

### RHB ASEAN FUND

This Fund aims to achieve medium to long term capital appreciation through investments in securities of companies with high growth potential.

#### INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in equities and equity related securities (such as warrants).
- Up to 30% of NAV: Investments in fixed income securities such as government and semi-government bonds, corporate debt securities and money market instruments.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

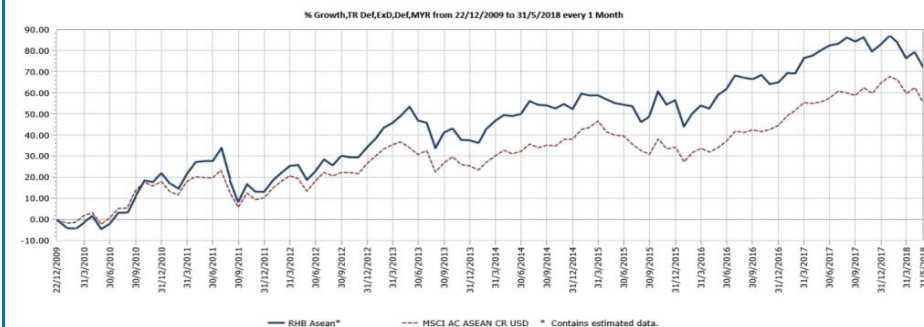
#### INVESTOR PROFILE

This Fund is suitable for investors who:

- wish to participate in the potential and investment opportunities of the fast growing ASEAN economies; and
- are willing to accept higher risk in their investments in order to achieve medium to long term capital growth.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	-4.11	-6.31	-4.22	-5.96
Benchmark	-4.53	-6.56	-2.88	-5.91

	1 Year	3 Years	5 Years	Since Launch
Fund	-4.52	10.93	12.22	72.03
Benchmark	-0.35	10.77	15.61	55.08

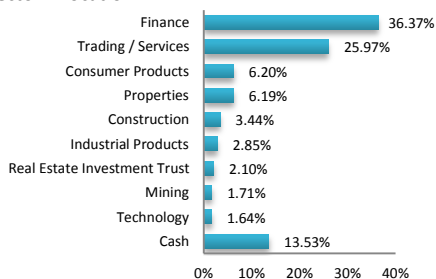
##### Calendar Year Performance (%)\*

	2017	2016	2015	2014	2013
Fund	10.85	5.55	2.67	10.86	2.48
Benchmark	13.98	7.64	-2.79	10.16	-0.92

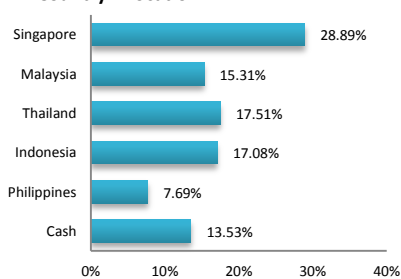
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

DBS GROUP HOLDINGS LTD	6.35
OVERSEA-CHINESE BANK CORP LTD	4.86
UNITED OVERSEAS BANK LTD	4.75
SINGAPORE TELECOMMUNICATIONS LTD	4.14
PUBLIC BANK BHD	3.10

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5183	0.5806	0.6743
Low	0.4970	0.4970	0.4562

Source: Lipper IM

##### Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
20 Apr 2018	3.4000	6.05
28 Apr 2017	-	-
28 Apr 2016	6.0000	11.24
28 Apr 2015	6.0000	10.12
28 Apr 2014	5.8000	9.54

Source: RHB Asset Management Sdn. Bhd.

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### MANAGER'S COMMENTS

#### MARKET REVIEW

The Malaysia market was the worst performer in ASEAN on post-election jitters of a government change. Malaysia's opposition coalition, Pakatan Harapan, led by 93 year old former Prime Minister Tun Dr. Mahathir won the 14th General Elections. This was a major upset for the incumbent UNMO led by Barisan Nasional alliance. Sweeping changes were made within the country. GST rate will be abolished effective 1 June 2018, reduction of Cabinet Ministers' salaries by 10%, termination of the contracts of 17,000 political appointees, and termination of mega infrastructure projects such as the High Speed Rail and the East Coast Railway Link. In order to offset the GST shortfall, sales and services tax will be reintroduced on 1 August 2018. The Malaysian government remains confident to achieve the previous 2.8% fiscal deficit target which will be supported from the higher oil prices and GLC dividends.

The Philippines market fell on a weak Philippines Peso which fell to a 12 year low, depreciating to 1.5% MoM and weak corporate earnings. High inflation was also a concern as oil price moved up. The central bank hiked policy rates by 25bps, its first hike since September 2014 to curb inflation concerns. Also, its central bank cut its reserve ratio requirement by 100bps to 18% on tight liquidity.

The Singapore market closed lower in May driven by all sectors except consumer discretionary. The Singapore dollar also depreciated 0.9% MoM. The Thailand market saw foreign investor outflow despite a strong 1Q GDP beat. Domestic demand improved but still weak given lower farm incomes.

The Indonesia market was the best performer with a flat performance and the Indonesian Rupiah was the only ASEAN currency which saw an appreciation. The market had large intra-month swings especially when the Indonesia Rupiah breached Rp14,200 against the US dollar. The second rate cut from Bank Indonesia finally calmed the market, all this within the month of May bringing policy rate to 4.75%.

#### MARKET OUTLOOK AND STRATEGY

In the next 5-10 years, Asia and especially ASEAN will emerge as the region with relatively stronger growth than the rest of the world. ASEAN with the structural advantage in demographics will emerge as the complimentary piece to China's evolvement into a giant consumption economy. Japan with its ageing population will also look to the rest of Asia, especially ASEAN, for growth. Adding on to the commitments by the governments in Asia/ASEAN towards infrastructure development, the region will feature prominently as the place for equity investments. We would look to buy stocks during periods where investors largely ignore these positive developments in the region.

We are cautiously optimistic on our markets given the depreciation of currencies across the ASEAN currencies and growing macro concerns in Philippines and Indonesia. Nonetheless, there will be pockets of opportunities and we will continue to look for companies which are structurally strong markets/sectors and companies with improving earnings and/or dividend; while at the same time valuation remains at reasonable level.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 15 May 2018, the Volatility Factor (VF) for this fund is 10.4 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 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 country risk and currency 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.