

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:

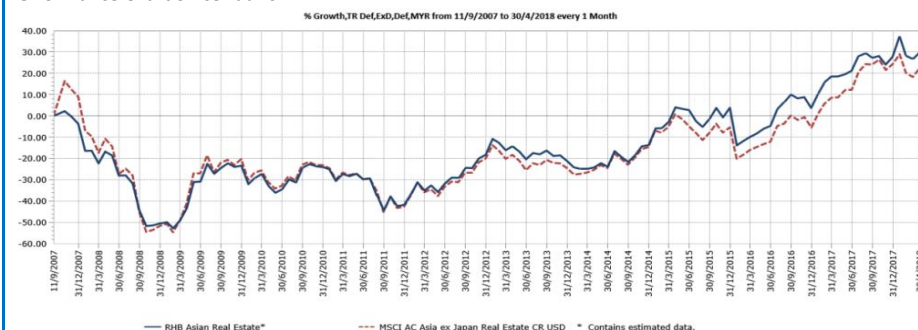
- wish to participate in the opportunities offered by the Asian real estate markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

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*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	2.40	-5.53	1.34	1.66
Benchmark	3.36	-5.18	-3.30	-1.66

	1 Year	3 Years	5 Years	Since Launch
Fund	9.59	24.72	51.13	29.76
Benchmark	12.42	21.33	49.81	22.26

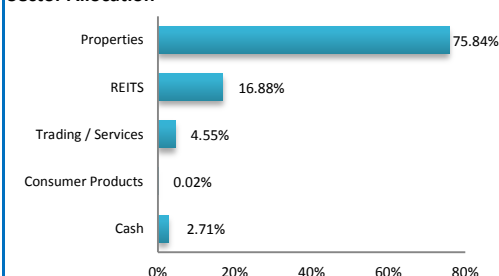
Calendar Year Performance (%)*

	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

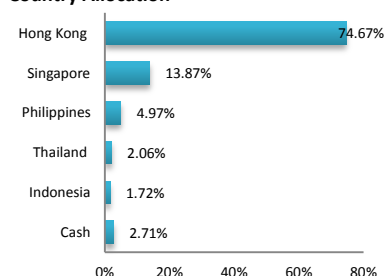
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

CK ASSET HOLDINGS LTD	9.09
SUN HUNG KAI PROPERTIES LTD	8.47
THE LINK REIT	7.51
LONGFOR PROPERTIES	7.18
SHIMAO PROPERTY HLDGS LTD	5.73

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6488	0.6977	0.6977
Low	0.6243	0.5828	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	RM0.6488
Fund Size (million)	RM9.73
Units In Circulation (million)	15.00
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.

RHB ASIAN REAL ESTATE FUND

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

MANAGER'S COMMENTS

MARKET REVIEW

China property shares ended generally lower in April. Correction in the boarder market and tightened onshore liquidity continued to weigh on the sector. Home sales in the country also eased in March. According to the data released by National Bureau of Statistics, nationwide residential property sales value increased only 11% year-on-year in the first three month of this year, compared to a 16% year-on-year for the first two months. The mild slowdown was attributable to fewer than expected new launches by major developers in March, and high comparison base for the same period last year.

Hong Kong property shares ended mix in April, yet faring better than general weakness for the sector a month ago. Retail landlord surged during the month, fuelled by the very brisk Hong Kong's retail sales data in March. More specifically, certain high-end retail landlords reported the retail sales in their flagship malls were much stronger than the overall industry. In contrast, property developers continued to fall, as investors still considered rising US interest rate as the main negative factor, which offset the benefit from persistently rising home prices.

ASEAN property shares ended mixed in March. Leading the advance were Malaysian names. Driven by the capital inflow to the broader market and stronger Ringgit ahead of the country's general election, Malaysian names rebounded and reversed the oversold situation in the preceding months. Losers for the month were Indonesian and Philippines. In particular, the sector headwinds, such as rising interest rates and proposals to alter tax incentives to office tenants, continued to drag the Philippines landlords. Singapore names were diverse while S-REITs were relatively firm despite rising US treasury yield.

MARKET OUTLOOK AND STRATEGY

We maintain our positive view over China property sector. The top developers have seen sales growth slowdown in March and the overall presales data was slightly below our expectation. We believe lower sell-through rates driven by monetary tightening were likely to blame. For the listed companies, the average sales growth for March is 16%, higher than the industry average of 9%. Therefore, 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 have turned to hold neutral view on Hong Kong property sector. Although housing demand in both primary and secondary segments is expected to remain very firm. The rising interbank interest rate, as a result of weaker Hong Kong dollar under the USD peg regime, will eventually affect the mortgage rates and so homebuyers' affordability. Currently, we still prefer developers with strong balance sheets, abundant farmland reserves or enlarged recurring incomes from overseas projects. We also favour retail landlords given very encouraging retail sales data for March.

We remain selective in ASEAN property stocks. We keep our positive view over Philippines and Singapore. For Philippines, we have turned to be more positive on landlords, and we are still positive on large developers with exposure in urban areas outside Metro Manila where demand growth is strongest. We like Singapore where the recovery in the physical market continues to broaden while upcoming supply will fall short of the historical take-up rate. We maintain neutral on Indonesia. Although presales and guidance from developers have improved and pent-up demand is beginning to build up, issues on ample supply and uncertain political outlook remain the overhang for this year. Investment appetite for the mid to high-end segment also stays very weak.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 April 2018, the Volatility Factor (VF) for this fund is 16.5 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.