

RHB GROWTH AND INCOME FOCUS TRUST

This Fund aims to achieve maximum total returns through a combination of long term growth of capital and current income.

INVESTOR PROFILE

This Fund is suitable for Investors who:

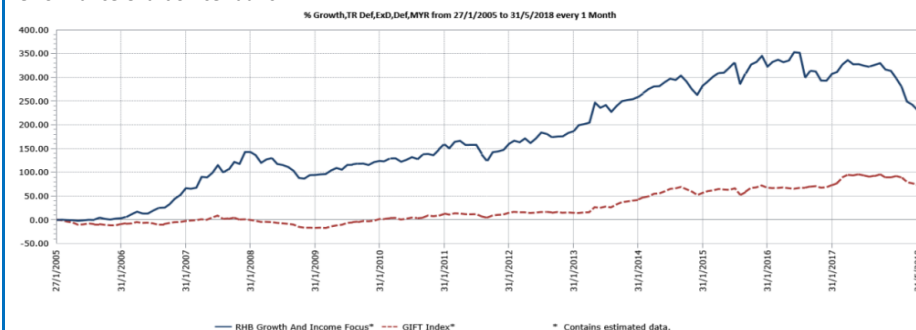
- seek long term capital appreciation through investments in high growth potential small cap securities whilst requiring the flexibility of a conservative portfolio of fixed income securities in order to capitalise and adapt to prevailing market conditions; and
- are willing to accept slightly higher risk in their investments than that normally associated with a general balanced fund in order to achieve long term capital growth and income.

INVESTMENT STRATEGY

- 30% - 70% of NAV: Investments in securities of companies with market capitalization of not more than RM750 million ("small cap securities").
- 30% - 70% of NAV: Investments in fixed income securities, money market instruments, cash and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

| | 1 Month | 3 Months | 6 Months | YTD |
|-----------|---------|----------|----------|--------|
| Fund | -3.41 | -13.18 | -20.54 | -19.98 |
| Benchmark | -2.18 | -8.52 | -8.49 | -8.43 |

| | 1 Year | 3 Years | 5 Years | Since Launch |
|-----------|--------|---------|---------|--------------|
| Fund | -22.68 | -19.18 | -4.66 | 230.51 |
| Benchmark | -10.38 | 5.64 | 36.16 | 72.85 |

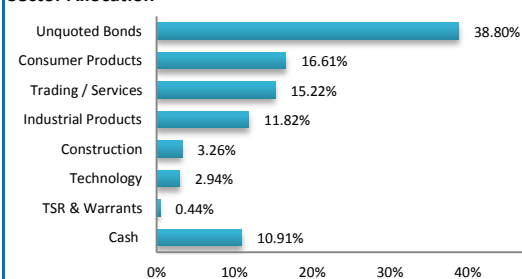
Calendar Year Performance (%)*

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|-----------|-------|--------|-------|------|-------|
| Fund | 5.08 | -11.62 | 22.73 | 2.38 | 25.10 |
| Benchmark | 12.19 | -1.96 | 12.80 | 8.09 | 21.51 |

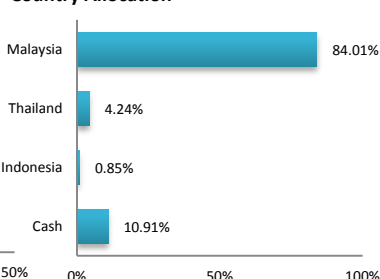
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

| | |
|-------------------------------------|-------|
| BRIGHT FOCUS BHD 2.5% (24/01/2030) | 12.48 |
| MEX II SDN BHD 5.7% (29/04/2027) | 9.48 |
| GENM CAPITAL BHD 4.98% (31/03/2027) | 5.44 |
| BANGKOK AVIATION FUEL SER PLC FOR | 4.24 |
| MUAMALAT IMTN 5.50% (25/11/2021) | 4.13 |

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

| | 1 Month | 12 Months | Since Launch |
|------|---------|-----------|--------------|
| High | 0.3314 | 0.4633 | 0.9179 |
| Low | 0.3201 | 0.3201 | 0.3201 |

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

| | Distribution (sen) | Yield (%) |
|-------------|--------------------|-----------|
| 20 Dec 2017 | 4.5000 | 9.89 |
| 16 Dec 2016 | - | - |
| 16 Dec 2015 | 2.0500 | 4.27 |
| 16 Dec 2014 | 2.7800 | 6.05 |
| 27 Dec 2013 | 7.8075 | 15.58 |

Source: RHB Asset Management Sdn. Bhd.

RHB GROWTH AND INCOME FOCUS TRUST

This Fund aims to achieve maximum total returns through a combination of long term growth of capital and current income.

MANAGER'S COMMENTS

MARKET REVIEW

Global equities ended the month of May 2018 flat, dragging year to date (“YTD”) returns to -0.8%. Developed market were mostly down with Europe falling -4.0% and Japan -1.1%, as investors responded with a risk-off stance to a host of factors that include the expectations of a growth slowdown outside the US, the political uncertainty in Italy and Turkey, the renewal of sanctions on Iran and the currency crisis in Argentina. The rally in Brent crude oil (+4.6%) continued in the first half of May 2018 but rolled over later on, as the reversal of prior supply cuts came back into consideration.

Asia Ex Japan Index equities lost 1.6% in May 2018, dragging YTD returns to -0.6%. China added 1.5% on the basis of the positive impact from the inclusion of A-shares in the Morgan Stanley Capital International (“MSCI”) benchmark indices. India (-3.7%) was adversely impacted by foreign outflows as overseas investors worried about the impact of higher oil prices as well as the results of the Karnataka state elections. Korea (-5.2%) had a tumultuous month, as the prospects of the North Korea-US Summit see-sawed. Indonesia (-1.9%) conducted two rate hikes to arrest the slide in the Rupiah (-2.3% YTD), while the Philippines (-4.9%) hiked once.

FTSE Bursa Malaysia (“FBMKLCI”) ended at 1740.62 points, decreased by -6.94% month-on-month (mom) basis, while on the year-to-date (ytd) basis, it has decreased by -3.13%. Investor sentiments were dampened by the higher than expected government total debt, and uncertainty over budget financing after the abolishment of GST and review of mega projects in the country.

MARKET OUTLOOK AND STRATEGY

The United States Dollar (“USD”) recent strengthening against the Euro dollar has raised nervousness about emerging markets (“EM”). A stronger USD and higher United States Treasury yields would of course impose pain on EM asset prices, but we do not think EM is primed for any kind of major crisis. That view is reinforced by the fact that EM currencies are not especially expensive by historic standards. While we don’t see huge financial vulnerability in EM, a strong USD will push growth risks to the downside and inflation risks to the upside.

We opined that foreign investors will re-focus at Malaysia given better transparency and corporate governance from the new Pakatan Harapan government. Once the new government announce measures to plug in the revenue gap from the removal of Goods and Services Tax (“GST”) and efforts to cut unnecessary spending, we believe that the market would stage a strong recovery. In the near term, we believe uncertainty over the state of the nation’s fiscal position and external headwinds from the outflow of funds from emerging markets amid rising USD and trade tensions will lead to a choppy domestic equity market.

DISCLAIMER:

Based on the fund’s portfolio returns as at 15 May 2018, the Volatility Factor (VF) for this fund is 13.9 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 August 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 for the Fund are liquidity risk of underlying investments, interest rate risk, credit/default risk, inflation/purchasing power risk, market risk and particular 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.