RHB Asset Management

FUND FACTSHEET – JULY 2018

All data expressed as at 30 June 2018
unless otherwise stated

3-year Fund Volatility **12.4** very high
Lipper Analytics 15 JUN 2018

RHB GOLDENLIFE 2030

This Fund aims to provide investors planning to retire in the year 2030, a wealth accumulation vehicle for meeting their financial needs upon retirement.

INVESTOR PROFILE

This Fund is suitable for investors who:

• are planning to retire around the year 2030.

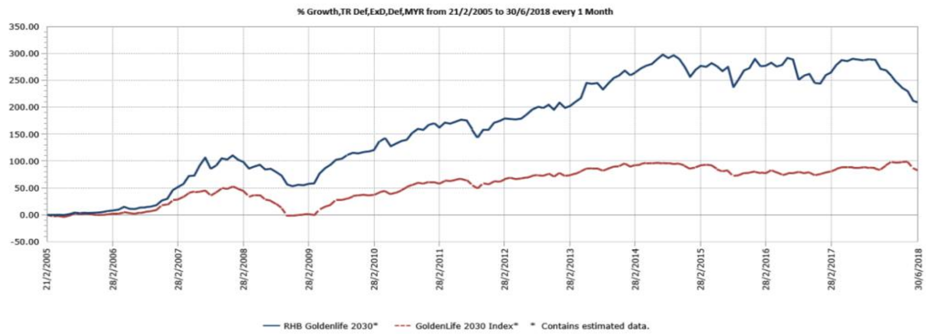
INVESTMENT STRATEGY

• Minimum of 70% and up to 100% of NAV: Investments in equities.

• 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	**-1.07**	**-8.15**	**-16.40**	**-16.40**
Benchmark	-2.44	-8.07	-4.97	-4.97

	1 Year	3 Years	5 Years	Since Launch
Fund	**-21.04**	**-16.07**	**-10.45**	**207.98**
Benchmark	-3.23	0.36	-2.33	81.94

Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	**7.06**	**-11.70**	**9.30**	**-3.25**	**19.26**
Benchmark	8.66	-2.26	-3.10	-4.75	9.74

Source: Lipper IM

FUND DETAILS

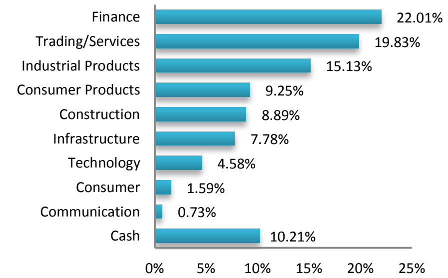
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Capital Growth Fund
Launch Date	21 February 2005
Maturity Date	28 February 2030
Unit NAV	RM0.6223
Fund Size (million)	RM4.53
Units In Circulation (million)	7.28
Financial Year End	28 or 29 February
MER (as at 28 Feb 2018)	1.74%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	85% FBM KLCI + 15% Maybank's 12 mths FD Rate
Sales Charge	Up to 6.00% of NAV per unit*
Redemption Charge	None
Annual Management Fee	Up to 1.50% p.a. of NAV*
Annual Trustee Fee	0.06% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Incidental

**All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.*

For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Top Holdings (%)*

PUBLIC BANK BHD	8.50
MALAYAN BANKING BHD	7.47
BRIGHT FOCUS BHD (AA2)	5.21
TENAGA NASIONAL BHD	4.68
PETRONAS CHEMICALS GROUP BHD	4.00

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6477	0.8259	1.0427
Low	0.6162	0.6162	0.4708

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
21 Feb 2018	2.6500	3.33
20 Feb 2017	3.5000	4.33
25 Feb 2016	7.6000	8.48
15 Apr 2015	8.0000	8.13
25 Feb 2014	7.2000	7.47

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

Equity

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 USD79.44 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 FBMKLCI fell 2.8% in June 18 as investors continued to re-price policy risk. Significant foreign net selling of RM4.9 bil, bringing 6M2018 foreign net selling to RM6.8 bil vs. net inflow of RM10.8 bil in 2017. Defensive healthcare (Top Glove-led) outperformed the most, on above trend volume growth and MYR weakness. Telcos underperformed the most (Telekom/Axiata-led) on lower broadband charges and GLC risk. Financials underperformed as investors re-priced EPS and multiples risk. Energy (Dialog-led) underperformed despite higher Brent crude oil price of US$79/bbl (+2.4% M/M).

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 Jun 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 Dec 2018. The average base tariff is unchanged at 39.45 sen/kWh. 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 Jan 2019. Overall Malaysia market also experienced window dressing for the last half yearly trading day, in which recovered some losses for the month performance.

Fixed Income

U.S. Treasuries

US Treasury ("UST") 10-year yields started the month of June 2018 below 2.90%, at 2.87% due to Italian political turmoil, however began its ascension higher to reach 2.975% (2Y was +3bps to 2.524%) within a week on worries that the European Central Bank ("ECB") may wind down its EUR 2.55 trillion (USD $3 trillion) Quantitative Easing ("QE") program earlier than the anticipated September 2018 timing, which triggered a broad selloff in German Bunds and core European government bonds, spilling over to the US Treasuries. After brief attempts to head higher to above 3%, we ended the month with a rally to 2.86% as the second round of escalating trade tensions between the 2 biggest economies in the world weighed on global growth sentiment. The UST issued a total of $715bio of bills and bonds in the month of June 2018 mainly in the front end bills of 1 to 6 month tenor.

Ringgit Sovereign Bond

Malaysian Ringgit ("MYR") continued to depreciate in June 2018 against the United States Dollar ("USD") despite Brent crude continuing to rally another 6% for the month. USDMYR climbed from 3.9798 at the start of the month and closed the end of the month at 4.037, representing a -1.437% total return, Local government bonds bull-flattened in line with the move in US Treasuries with the long end closing 3 basis points ("bps") lower month-over-month while 10-year Malaysia Government Securities ("MGS") closed the month almost flat from last month.

Ringgit Corporate Bond

Despite the festival month during June 2018, trading activities witnessed some improvement compared to a month before as the post-election noises guided the yield higher and created investment entry value for the under-invested books which have sidelined prior to the election. In addition, quarter-end period provided some trading activities in the local bond market. The average daily volume improved slightly to RM267 million during the month compared to a lackluster RM189 million achieved in previous month of May. As usual for this month, most of the trading activities were skewed towards AA space which saw about 53% of the trades changing hands followed by Government Guaranteed ("GG")/AAA by 42% and single-A or lower by 5%.

MARKET OUTLOOK AND STRATEGY

Equity

The recent outflows of foreign funds caused concerns among investors in the short to medium term. There were also concerns over recession hitting the U.S 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.

Fixed Income

The sharp rally in safe haven assets was fuelled on escalating trade tensions brewing up again between the US and China, rattling markets. Aside from this there was also some key events happening in the Emerging Market Space. The Standard & Poor's 500 Index ("SPX") closed at 2,718 (-0.66% MoM) while the SPX Volatility Index ("VIX") rose above 15 towards the end of the month to close at 16.09

On the local front, with the neutralization of Good and Service Tax ("GST") to 0% from 1st of June 2018, preliminary calculation suggested that the average headline CPI could come in below 2% for 2018. BNM is expected to maintain the OPR at 3.25%.

The appointment of Nor Shamsiah is much lauded as it demonstrates continuity in BNM's monetary and fiscal policies. On the other hand, the reaffirmation of Government to achieve fiscal deficit to Gross Domestic Product ("GDP") at 2.8% indicates some fiscal flexibility as the revenue from higher oil prices seeing to be supportive at this juncture as well as commitment for expenditure rationalization within the government's ministries and agencies. Correspondingly, with an objective to reduce public debts and reviewing of some higher cost infrastructure projects, if delivered successfully, is a credit positive in medium to long-term for Malaysia.

In terms of strategy, we view the recent upward adjustment of yields as a trading opportunity to tactically acquire bonds for investments since we do not anticipate further rate hikes domestically for this year. Furthermore, in terms of corporate bonds, we saw only a few issuances of primary bonds after the recent general election as quite a significant number of planned infrastructure projects would be reviewed to reign in control on the country's debt burden. These factors bode well for the supply and demand dynamics of the local bonds market that will cap further deterioration in yields for corporate bonds segment while lending support to secondary market trading Therefore, strategically, we will tactically invest in bonds where we see yields as attractive vis a vis its decent credit fundamentals; notwithstanding higher participation in new issuances to ride on the re-pricing of yields to boost overall portfolio yield.