

RHB ENTREPRENEUR FUND

The Fund aims to achieve long term capital appreciation through investments in securities of companies that possess entrepreneurial characteristics as determined by the Manager.

INVESTOR PROFILE

This Fund is suitable for Investors who:

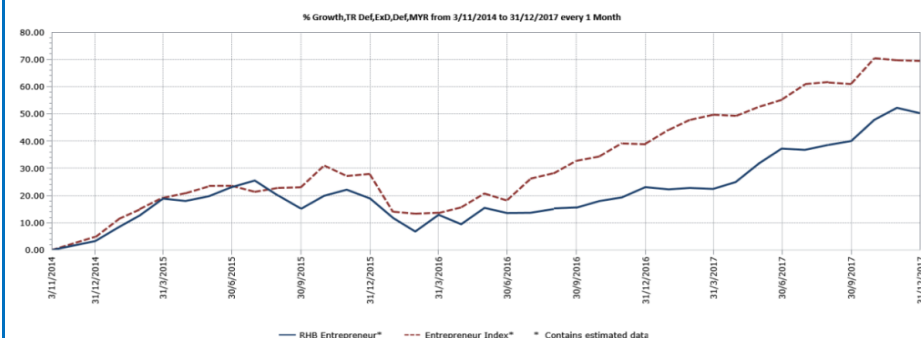
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in securities of companies that are listed on the stock exchanges of Japan and other Asian markets.
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and Deposits.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-1.31	7.33	9.51	22.08
Benchmark	-0.15	5.20	9.12	21.92

	1 Year	3 Years	Since Launch
Fund	22.08	45.51	50.31
Benchmark	21.92	61.51	69.41

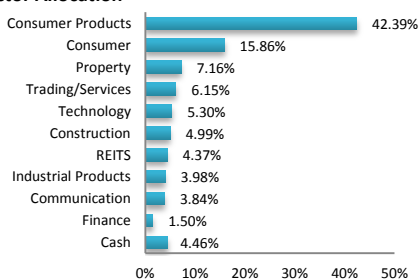
Calendar Year Performance (%)*

	2017	2016	2015
Fund	22.08	3.41	15.25
Benchmark	21.92	8.59	21.99

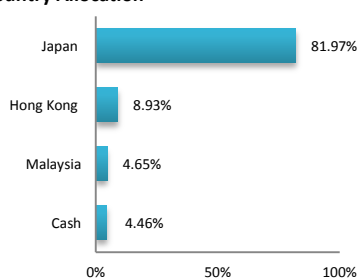
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

FAST RETAILING CO LTD	5.75
RESORT TRUST INC	5.33
OBIC CO LTD	5.30
MAEDA KOSEN CO LTD	4.99
ADASTRIA CO LTD	4.93

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6799	0.7345	0.7345
Low	0.6635	0.5996	0.4942

Source: Lipper IM

Historical Distributions (Last 3 Years) (Net)

	Distribution (sen)	Yield (%)
26 Oct 2017	8.0000	13.47
31 Oct 2016	-	-
31 Oct 2015	-	-

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS**MARKET REVIEW**

The TOPIX index and Nikkei Stock Average gained 1.42% and 0.18% respectively. The market initially rose but later declined when U.S. president Trump announced that the U.S. will recognize Jerusalem as Israel's capital as it gave rise to the political concerns in the Middle East. After that, the Japanese stock market recovered sharply as the U.S. stock market did not show any negative reaction to Trump's announcement. The upward revisions to July-September 2017 GDP (Japan) also helped the market recovery. The market recovered somewhat in anticipation of the U.S. tax reform progress, but the trading became dull ahead of Christmas holidays overseas. Towards the end of the month, stock prices fluctuated due to rising crude oil prices and forex rates, however, lacked direction as market trading volume decreased. Best performing sectors were oil and coal products and mining, wholesales due to rising oil prices. Worst performing sectors were telecommunications, due to concerns of intensifying competition and thinning margins

Asia Ex Japan equities scaled 2.5% in December 2017, taking 2017 returns to 38.7%. China edged up 1.9% during the month, crossing the milestone of 50% returns for 2017, while Hong Kong rose 2.7% and Taiwan 1.2% in December 2017. Tighter monetary conditions in China and the adverse impact of lukewarm demand of iPhone X on Apple's supply chain explain the relative underperformance of Greater China. India added 4.9% following the consolidation of power by the ruling BJP through victories in key state assembly elections. ASEAN countries had a strong run in December 2017 given the strength in commodities. Indonesia (+8.5%) benefitted from a sovereign ratings upgrade by Fitch. Singapore added 0.6%, Thailand 4.9%, Malaysia 4.6% and the Philippines 5.0%.

MARKET OUTLOOK AND STRATEGY

After a strong run in 2017, we expect Japan's growth to remain firmly above trend. Japan's GDP is forecast to be at 1.6% in 2018 (2017: Estimated to be 1.7%). External demand should stay supportive of growth. But we expect an on-going shift to private demand as the main engine of the recovery, supported by tight labor markets, buoyant corporate profits, and improved confidence. How the Bank of Japan reacts to the firming of growth and inflation will be the key theme for yen markets in 2018. Though the central bank has promised, via its "overshooting commitment" to continue expanding the monetary base until the economy hits 2% inflation sustainably, the BoJ leadership has acknowledged that it can adjust its yield curve control (YCC) and risk asset targets before inflation reaches target. Assuming that the market backdrop remains favorable, we now expect the BoJ to take the next, baby step towards normalization, by raising its 10-year yield target (currently around 0%) to a range of 0-0.25% on evidence of a pick-up in core-core inflation and further progress on policy normalization in the US.

In Asia Ex Japan, the ongoing strength in commodity markets, together with still solid activity data from China also should offer support to emerging markets. We like resources based countries like Malaysia and Indonesia and will add on more weighting to the portfolio.

DISCLAIMER:

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 6 October 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 particular security risk, regional risk, currency risk and country 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.