

### 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:

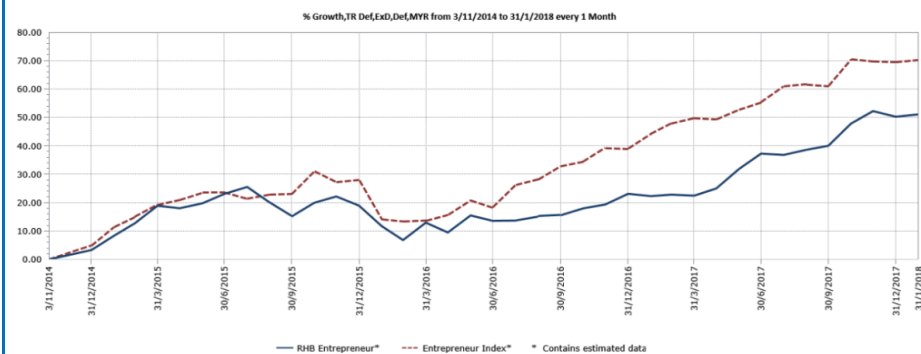
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

#### 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	0.57	2.20	10.50	0.57
Benchmark	0.45	-0.16	5.79	0.45

	1 Year	3 Years	Since Launch
Fund	23.60	39.47	51.16
Benchmark	18.09	52.65	70.17

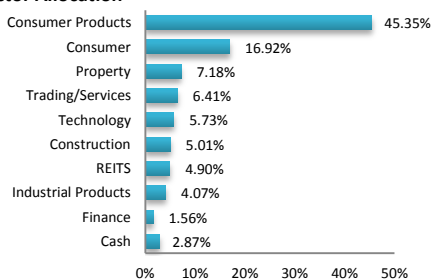
##### Calendar Year Performance (%)\*

	2017	2016	2015
Fund	22.08	3.41	15.25
Benchmark	21.92	8.59	21.99

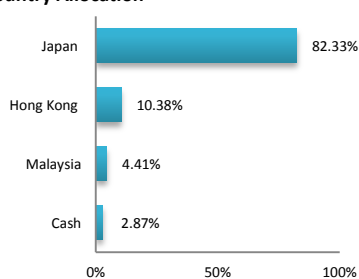
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

FAST RETAILING CO LTD	6.35
OBIC CO LTD	5.73
RESORT TRUST INC	5.58
PARAMOUNT BED HOLDINGS	5.19
ADASTRIA CO LTD	5.16

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6865	0.7345	0.7345
Low	0.6695	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.

**RHB ENTREPRENEUR FUND**

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**MANAGER'S COMMENTS****MARKET REVIEW**

Japanese stocks are off to a strong start in 2018. Over the past month, the Nikkei 225 has climbed from around 22,500 points to briefly cross the 24,000 line. The strength of Japanese stocks likely owes in part to stronger-than-expected global economic indicators and increased growth rate estimates as well as upward momentum in earnings guidance revisions. Earlier in the month, the Japanese stock market rallied in response to bright economic anticipations, indicated in the ISM index released when the market closed. Later on, profit taking set in with yen's appreciation weighed heavily on stock prices. Later in the month, Bank of Japan (BoJ) reassured that it would retain its current monetary policy stance, the TOPIX index and the Nikkei stock average marked the major chart point of 1900 pts and 24,000 yen at the closing price respectively. Best performing sectors were real estate and financials, with the market on the trail for lagged stocks, and sectors such as manufacturers, machinery and electrics, which had been expected to achieve positive earnings regardless of the strong yen. Worst performing sectors were air transportation, due to concerns on rising oil prices.

Global equity also 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 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 GDP growth of 6.8% YoY as well as the trade surplus beat estimates. Semiconductor foundries, led by index heavyweight TSMC (+13.0%), propelled Taiwan (+7.6%) on anticipation of strong demand for high-end chips from AI and cryptocurrency market players.

**MARKET OUTLOOK AND STRATEGY**

The Japanese stock market may seesaw between positive expectations on earnings and uncertain external factors such as the yen's appreciation. The sharp rally at the beginning of the year was due to overseas investors' net purchase of cash and futures totaling 690 billion JPY, however, it slowed down as the yen appreciated. The continuous support from the BoJ's ETF purchase and foreign investors' preferences will be the key to the further upside of the Japanese stock market. TOPIX P/E at around 15.5x based on current earnings forecasts, it is near the peak of the past five years, we think the market rally led by cyclical stocks is unlikely to continue on its current track.

In terms of investment strategy, we focus on stocks with prospects for positive surprises in October-December 2017 results and/or for upward revisions to guidance and value stocks, those that continue to be laggards.

**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.