

RHB DANA ISLAM

This Fund aims to provide investors with above average capital growth over a medium to long-term period by investing in a carefully selected portfolio of stocks which complies with the Shariah principles.

INVESTOR PROFILE

This Fund is suitable for Investors who:

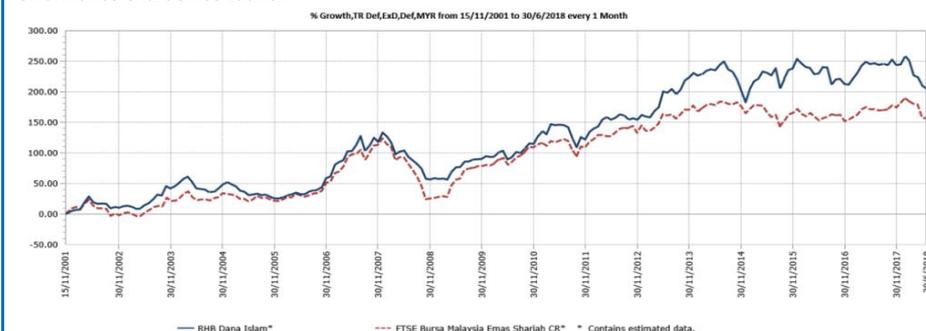
- are looking for investments in a diversified portfolio of assets that comply with Shariah requirements;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a medium to long-term period.

INVESTMENT STRATEGY

- 90% - 98% of NAV: Investments in Shariah-compliant equity and equity related securities of companies that have good growth potential.
- 2% - 10% of NAV: Investments in Shariah-compliant liquid assets comprising of cash and Islamic deposits with financial institutions, Islamic accepted bills, sukuk, cagamas sukuk, Government Investment Issues and any other Shariah-compliant instrument capable of being converted into cash within seven (7) days.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-1.61	-6.71	-11.65	-11.65
Benchmark	-0.69	-8.60	-9.10	-9.10

	1 Year	3 Years	5 Years	Since Launch
Fund	-12.12	-6.81	1.96	204.56
Benchmark	-5.69	-0.95	-1.64	156.30

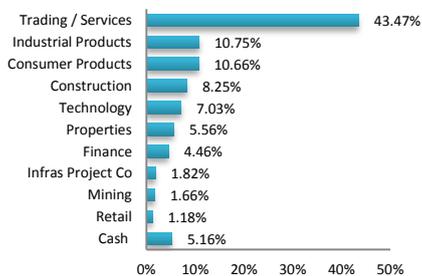
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	10.66	-11.91	25.01	-14.38	25.95
Benchmark	10.72	-6.14	2.35	-4.17	13.29

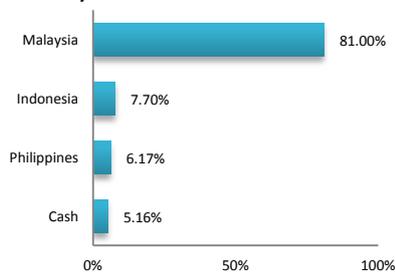
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENAGA NASIONAL BHD	4.85
WILCON DEPOT	4.51
SERBA DINAMIK HOLDINGS BHD	4.48
BIMB HOLDINGS BHD	4.46
INARI AMERTRON BHD	4.40

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.8126	0.9515	1.0965
Low	0.7752	0.7752	0.4737

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
22 Mar 2018	2.2000	2.42
20 Apr 2017	1.7500	1.90
28 Mar 2016	6.6000	6.89
15 Apr 2015	6.5000	6.49
27 Mar 2014	6.6000	6.54

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

For the month of June 2018, performance major equity markets worldwide remained subdued as global trade woes continue to dominate headlines. Brent crude oil price jumped the most in 11 weeks, up 5.15% to United States Dollar (USD) 79.44 per barrel on after a four-day rally underpinned by unexpected supply disruptions in Canada, Libya and Venezuela. The level of foreign funds exiting Asia ebbed towards the end of June 2018.

Mirroring markets elsewhere in Asia, Bursa continued to experience its ninth week of foreign attrition albeit at a slower pace. The Kuala Lumpur Composite Index (KLCI) fell 2.8% in June 2018 as investors continued to re-price policy risk. Significant foreign net selling of RM4.9 billion, bringing 6M2018 foreign net selling to RM6.8 billion vs. net inflow of RM10.8 billion in 2017. Defensive healthcare (Top Glove-led) outperformed the most, on above trend volume growth and Malaysian Ringgit weakness. Telcos underperformed the most (Telekom/Axiata-led) on lower broadband charges and Government-Linked Company risk. Financials underperformed as investors re-priced earnings per share and multiples risk. Energy (Dialog-led) underperformed despite higher Brent crude oil price of US\$79/per barrel (+2.4% month-on-month).

S&P Global Ratings has reaffirmed Malaysia's foreign currency and local currency ratings as "stable", indicating it may raise the ratings over the next 24 months if the strong economic performance continues. On the corporate front, on 29 June 2018, the Energy Commission (EC) announced that the Malaysian government has approved the continued implementation of the imbalance cost pass-through (ICPT) mechanism for the period of 1 July-31 December 2018. The average base tariff is unchanged at 39.45 sen/kilowatt per hour. The ICPT implementation is only applicable in Peninsular Malaysia whereas the implementation of incentive-based regulation (IBR) in Sabah and the federal territory of Labuan has been postponed to 1 January 2019.

MARKET OUTLOOK AND STRATEGY

The recent outflows of foreign funds caused concerns among investors in the short to medium term. There were also concerns over recession hitting the United States (US) in the coming year or two coupled with lofty valuations of developed markets and their hawkish and protectionist stances. Although growth has moderated but it is still in expansionary mode.

There are also uncertainties on the domestic front as the new government settles down and works through its plan. We need to give time as changes cannot happen overnight especially the ones that involve existing laws which entails a complex procedure. The government is looking to review and relook at mega projects and determine its profitability and viability. But certainly it has negatively impacted the construction sector but nonetheless should not derail interest of foreign investors, The focus on improving corporate governance are actually big pluses to entice foreign investors which is further enhanced by the government's stance in ensuring a good relationship with foreign investors.

While we are waiting for the dust to settle as far as the government policies and actions are concerned, we should not forget the headwinds from the geopolitical events which is not just affecting the local market but also neighbouring countries and even developed nations (e.g. US-China trade war, US-North Korea plan to denuclearise the Korean peninsula).

Hence we expect markets to be quiet in the next month as investors would wait for foreigners to exit. At the time of writing, we opined that valuations are compelling and it is ripe for the funds to slowly accumulate on weaknesses.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 June 2018, the Volatility Factor (VF) for this fund is 12.0 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 of the Fund are 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.