

RHB ASIAN REAL ESTATE FUND

This Fund aims to achieve a long term capital appreciation through investments in the real estate market.

INVESTOR PROFILE

This Fund is suitable for Investors who:

- wish to participate in the opportunities offered by the Asian real estate markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

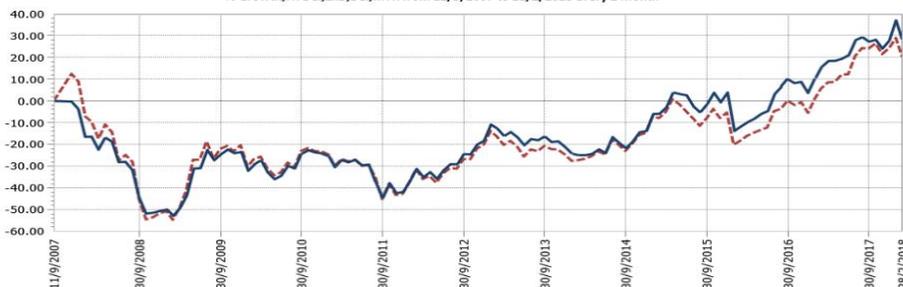
INVESTMENT STRATEGY

- Up to 98% of NAV (with at least 70% of NAV in equity): Investments in primarily Asian real estate securities and listed Real Estate Investment Trusts (REITs).
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*

% Growth,TR Def,ExD,Def,MYR from 11/9/2007 to 28/2/2018 every 1 Month



— RHB Asian Real Estate* --- MSCI AC Asia ex Japan Real Estate CR USD * Contains estimated data.

Cumulative Performance (%)*

| | 1 Month | 3 Months | 6 Months | YTD |
|-----------|---------|----------|----------|-------|
| Fund | -6.67 | 3.39 | -0.90 | 0.44 |
| Benchmark | -6.74 | -1.11 | -3.27 | -3.28 |

| | 1 Year | 3 Years | 5 Years | Since Launch |
|-----------|--------|---------|---------|--------------|
| Fund | 10.88 | 36.01 | 46.51 | 28.20 |
| Benchmark | 13.67 | 30.62 | 43.81 | 20.24 |

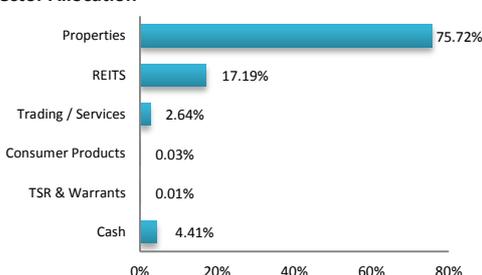
Calendar Year Performance (%)*

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|-----------|-------|-------|-------|-------|-------|
| Fund | 22.97 | 0.04 | 20.18 | 9.37 | -3.54 |
| Benchmark | 31.42 | -0.05 | 11.03 | 13.08 | -5.65 |

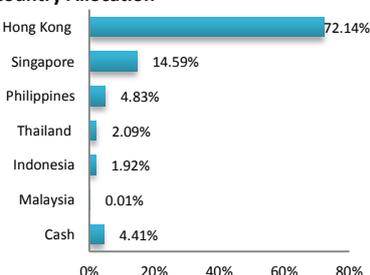
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

| | |
|-------------------------------------|------|
| SUN HUNG KAI PROPERTIES LTD | 9.77 |
| CK ASSET HOLDINGS LTD | 8.77 |
| THE LINK REIT | 7.00 |
| CHINA OVERSEAS LAND & INVESTMENT LT | 5.62 |
| WHARF REAL ESTATE INVESTMENT | 5.30 |

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

| | 1 Month | 12 Months | Since Launch |
|------|---------|-----------|--------------|
| High | 0.6868 | 0.6977 | 0.6977 |
| Low | 0.6230 | 0.5741 | 0.2187 |

Source: Lipper IM

FUND DETAILS

| | |
|--------------------------------|--|
| Manager | RHB Asset Management Sdn. Bhd. |
| Trustee | Maybank Trustees Bhd |
| Fund Category | Equity Fund |
| Fund Type | Growth Fund |
| Launch Date | 22 August 2007 |
| Unit NAV | RM0.6410 |
| Fund Size (million) | RM10.04 |
| Units In Circulation (million) | 15.66 |
| Financial Year End | 31 March |
| MER (as at 31 Mar 2017) | 2.49% |
| Min. Initial Investment | RM1,000.00 |
| Min. Additional Investment | RM100.00 |
| Benchmark | MSCI AC Asia-ex-Japan Real Estate Index (RM) |
| Sales Charge | Up to 5.00% of investment amount* |
| Redemption Charge | None |
| Annual Management Fee | 1.80% p.a. of NAV* |
| Annual Trustee Fee | 0.08% p.a. of NAV, subject to a min. of RM18,000 p.a.* |
| Switching Fee | RM25.00 per switch* |
| 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.

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MANAGER'S COMMENTS

MARKET REVIEW

China property shares tumbled amidst a roller coaster ride in February. In addition to the sharp correction in global equities, China property sector was also hit by investors' rising concerns over possible liquidity tightening and higher finance costs in the housing market. On the macro front, in Jan, China's new home prices rose an average of 5% year-on-year (or 0.3% month-on-month) across 70 major cities, according to National Bureau of Statistics.

Hong Kong property shares fell but slightly outperformed Chinese peers. Investors considered rising US interest rate as the main negative factor but ignored strong earnings results and higher dividend payout from certain blue-chips names. The weak share price was also in sharp contrast to resilient home price. Centa-City Leading Index, the benchmark for the secondary home price in town, hit its new high in February, up 1.7% month on month and being the twenty-fourth consecutive month of gains.

ASEAN property shares also fell but were generally calmer than greater China peers. The worst performers were S-REITs and Philippines names. Indonesian names, however, managed to edge lower, where the outperformance was mainly driven by declining mortgage rates and signs of improving presales.

MARKET OUTLOOK AND STRATEGY

We maintain our positive view over China property sector. Undemanding valuation and strong sales growth outlook remain the two main positive factors. Inevitably, rising interest costs and tightened mortgage policies from banks may dampen the housing demand and lengthen the cash conversion cycle for the property developers. However, we reiterate that listed developers are likely to maintain rapid growth momentum than unlisted peers due to the formers' market share gain. Asset churn could be even faster for listed developers due to better capital redeployment. At the moment, we still prefer large-cap names having solid market share, or mid-cap names with low valuation and high dividend yield.

We hold our positive view on Hong Kong property sector. We do not expect severe capital outflow pressure in the Hong Kong banking system, although HK dollar has weakened on rising US interest rate. Housing demand in both primary and secondary segments is expected to remain very firm, which would lend further support to home price. Currently, we still prefer developers with strong balance sheets, abundant farmland reserves or enlarged recurring incomes from overseas projects. We also favour retail landlords in view of strong retail sales and the companies' sound earnings results. We are selective on H-REITs, whose valuations are directly impacted by rising US treasury yield. That said, certain leading H-REIT will continue to benefit from their low-beta attributes and decent earnings growth outlook.

We remain selective in ASEAN property stocks. We keep our positive view over Philippines and Thailand. For Philippines, positive factors such as strong sales from the large developers in the fourth quarter last year were masked by macro headwinds like rising interest rates and proposed tax incentives cut to office developers. For Thailand, we see a recovery signal in the landed residential property sector. We also like Singapore where the recovery in the physical market continues to broaden. URA released the fourth quarter data for last year with overall strong indicators. Notably, the strong demand trends came from over 30% growth in primary volumes. On relatively basis, we are neutral on Indonesia. Although pent-up housing demand has been built up gradually after several years of falling home prices, investment appetite for the mid to high-end segment remains weak with that segment being more sensitive to politics. Most feel that political stability will be the key demand catalyst, and expect a real recovery only after more clarity on the 2019 election.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 February 2018, the Volatility Factor (VF) for this fund is 15.9 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 September 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 real estate risk, foreign investment risks such as country risk and currency risk and equities investment risks such as 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.

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