

RHB MULTI ASSET REGULAR INCOME FUND

The Fund aims to provide regular income and medium to long term capital growth through a multi asset strategy.

INVESTOR PROFILE

This Fund is suitable for investors who:

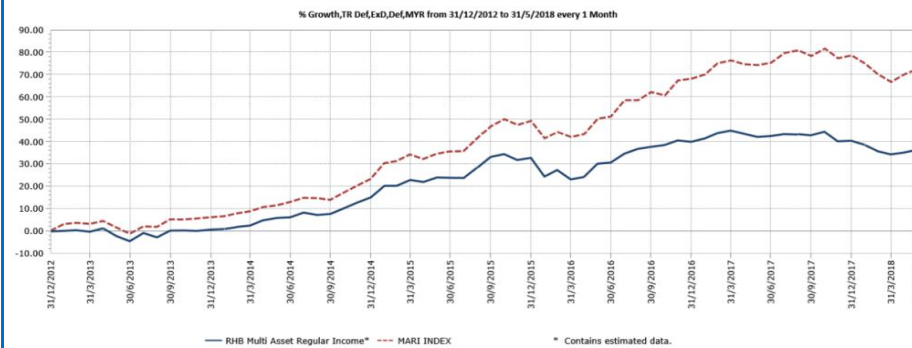
- seek regular income and capital growth over the medium to long term;
- are willing to accept moderate risk in their investments; and
- wish to benefit from investment exposure in the Asia and Asia Pacific (ex Japan) region.

INVESTMENT STRATEGY

- 65% - 98% of NAV: Investments in Asian (ex Japan) debt instruments/bonds, Asia Pacific (ex Japan) dividend equities and Asia Pacific (ex Japan) REITs.
- 2% - 35% 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	0.96	0.47	-2.58	-2.75
Benchmark	1.43	1.31	-2.70	-3.40

	1 Year	3 Year	5 Year	Since Launch
Fund	-4.05	10.04	39.47	36.46
Benchmark	-0.99	28.29	70.04	72.48

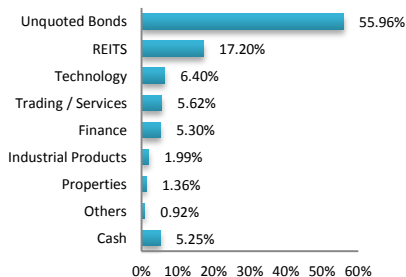
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	0.19	5.41	15.46	14.19	0.77
Benchmark	6.19	12.65	21.25	16.30	6.12

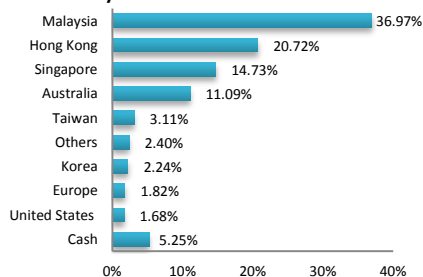
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

PLUS BHD IMTN 4.72% (12/01/2026)	11.40
TNB 4.95% (03/08/2032)	11.35
PAKUWON PRIMA 5% (14/02/2024)	6.82
PUTRAJAYA IMTN 4.58% (26/05/2026)	6.78
SPG IMTN 5.37% (29/10/2032)	4.61

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5168	0.5747	0.6266
Low	0.5089	0.5061	0.4636

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

	Distribution (sen)	Yield (%)
29 Jan 2018	0.8500	1.57
26 Oct 2017	0.8500	1.52
20 Jul 2017	1.4500	2.54
23 May 2017	1.5000	2.54

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

In May, the Markit global manufacturing PMI remained solid at 53.1 amid its 9-months low. The average reading so far into the second month for 2Q was at 53.3. This is indicative of a mild growth deceleration compared to 1Q average of 53.9. So far into 2Q, we saw a stronger US PMI which was offset by a softer Europe PMI and a mixed scenario for Asia. Over in the US, positive retail sales and jobs reports have supported market sentiments in which we saw the UST 10 years surged by 15.8bps to reached a high of 3.11% as of 17th May. However, the political crisis in Spain and Italy saw a risk off scenario with the UST 10 years rallied by a huge 25.3bps move to close the month of May at 2.86%.

Our newly added positions in Australia REIT sector continued to bear fruit for us following strong performance in April with ASX 200 A-REIT rose by 3.08% in May. Crude oil prices also corrected following Saudi Arabia and Russia commented that OPEC will step in to increase production to make up for the supply shortfall in Venezuela and potentially from Iran in the near-future. Our positions in Energy sector remained unscathed as our entry price is lower than the current stock prices.

We also took the opportunity of a post-election market sell-off in Malaysia to initiate a new position in Genting Malaysia. We like the company as the addition of new gaming space and hotel suites drove its 1Q18 revenue and EBITDA grew by around 20%. We continue to see further operational improvement in coming quarters especially upon the completion of the new attraction – 20th Century Fox Studios – by end of this year.

MARKET OUTLOOK AND STRATEGY

US job growth remained solid in May across the board with nonfarm employment increased 223k, bringing unemployment rate down to 3.8%. On the back of solid economic growth in the U.S., economists continue to forecast further rate hikes in second half of the year. Although UST 10 years rallied back below 3% by end of May due to flight to safety amidst political crisis in Spain and Italy, we maintain our view that further rate hikes will push UST 10 years back to above 3% by end of this year. We are cautiously optimistic on the market and still seeing opportunity in selected industries and stocks with company specific alpha.

Against the backdrop of rising interest rate, the Fund is defensively positioned with 56% allocation to fixed income securities and 38.8% allocation to equity. In fixed income space, we strategically hold short duration floating rate and high yield bonds as they provide better buffer in a rising interest rate environment. For equity portfolio, we hold a balanced mixed of REITs and growth stocks at reasonable valuation with improving earnings to achieve long-term capital appreciation for the fund.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 May 2018, the Volatility Factor (VF) for this fund is 7.2 and is classified as "Moderate". (source: Lipper) "Moderate" includes funds with VF that are above 6.0 but not more than 8.0 (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 currency risks, country risk, regional risk, liquidity risk, default and credit risk, interest rate risk, risk of using rating agencies and other third parties, REITs management risk, real estate risk and derivative 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.