

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:

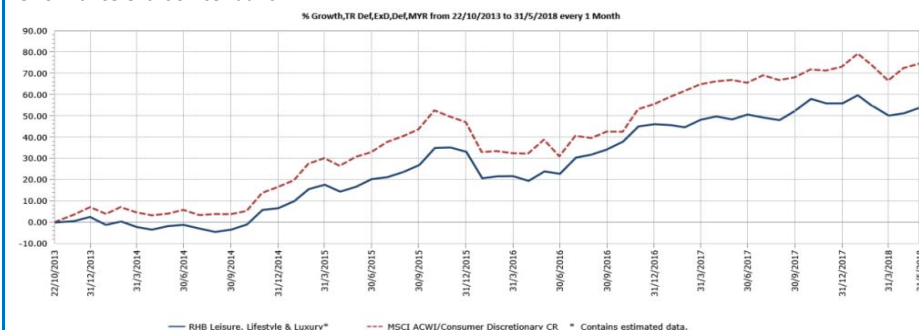
- seek long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

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	1.75	-0.48	-1.16	-1.17
Benchmark	1.18	0.49	1.90	0.82

	1 Year	3 Years	Since Launch
Fund	3.78	31.97	53.88
Benchmark	4.60	33.47	74.51

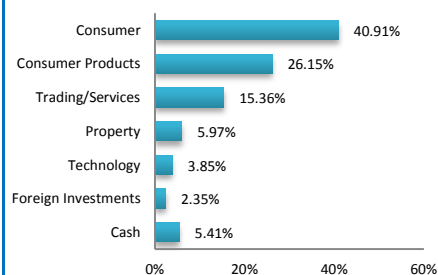
Calendar Year Performance (%)*

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

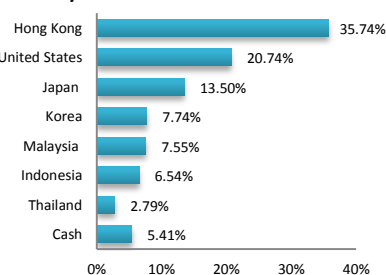
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ALIBABA GROUP HOLDINGS	7.28
PRADA S.P.A	7.01
RAMAYANA LESTARI	6.54
SANDS CHINA LTD	5.99
FAST RETAILING CO LTD	5.86

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7774	0.8175	0.8175
Low	0.7562	0.7335	0.4584

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET REVIEW

Global equities (-0.2%) ended the month of May 2018 flat, dragging 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 crude oil (Brent: +4.6%) continued in the first half of May but rolled over later on, as the reversal of prior supply cuts came back into consideration.

Asia Ex Japan 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 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. Malaysia (-8.3%) fell prey to foreign outflows on concerns of fiscal discipline following the historic victory of Tun Mahathir Mohamad in the general elections. Indonesia (-1.9%) conducted two rate hikes to arrest the slide in the Rupiah (-2.3% YTD), while the Philippines (-4.9%) hiked once.

Non-farm payrolls in the US rose by 223k in May-18, the highest increase in 3 months. The figure beat both previous month's reading of 159k jobs and market estimations of 189k jobs. Employment continued on an upward trend in retail trade and health care, among others. In line with that performance, unemployment rate fell to 18-year low of 3.8% in the same month as the number of unemployed decreased by 281k. The tight job market has also assisted in lifting workers' pay. A blend of such progressively tight labor conditions and rising inflation is supporting a June rate hike by the Fed.

Japan's retail sales in Apr-18 grew by 1.6%yoy, more than 1%yoy estimated by markets. The figure is also higher than previous month's reading of 1% mainly driven by faster increase in the sales of fuel (11.2% from 7.1%). On a monthly basis, retail sales rebounded by 1.4% following a 0.7% contraction in the preceding month. This suggests growing confidence among its consumers. Henceforth, we view the current momentum in retail sales will translate into better performance for private consumption in 2Q18. Other factors contributing would be stable job market, low inflationary pressure and upbeat tourism activities. On a side note, rising consumer spending signals that consumer prices will increase in the nearest future. This could make a way for the Bank of Japan to reach its 2% inflation target. Nevertheless, its ultra-easy monetary policy will still be maintained.

MARKET OUTLOOK AND STRATEGY

Chinese visitors continue to drive retail sales in the region. Chinese visitors to Korea has returned after the missile tensions cool. Chinese visitor arrivals to Korea surged 60.9% YoY to 367,000 in April 2018 vs 403,000 (+11.8% YoY) in March 2018. Chinese arrivals to Japan were up by 29.2% YoY to 683,000 in April 2018. Meanwhile, Thailand received total Chinese arrivals of 987,000 (+31.9% YoY) in April 2018. Travel industry and retail sector have benefited very much from the flow of Chinese tourists. We continue to position the fund on these sector to benefit from rising Chinese tourists.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 May 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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