

RHB DANA ISLAM

This Fund aims to provide investors with above average capital growth over a medium to long term period by investing in a carefully selected portfolio of stocks which complies with the Shariah principles.

INVESTOR PROFILE

This Fund is suitable for Investors who:

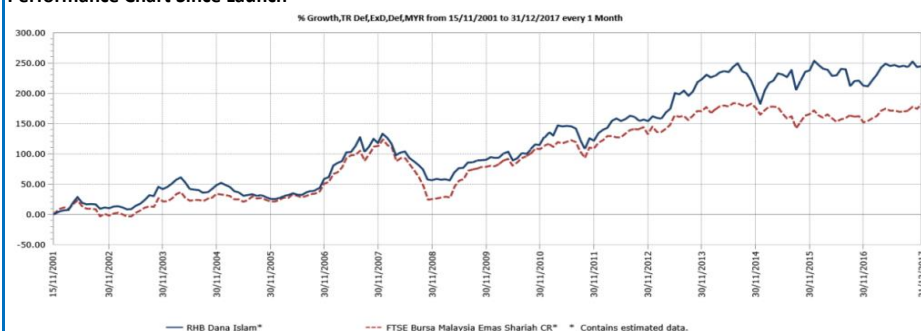
- are looking for investments in a diversified portfolio of assets that comply with Shariah requirements;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a medium to long term period.

INVESTMENT STRATEGY

- 90% - 98% of NAV: Investments in Shariah-compliant equity and equity related securities of companies that have good growth potential.
- 2% - 10% of NAV: Investments in Shariah-compliant liquid assets comprising of cash and Islamic deposits with financial institutions, Islamic accepted bills, sukuk, cagamas sukuk, Government Investment Issues and any other Shariah-compliant instrument capable of being converted into cash within seven (7) days.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.39	0.42	-0.53	10.66
Benchmark	2.96	3.95	3.75	10.72

	1 Year	3 Years	5 Years	Since Launch
Fund	10.66	21.85	31.40	244.71
Benchmark	10.72	6.36	15.47	181.95

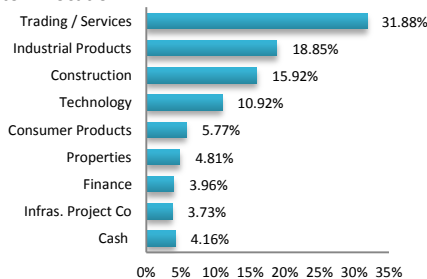
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	10.66	-11.91	25.01	-14.38	25.95
Benchmark	10.72	-6.14	2.35	-4.17	13.29

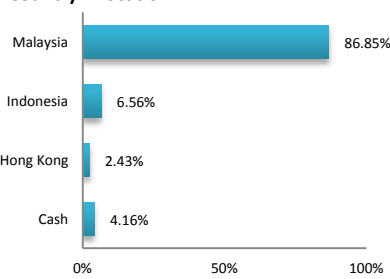
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SERBA DINAMIK HOLDINGS BHD	4.23
ML GLOBAL BHD	4.20
INARI AMERTRON BHD	4.18
BIMB HOLDINGS BHD	3.96
TIME DOTCOM BHD	3.73

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9035	0.9301	1.0965
Low	0.8817	0.8324	0.4737

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
20 Apr 2017	1.7500	1.90
28 Mar 2016	6.6000	6.89
15 Apr 2015	6.5000	6.49
27 Mar 2014	6.6000	6.54
28 Mar 2013	5.5000	6.02

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

December 2017 was a good month as the FTSE Bursa Malaysia KLCI Index (KLCI) rose to a new high on the last day of 2017, on the back of window dressing activities. For the month, the KLCI rose 4.6% or 79 points to close at 1,796.8 points driven by the finance and technology sectors. KLCI started the month flat, as the market lacked catalysts. However, after the Federal Reserve announced the widely expected 25 basis points rate hike on 13 December 2017, this caused the equity market to rally buoyed by banking stocks which was the best performing sub-index in December 2017. Heading towards the end of the month, the index continued its uptrend due to interest in blue-chips as well as continued foreign buying. Foreigners net bought MYR165 million worth of shares during the last trading week of the year. The index ended the month strongly with foreigners' net buying MYR912.6 million worth of shares. This brings the total foreign inflows of MYR10.585 billion for the KLCI in 2017 (compared to net sell MYR2.9 billion in 2016) driving the index to end the year strong; gaining 9.45% for the year. Best performer sector during the month was finance (+5.87%) and biggest movers were Maybank (+5.95%), CIMB (+8.1%) and Hong Leong Bank (+12.29%). Worst performing sector was construction (-0.02%) There were not much catalysts for the construction sector heading towards year end, in addition to the currently intense competition within the construction space which failed to boost sentiments.

On the corporate front, IJM Corporation and Sunway Construction has entered in a pre-bid agreement with 3 companies to participate in the tender of KL-SG HSR. Pestech has executed a contract agreement worth USD26 million (RM106.11 million), to develop two substations and double-circuit transmission line in Cambodia. Dutch company Jacobs Douwe Egberts Holdings Asia NL B.V. (JDE) has launched a takeover of OldTown for RM1.47 billion or RM3.18 a share. Meanwhile, Econpile has secured a RM32.8 million contract from Majestic Maxim Sdn Bhd, to undertake piling and related works for a mixed development in Kuala Lumpur. Sapura Energy posted a net loss of RM274.71 million in its 3QFY18 compared to a net profit of RM158.06 million a year ago.

MARKET OUTLOOK AND STRATEGY

We expect the general elections to be held soon between March to May 2018 (after Chinese New Year and before Ramadan fasting month). In view of this, political stocks may steal the lime light in the 1Q2018. While the Malaysian market was among the worst performing emerging markets last year in 2017, it is worth pointing out that there have been a series of positive developments lately that would increase investors' sentiments. Positive developments worth highlighting are currency strengthened with a favourable outlook and 3Q17 GDP that beat street estimates again. Commodities prices in particular oil prices has recovered and stabilized above USD60 per barrel. We remain invested in equity market to take advantage of the strong macroeconomic numbers which will eventually translate into better consumption demand. We do not expect any drastic sell down in the market given that current valuation are not that expensive. A strong macro print, and gradual appreciation of the Ringgit will likely sustain foreign inflows into equities.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 December 2017, the Volatility Factor (VF) for this fund is 12.6 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 August 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 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.