

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:

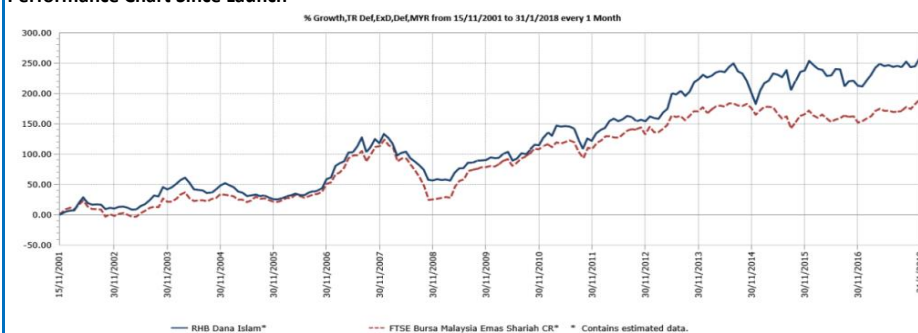
- are looking for investments in a diversified portfolio of assets that comply with Shariah requirements;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a medium to long-term period.

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	3.79	1.54	4.07	3.79
Benchmark	2.67	4.40	7.39	2.67

	1 Year	3 Years	5 Years	Since Launch
Fund	11.20	17.30	37.83	257.76
Benchmark	11.70	6.27	22.90	189.48

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 DETAILS

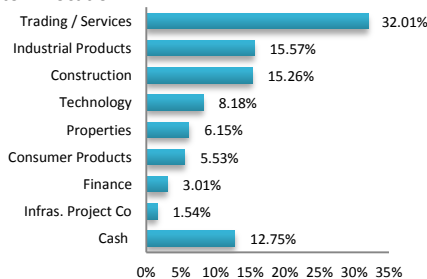
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity fund (Shariah-compliant)
Fund Type	Growth Fund
Launch Date	26 October 2001
Unit NAV	RM0.9377
Fund Size (million)	RM105.10
Units In Circulation (million)	112.09
Financial Year End	31 March
MER (as at 31 March 2017)	1.72%
Min. Initial Investment	RM100.00
Min. Additional Investment	Any amount
Benchmark	FTSE Bursa Malaysia EMAS Shariah Index
Sales Charge	Up to 6.38% of investment amount*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.07% p.a. of NAV*
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.

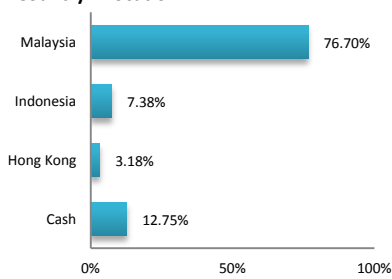
*For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SERBA DINAMIK HOLDINGS BHD	3.51
LOTTE CHEMICAL TITAN HOLDING BHD	3.21
POU SHENG INTERNATIONAL HOLDGS LTD	3.18
PT BEKASI FAJAR INDUSTRIAL ESTATE	3.17
INARI AMERTRON BHD	3.16

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9515	0.9515	1.0965
Low	0.9010	0.8597	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

For the month of January 2018, global equity did well despite 10-year US Treasury yields climbing sharply from 2.4% to 2.7% in January 2018. Global equity markets started the year in 2018 rising 5.6% during the month. Rising 2018 Earnings Per Share ("EPS") growth expectations and synchronized growth are driving a strong risk-on sentiment across the world. Meanwhile, Asia Ex-Japan equities (+7.5%) were primarily driven by the surge in Chinese equities (+12.5%) as Q4 Gross Domestic Product ("GDP") growth of 6.8% year-on-year ("YoY") as well as the trade surplus beat estimates. Semiconductor foundries, led by index heavyweight Taiwan Semiconductor Manufacturing Co Ltd ("TSMC") (+13.0%), propelled Taiwan (+7.6%) on anticipation of strong demand for high-end chips from cryptocurrency market players.

The FTSE Bursa Malaysia KLCI ("FBMVKLCI") started the year strong up +3.99% on the back of heightened foreign interest in the market. Foreign investors were net buyers and bought RM3.4 billion worth of shares in January 2018. Average market volume for the month surged to RM4.5 billion shares/day versus last year's average daily of 2.5 billion shares. Bank Negara Malaysia ("BNM") announced a 25 basis points Overnight Policy Rate ("OPR") hike on January 25, 2018 and banking sector were viewed as the beneficiaries from rising interest rate. Meanwhile, the ringgit hit a new high since April 2016 when it reached RM3.8890 per USD while the FBMVKLCI reached a near 3-year high of 1,870 points on 29th January 2018. The local bourse rallied in tandem with regional markets which all ended on a strong positive note at month end.

The best performing sector for the period was the Finance Index. Biggest movers were CIMB (+10.86%), Public Bank (+5.77%) and Hong Leong Bank (+9.41%). Most banking stocks continued the positive momentum from December 2017, on the back of foreign buying into banking stocks. The property sub-index was the worst performer for the period, with -1.96% return for the period. The biggest laggards were SP Setia (-22.25%). On the other hand, the rate hike by BNM dampened sentiments on property stocks as investors turned cautious that the rate hike would further dampen the already weak property market. The property sector was also impacted late last year after government imposed a ban on the development of luxury properties in a move to control the oversupply of properties in the market.

MARKET OUTLOOK AND STRATEGY

The sharp increase in the 10 year US Treasury yield created fear among the investors on the pace and quantum of the United States ("US") interest rate hike. The sharp rise in the 10-year US Treasury yield from 2.40 on 1st January 2018 to 2.86 as of 8th February 2018 signals higher than expected interest rate increase in the US. The higher than expected interest rate hikes would impact negatively on US corporate earnings and consumer spending going forward.

This has caused the sharp drop in the index in the beginning of February 2018. However, we believe the drop in the index has brought the valuation level back to an attractive level for S&P 500 stocks. The index has come down to an attractive level now and is trading below November 2016 valuation level.

We are of the view that Malaysia's corporate earnings growth of 6% is achievable in 2018 due to strong economy. However, the negative sentiment in the US is also expected to drag the index lower. The index touched the low of 1792 level on 4 February 2018 which was also close to the mean valuation of FBMVKLCI. We believe the FBMVKLCI performance will be volatile in the short term. We would expect the index to be well supported above 1790 level. We would take the opportunity to accumulate strong fundamental blue chip stocks on market weakness. We believe the index would go back to 1,870 level once the US stock market's volatility starts to disappear as investors would have priced in higher interest rate expectations.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 January 2018, the Volatility Factor (VF) for this fund is 11.9 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are more than 10.6 (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 31 December 2017 which is calculated once every six months and is valid until its next calculation date, i.e. 30 June 2018.

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.