

RHB SMART TREASURE FUND

This Fund aims to achieve long term capital appreciation through investments in a portfolio comprising subscriptions for Initial Public Offerings (“IPO”), low priced securities, medium priced securities and the top 50 listed stocks of the BMSB (in terms of market capitalization) that amongst other things, offer high growth potential.

INVESTMENT STRATEGY

- 0% - 10% of NAV: Investments in subscriptions for Initial Public Offerings (“IPO”).
- 20% - 60% of NAV: Investments in low priced securities (less than RM2.00).
- 15% - 50% of NAV: Investments in medium priced securities (RM2.00 to RM5.00).
- 15% - 40% of NAV: Investments in the top 50 stocks of the Bursa Malaysia (in terms of market capitalisation) and/or investments in securities priced above RM5.00 that are not in the top 50 stocks of Bursa Malaysia.
- 2% - 30% of NAV: Investments in fixed income securities, money market instruments, cash and deposits with financial institutions.

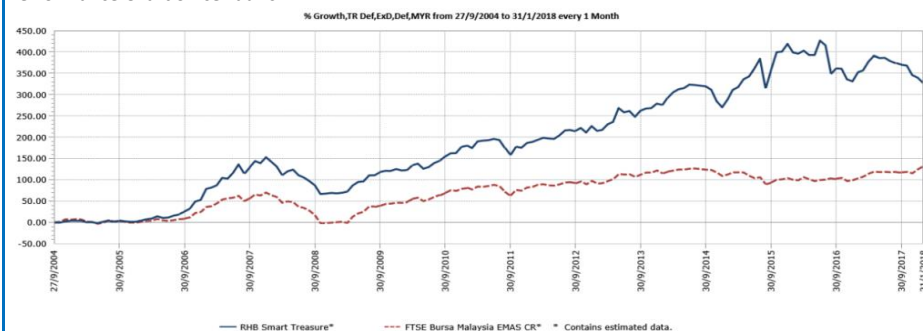
INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

- are aggressive; and
- willing to accept high risk in order to obtain high capital growth over a long term period.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-2.85	-8.75	-10.79	-2.85
Benchmark	3.32	6.15	6.53	3.32

	1 Year	3 Years	5 Years	Since Launch
Fund	-5.67	9.78	36.00	327.32
Benchmark	13.89	8.96	20.82	131.44

Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	1.92	-16.84	40.04	-2.00	16.16
Benchmark	12.87	-2.77	-2.26	-6.13	12.38

Source: Lipper IM

FUND DETAILS

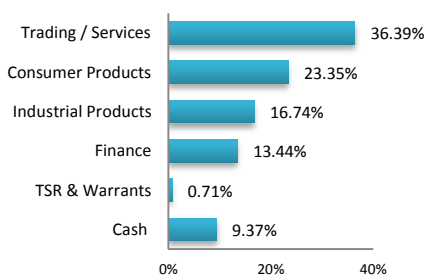
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Aggressive Growth Fund
Launch Date	07 September 2004
Unit NAV	RM0.5046
Fund Size (million)	RM193.21
Units In Circulation (million)	382.92
Financial Year End	31 March
MER (as at 31 Mar 2017)	1.68%
Min. Initial Investment	RM200.00
Min. Additional Investment	Any amount
Benchmark	FBM EMAS Index
Sales Charge	Up to 5.26% 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*
Switching Fee	None
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*



Top Holdings (%)*

PUBLIC BANK BHD	5.46
PIE INDUSTRIAL BHD	5.36
TELEKOM MALAYSIA BHD	4.77
POWER ROOT BHD	4.70
MALAYAN BANKING BHD	4.70

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5296	0.5889	1.0232
Low	0.5046	0.5046	0.4582

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
22 Mar 2017	2.0000	3.45
28 Mar 2016	6.6400	10.29
15 Apr 2015	6.4000	10.37
27 Mar 2014	6.4000	10.55
28 Mar 2013	5.0000	8.72

Source: RHB Asset Management Sdn. Bhd.

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MANAGER’S COMMENTS

MARKET REVIEW

Equity

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 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 cryptocurrency market players.

The FBMKLCI started the year strong up +3.99% on the back of heightened foreign interest in the market. Foreign investors were net buyers and bought RM3.4bn worth of shares in January 2018. Average market volume for the month surged to RM4b.5n shares/day vs last year’s average daily of 2.5bn shares. BNM announced a 25bps 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 at 3.8890 while the FBMKLCI reached a near 3-year high of 1870 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.

MARKET OUTLOOK AND STRATEGY

Equity

The synchronised growth in the major developed countries will continue to support global growth, which will eventually flows to Asia as well, in the form of export growth. Monetary policy will remain in accommodative mode to support growth amidst the unsynchronised monetary policy stance by the developed economies. The United States of America (“U.S.”) economy continued to show strength, with growing employment and wages. The sharp increase in the 10 –year US Treasury yield created fear among investors on the pace and quantum of the US interest rate hike. European Union economic growth has been broad based, with low unemployment rate, while its monetary policies remains accommodative. Japan’s growth continued to be supported by financial stimulus, while China’s growth remains resilient.

Domestically, Malaysia’s economic growth will remain robust supported by improving global growth and domestic demands. The positive economic backdrop will provide support for the equity market going forward, in addition to its undemanding valuation. In addition, the improvement of corporate earnings from its last two years of negative growth, strong domestic liquidity, stable Ringgit and an impending general election would continue to be supportive of the equity market.

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 KLCI. We believe the KLCI 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 17.3 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 15 June 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 risk of the Fund is IPO risk. This risk 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.