

RHB LEISURE, LIFESTYLE & LUXURY FUND

The Fund aims to achieve long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

INVESTOR PROFILE

This Fund is suitable for Investors who:

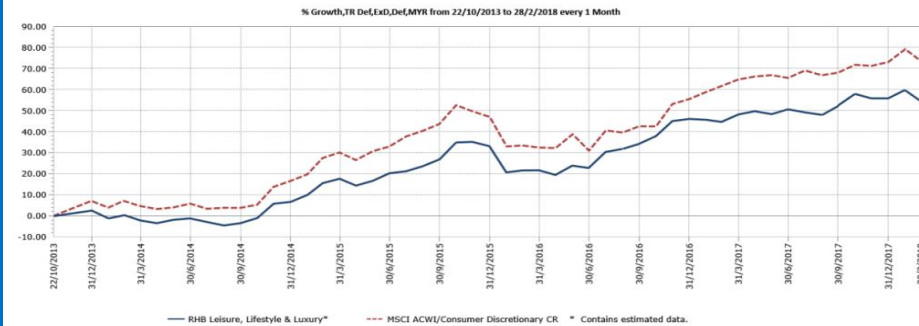
- seek long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

INVESTMENT STRATEGY

- At least 70% of NAV: Investments in equities and equity related securities.
- Up to 30% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-3.17	-0.68	4.52	-0.69
Benchmark	-3.09	1.41	4.11	0.34

	1 Year	3 Years	Since Launch
Fund	6.93	33.89	54.62
Benchmark	7.42	36.20	73.67

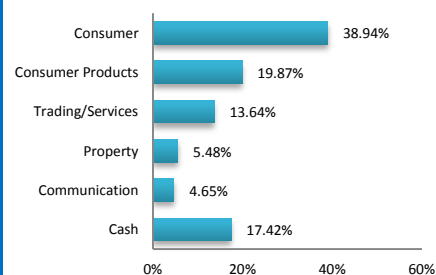
Calendar Year Performance (%)*

	2017	2016	2015	2014
Fund	6.63	9.67	24.94	3.80
Benchmark	11.31	5.76	26.06	8.85

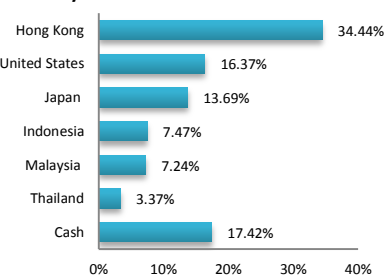
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALIBABA GROUP HOLDINGS-SP ADR	6.59
RAMAYANA LESTARI	5.52
SANDS CHINA LTD	5.44
DON QUIJOTE HOLDINGS	5.43
TENCENT HOLDINGS LTD	5.32

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7984	0.8175	0.8175
Low	0.7497	0.7226	0.4584

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET REVIEW

Global equities witnessed a broad-based selloff in February 2018, registering its weakest month in two years despite a partial recovery in the second half of the month. Rising inflation expectations and bond yields (10yr Treasury yields up from 2.7% at the start of the month to 2.9%) wreaked havoc on global equities that had been experiencing lofty sentiments, as volatility sky-rocketed. Fed Chair Jerome Powell's optimistic views left market participants anticipating a faster pace of rate hikes in the US and debating the possibility of 4 rate hikes during 2018. Asia Ex Japan suffered bigger sell down led by China (-6.4%), India (-6.9%) and Korea (-6.6%). ASEAN (-1.5%), which underperformed in 2017, fared relatively better

In the latest Bloomberg survey results, economists are predicting more than 3 rate hikes in 2018 and followed by 2 hikes in 2019. Economists forecast Jerome Powell to raise 4 hikes in his first year as referred to the survey result. Initially, the Fed provides a forward guidance of possible 3 rate hikes this year. The optimistic prediction is mainly driven by expected-upbeat momentum to continue in the US economy amid of expansionary fiscal policy, tax cuts, strengthening labor market and rising inflation. Based on latest February data, consumer sentiment in the US remains on high side given that it touched 99.9 points, second highest point since 2004. Other than that, unemployment rate maintains at 17-year low of 4.1% for 4-consecutive months since October 2017. Henceforth, the economic outlook for US this year is still on upward trajectory.

In January 2018, U.S. retail sales shrank by 0.3% mom from no growth in the previous months which recorded the biggest drop in 11 months. It is offset by the sales of motor vehicle, gardening and building materials, and personal care goods which shrank to 1.3%, 2.4% and 1.2% respectively. Although, some sectors such as service stations and electronics products recorded a positive sales at 1.6% and 0.5% respectively in January 2018, it cannot upbeat the slow down sales recorded by other sectors. The fell also offset by the U.S. manufacturing PMI which edged down to 59.1 in January from 59.3 in the previous month. On yearly basis, the retail sales recorded 3.6% growth as compared to a year earlier. Therefore, we foresee its retail sales will recover in the upcoming months as strong job growth, modest income gains and tax cuts would help to upturn the domestic demand. In addition, the positive trends of both U.S. consumer spending and consumer confidence brightened the short-term prospects broader economy growth as spending by household is the main engine of U.S. economy.

MARKET OUTLOOK AND STRATEGY

The recent sell down in the equities market provides opportunities for the fund to accumulate on weaknesses. As the portfolio is not highly invested, we are looking for opportunities to buy stocks that were beaten down but still showing earnings growth. The fund will continue to focus on stock selection with strong fundamentals and earnings growth story. E-Commerce, tourism, luxury brand and entertainment will continue to be our focus. On tourism, we continue to focus on companies that benefit from Chinese tourism in particular Japan and Thailand in Asia.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 February 2018, the Volatility Factor (VF) for this fund is 10.0 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 8.0 but not 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 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 market risk, country risk, currency risk, equity risk, regulatory risk, liquidity risk and equity related securities 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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