FUND FACTSHEET – JANUARY 2018

All data expressed as at 31 December 2017
unless otherwise stated

3-year Fund Volatility 6.0 low Lipper Analytics 15 DEC 2017

RHB ISLAMIC REGIONAL BALANCED FUND - MYR CLASS

The Fund aims to provide regular income* and capital growth over the medium to longterm** from a diversified portfolio of Shariah-compliant investments.
Note: Income is in the form of Units. Please refer to the Fund's distribution mode.*
*** "medium to long-term" in this context refers to a period of three (3) years or more.*

INVESTOR PROFILE

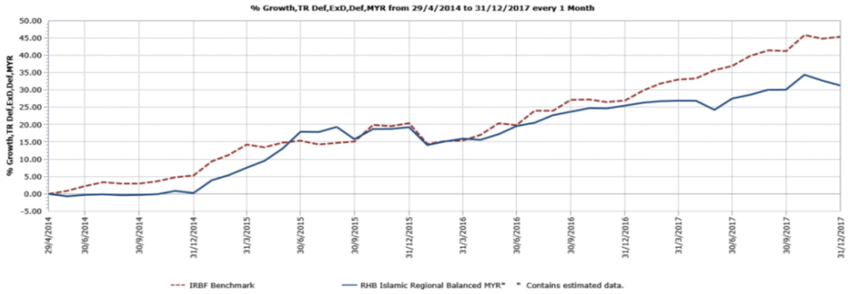
This Fund Is Suitable For Investors Who:
- want to have a balanced portfolio that provides both income and capital growth, and at the same time complies with the principles of Shariah; and
- are willing to accept moderate risk in their investments.

INVESTMENT STRATEGY

- At least 40% and up to 60% of NAV: Investments in Shariah-compliant equities.
- At least 40% and up to 60% of NAV: Investments in Non-equity Shariah-compliant investments.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



RHB Islamic Regional Balanced Fund ("IRBF") Benchmark : Following the change in Shariah screening methodology of the Fund from a combination of screening methodologies to a single FTSE Shariah screening methodology effective from 3 December 2017, the performance of this Fund is benchmarked against a composite benchmark comprising 50% RAM QuantShop GII (medium term) Index and 50% FTSE Shariah Developed Asia Pacific. Prior to 3 December 2017, the performance of this Fund is benchmarked against a composite benchmark comprising 50% RAM QuantShop GII (medium term) Index and 50% Dow Jones Islamic Market Asia Pacific Index.

Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**-1.08**	**0.88**	**2.95**	**4.61**
Benchmark	0.40	2.94	6.18	14.50

	1 Year	3 Years	Since Launch
Fund	**4.61**	**30.93**	**31.26**
Benchmark	14.50	37.98	45.34

Calendar Year Performance (%)*

	2017	2016	2015
Fund	**4.61**	**5.27**	**18.90**
Benchmark	14.50	5.41	14.33

Source: Lipper IM

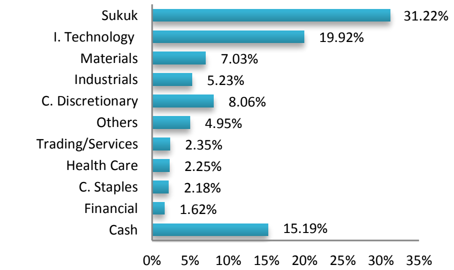
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Balanced (Shariah-compliant)
Fund Type	Income and growth
RM Class Launch Date	08 April 2014
USD Class Launch Date	17 June 2014
Domicile	Malaysia
Base Currency	Malaysian Ringgit (RM)
Unit NAV	RM1.3130
Fund Size (million)	RM106.05
Units In Circulation (million)	80.77
Financial Year End	30 April
MER (as at 30 Apr 2017)	2.18%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% RAM QuantShop GII (medium term) Index + 50% FTSE Shariah Developed Asia Pacific
Sales Charge	Up to 5.00% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.06% p.a. of NAV, subject to a min. of RM18,000p.a.*
Switching Fee	RM25.00 per switch*
Distribution Policy	Annually, if any

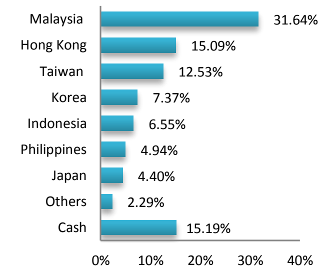
**The implementation of GST will be effective from 1 April 2015 at the rate of 6% and the fees or charges payable is exclusive of GST.*
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant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

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

YTL POWER ISLAMIC MEDIUM TERM NOTE 5.050% 03.05.2027	5.04
SPRE ISLAMIC MEDIUM TERM NOTE 5.790% 15.07.2033	2.79
SERBA DINAMIK HOLDINGS	2.35
HON HAI	2.18
D&L INDUSTRIES	1.96

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.3273	1.3616	1.3616
Low	1.2991	1.2427	0.9739

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET OUTLOOK AND STRATEGY

Equity

For the year 2017, we expect stock market volatility across all asset class including the equity, fixed income and commodity markets. Rising political and geopolitical risks are among the concerns Investors continue to focus for the rest of 2017. Global economic recovery is clearly underway as evidence by strong demand for semiconductors and electronic products. Therefore, we expect most corporates across the Asian market will report a much improve corporate profits for 2017.

Sharp rise in Malaysian Ringgit ("MYR") has been a big threat to investment in foreign markets due currency translation loss. Strong Ringgit were mainly due to main reasons: 1. Rising crude oil price on expectation of extension of agreement to cut production. 2. Strong signal by Bank Negara Malaysia ("BNM") to hike interest in view strong Gross Domestic Growth ("GDP") in Third Quarter 2017. However, both factors are already being priced at the current MYR valuation.

Overall, we maintain overweight on equities. Our key overweight remains in South Korean as we think the market unjustly trading at cheap valuation despite having the strongest earning growth among Asian market in 2017. On sectoral basis, we continue to favor Technology sector which benefited from structural change in consumer demand and rising penetration Internet of Thing ("IoT") products.

We also now see value emerging in South East Asia Market ("ASEAN") especially Indonesia and Philippine markets due to weaknesses in both currencies this year. Consumer spending pattern in both market has already hit a trough; we foresee a huge upside to potential consumer spending as consumer penetration in both markets remain very low. Indonesia market sentiment could further be supported by government spending as Djokowi administration prepare for provincipal and regional election beginning mid-2018 to early 2019.

Sukuk

Expectations of three more rate hikes in 2018 based on Federal Reserve ("Fed") median forecast will be the deciding factor for the shape of the US Treasuries ("UST") yield curve this year. Nevertheless, one must be cognizant of the slowing pace of United States ("US") inflation number, the impact on tax reduction for both individual and corporate on the overall growth plus the US funding appropriation bill which may cause consternation in the market as it comes to fore.

In light of expected weaker United States Dollar ("USD") against Ringgit, we shall underweight USD exposure for now. All USD investments will be hedged against Ringgit. A flat US yield curve should continue to support Emerging Markets ("EM") Forex ("FX") and Local Currency ("LCY") debt. Continue to selectively invest into USD Sukuk with cheaper valuation in rising rates environment.

We will position a neutral duration on USD denominated investment grade sukuk.

For Malaysia, the market is currently comforted by the strength of the MYR and stability of the Malaysian Government Securities ("MGS") yield curve which both signal investor confidence and investment opportunities for international investors. However as the foreign interests in our bond market may be partly currency induced, we remain vigilant of potentially massive outflows once interest on the currency play waned. On that note, we shall strategize for a neutral to cautiously overweight duration on Ringgit Sukuk.

Overweight Ringgit bonds exposure to reduce FX risk as well as local interest rates risk, as expectations of BNM to raise rates only once this year.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 December 2017, the Volatility Factor (VF) for this fund is 6.0 and is classified as "Low". (source: Lipper) "Low" includes funds with VF that are above 1.9 but not more than 6.2 (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 Prospectus dated 3 November 2017 and its supplementary(ies) (if any) ("the Prospectus") before investing. The 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 Prospectus relates will only be made on receipt of a form of application referred to in the Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks for the Fund are equity risk, currency risk, country risk, interest rate risk, liquidity risk, regulatory risk, credit downgrade and credit/default risk, reclassification of shariah status risk, market risk in emerging and less developed markets, unrated securities risk and risk of use of rating agencies. These risks and other general risks are elaborated in the 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.

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