

RHB RETIREMENT SERIES - ISLAMIC BALANCED FUND

The Fund aims to maximise total returns through a combination of long-term[^] growth of capital and current income consistent with the preservation of capital by investing in one target Shariah-compliant fund.

[^] "long-term" in this context refers to a period between 5 – 7 years.

INVESTMENT STRATEGY

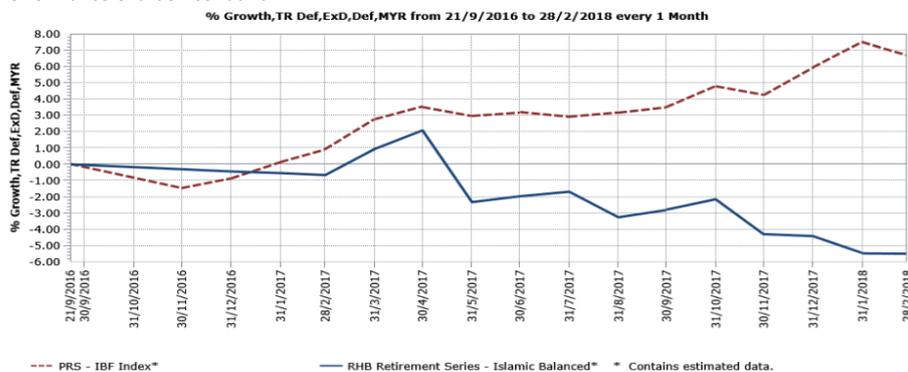
- At least 95% of NAV: Investments in units of Dana Hazeem.
- 1% to 5% of NAV: Investments in liquid assets including Islamic money market instruments and Placements of Cash.

MEMBER'S PROFILE

The Fund is suitable for Members who require investments that comply with Shariah requirements and are willing to accept moderate risk in their investments in order to achieve long-term growth and income.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-0.02	-1.23	-2.32	-1.11
Benchmark	-0.74	2.36	3.45	0.73

	1 Year	Since Launch
Fund	-4.87	-5.50
Benchmark	5.77	6.70

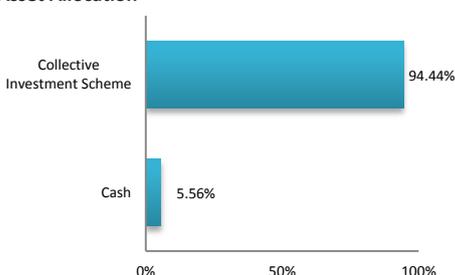
Calendar Year Performance (%)*

	2017
Fund	-4.02
Benchmark	6.87

Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Asset Allocation*



Top Holdings (%)*

RHB DANA HAZEEM 94.44

*As percentage of NAV

FUND DETAILS

Provider	RHB Asset Management Sdn. Bhd.
Trustee	Deutsche Trustees Malaysia Bhd
Fund Category	Feeder fund – balanced (Shariah-compliant)
Launch Date	01 September 2016
Unit NAV	RM0.4725
Fund Size (million)	RM0.53
Units In Circulation (million)	1.12
Financial Year End	31 May
MER (as at 31 May 2017)	7.98%
Min. Initial Investment	RM100.00
Min. Additional Investment	RM100.00
Benchmark	50% FBM Emas Shariah Index + 50% Maybank 12-month Islamic FD
Sales Charge	Up to 3.00% of NAV per unit*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.04% p.a. of NAV*
Switching Fee	None
PPA (Private Pension Administrator) Annual Fee	RM8.00*
PPA Pre-retirement Withdrawal Fee	RM25.00 per withdrawal*
PPA Transfer Fee	RM25.00 per transfer*
Annual PPA Administration Fee	0.04% p.a. of NAV*
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 STATISTICS

Historical NAV (RM)	1 Month	12 Months	Since Launch
High	0.4750	0.5131	0.5131
Low	0.4617	0.4617	0.4617

Source: Lipper IM

RHB RETIREMENT SERIES - ISLAMIC BALANCED FUND

The Fund aims to maximise total returns through a combination of long-term[^] growth of capital and current income consistent with the preservation of capital by investing in one target Shariah-compliant fund.

[^] "long-term" in this context refers to a period between 5 – 7 years.

PROVIDER'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 (10-year 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 United States ("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%). Association of Southeast Asian Nations ("ASEAN") (-1.5%), which underperformed in 2017, fared relatively better.

The FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBMVKLCI") started the month on a weak footing as the index tracked the sell-down in global markets earlier in the month on 5 February 2018. The FBMVKLCI dipped -2.2% on the day. After buying around RM3.37 billion ("bn") net in January 2018, foreign investors turned net sellers in the first week of February 2018 with around RM1.98bn worth of shares sold net. However, market recovered steadily, in line with the rebound in global indices. For the remainder of the month, market held steady trading range-bound ending the month in the red (-0.66%) in line with most regional markets. Year to date, foreigners net bought Malaysian Ringgit ("MYR") 2.26bn. For the period, the best performer sector for the period was the Consumer Index (+2.4%). Nestle was the biggest mover, after it reported a good set of 4Q17 results despite the challenging environment. Its net profit double to a record high of MYR133.54 million, driven by supply chain efficiency, product portfolio and promotional activities. It also announced a higher dividend of MYR1.35 for the quarter bringing the total dividends for the year to MYR2.75. Worst performing sector was construction declining -5.93%. The biggest laggards were IJM (-11.97%), GAM (-3.12%). IJM reported weaker results which missed estimates on the back of lower contribution from the property segment and the manufacturing division.

On the economic front, we saw our 4Q17 Gross Domestic Product slowing down to 5.9% year-on-year ("YoY") but beating market consensus of a 5.7% YoY growth. January 2018's Consumer Price Index ("CPI") rose 2.7% YoY after a 3.5% rise in the prior month.

MARKET OUTLOOK AND STRATEGY

We are still positive on the equity market outlook due to the following reasons for example global growth will be sustained in 2018 supported by synchronized expansions in major economies like the US, European Union, Japan and China. Global monetary policies will still remain accommodative, despite un-synchronized monetary tightening plans in place. Gradual improvement in global growth and trades will benefit ASEAN economies, through better exports, and eventually domestic demands. Malaysia healthy economic growth 5.0%-5.5%, supported by resilient domestic demands & investments and external demand, will be supportive of the equity market in 2018.

Export growth in MYR terms jumped to 17.9% YoY in January 2018, on account of a broad-based surge in shipment of electrical and electronics ("E&E"), non-E&E and commodity products. The strong trade numbers in January 2018 point to a sustained global demand. Looking forward, we believe there is sustained momentum in external activity and we expect exports to grow at a healthy pace albeit slowing from 18.9% recorded in 2017. This is on account of a higher base in 2017; a slowdown in China's demand for the country's exports; but partly mitigated by the resilient external of E&E shipments and higher commodity prices.

We continue to look for stocks with strong fundamentals and decent valuation to add into our portfolio. We also looking to raise more investment in overseas market for the portfolio to capture potential growth in other markets.

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 Disclosure Document in relation to the RHB Retirement Series dated 2 December 2015 and its supplementary(ies)(if any) ("Disclosure Document"), before investing. The Disclosure Document 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 Disclosure Document relates will only be made on receipt of a form of application referred to in the Disclosure Document. For more details, please call 1-800-88-3175 for a copy of the PHS and the Disclosure Document or collect one from any of our branches or authorised distributors. The Provider wishes to highlight the specific risks of the Fund is management risk and specific risks of the target Fund are market risk, particular security risk, reclassification of Shariah status risk, interest rate risk and credit/default risk. These risks and other general risks are elaborated in the Disclosure Document. 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.

RHB Asset Management Sdn Bhd (174588-X)

Head Office: Level 8, Tower 2 & 3, RHB Centre, 50400 Kuala Lumpur

General Line: 603-9205 8000

www.rhbgroup.com

 RHB Group
  @RHBGroup
  RHB Group
  RHBGroup

RHB Asset Management Sdn Bhd (174588-X)

