

RHB DIVIDEND VALUED EQUITY FUND

This Fund aims to provide investors with total returns primarily through investment in equity and equity related securities of companies which offer attractive yields and sustainable dividend payments.

INVESTOR PROFILE

This Fund is suitable for investors who:

- want capital growth as well as income; and
- willing to accept short term fluctuations in capital values.

INVESTMENT STRATEGY

- Minimum of 70% and up to 98% of NAV: Investments in equities.
- Minimum of 2% and up to 30% of NAV: Investments in fixed income securities and/or liquid assets.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-4.22	-3.06	-12.06	-12.06
Benchmark	-2.25	0.76	-4.23	-4.23

	1 Year	3 Years	5 Years	Since Launch
Fund	-12.32	-8.33	8.29	48.30
Benchmark	3.38	32.60	85.69	210.88

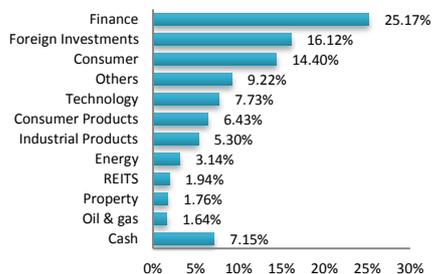
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	7.51	0.15	10.57	0.00	-0.57
Benchmark	23.88	11.86	11.60	10.05	11.02

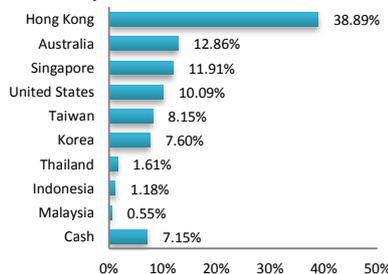
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ISHARES MSCI INDIA INDEX ETF	5.58
SAMSUNG ELECTRONICS CO LTD	5.56
TENCENT HOLDINGS LTD	5.52
TAIWAN SEMICONDUCTOR MANUFAC	4.14
ALIBABA GROUP HOLDINGS SP ADR	3.96

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3603	0.4401	0.6866
Low	0.3299	0.3299	0.2762

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
24 May 2018	2.0500	5.11
23 May 2017	4.2000	10.04
26 May 2016	2.6000	6.06
31 May 2015	-	-
31 May 2014	-	-

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

Trump administration announced a 25% tariff on Chinese products effective 6th July. Unfortunately, China sent back strong retaliatory message sending the financial markets on a risk off mode. The trade tensions saw a risk off scenario with the UST 10 years recovered to close the month of June at 2.86%, unchanged from the end of May. The Dollar Index (DXY) strengthened by 0.5% in the month of June.

In June, PMI remained in expansionary territory amid slower for both US and Asia, while improving in Europe. US flash composite PMI eased slightly to 56.0 in June from 56.6 the previous month, while Eurozone flash composite PMI improved +0.7pts to 54.8 due to stronger services PMI. In Asia, China's PMI Caixin eased by 0.1pts at 51 while ASEAN slipped 0.4pts to 51 in June.

Overall, MSCI World is flattish (-0.17%) for the month of June. Developed markets Australia (+3.5%) and US (+0.6%) have closed the month in green, while ASEAN (-4.9%) and HK/China (-5.2%) equities markets got hurt by the looming trade war sentiment.

IMF estimates that a 10% rise in import tariffs in both the US and the rest of the world will lead to a 1% fall in world trade and 0.5% fall in world GDP. HK, Singapore, South Korea, and Taiwan will be the hardest hit in Asia should a full-scale trade war break out. Meanwhile, we do see China having ample fire power to beef up fiscal policy in 2H18 to achieve its targeted growth. In light of the more cautious view on external environment, this shift to a more easing bias provide support to China's economic growth amidst uncertainty. We expect further RRR cuts near term to maintain the liquidity condition.

MARKET OUTLOOK AND STRATEGY

Overall, we skewed our portfolio towards companies with strong balance sheet and good cash flow generation. This has allowed us to better weather through market volatility. We like consumer sector, healthcare and new economy technology companies. Energy equities has been one of our outperformer in the portfolio on the back of high energy prices and we do see this trend to continue.

Even though trade tension and USD strength remain headwinds for the stock market, we like the Asia markets for its growth potential too. We view this sell off as a blanket selling across all the emerging market and have more or less discounted the threat of a trade war. Unless there is a massive escalation into a full blown threat, we do see value emerging in the Asian equity market especially in resilient sectors like consumption, healthcare and internet technology. It is good to note that the Chinese government has indicated more policy easing measures in coming months. The statement out from the first monetary policy committee (MPC) meeting on the 28 June indicate shift in policy stance to "reasonably adequate" liquidity conditions and soften its tone on deleveraging.

China internet sector remain one of our favourite sectors for its long-term penetration story. We particularly like stocks within the e-commerce sector and search engine for its good growth prospect at reasonable valuation. However, these sectors did not perform well this month due to market sell-off relating to investors' concern on a potential China-U.S. trade war. Based on our channel check, the fundamentals of the stocks that we like remain intact and we believe the recent share price weakness presents a good buying opportunity.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 June 2018, the Volatility Factor (VF) for this fund is 11.4 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 15 July 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 stock market risk, currency risk, liquidity risk, country risk, sector risk, interest rate risk, credit/default risk, issuer risk, inflation/purchasing power risk and regulatory 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.