD 0.96 Bn in the month.

MARKET OUTLOOK

Indian equity market saw a healthy rally over 2017 with the Sensex and Nifty delivering over 28% returns over the year. The key drivers for the market's strong performance were government's focus on key reforms, stable macro-economic situation, and the expectations of a gradual growth recovery. A sharp fall in interest rates post demonetization also led to a surge in flows into financial assets which also contributed to the market momentum. As the momentum has driven equity market to above average valuations, the focus going ahead will be on growth recovery. Strong pick-up in earnings will make valuations appear comforting and shall determine market's direction going ahead. In the near term, the Union Budget will be a key event to watch out. We continue to maintain positive outlook on the market.

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