

RHB ASIAN REAL ESTATE FUND

This Fund aims to achieve a long term capital appreciation through investments in the real estate market.

INVESTOR PROFILE

This Fund is suitable for investors who:

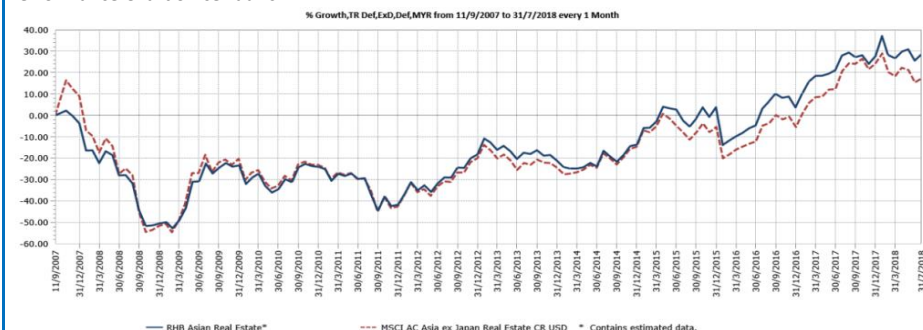
- wish to participate in the opportunities offered by the Asian real estate markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

INVESTMENT STRATEGY

- Up to 98% of NAV (with at least 70% of NAV in equity): Investments in primarily Asian real estate securities and listed Real Estate Investment Trusts (REITs).
- 2% - 5% 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	2.34	-0.91	-6.39	0.74
Benchmark	1.62	-4.06	-9.03	-5.65

	1 Year	3 Years	5 Years	Since Launch
Fund	0.45	31.80	55.59	28.58
Benchmark	-2.80	27.42	51.02	17.29

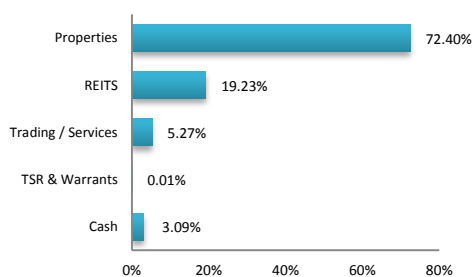
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	22.97	0.04	20.18	9.37	-3.54
Benchmark	31.42	-0.05	11.03	13.08	-5.65

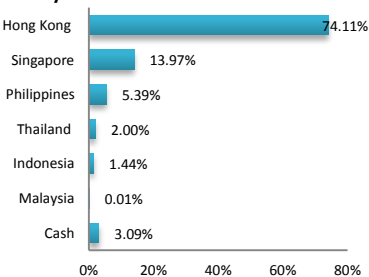
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SUN HUNG KAI PROPERTIES	9.99
LINK REIT	9.15
CK ASSET HOLDINGS LTD	8.74
CHINA OVERSEAS LAND & INVEST	7.59
SHIMAO PROPERTY HOLDINGS LTD	6.60

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6489	0.6977	0.6977
Low	0.6168	0.6097	0.2187

Source: Lipper IM

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	Maybank Trustees Bhd
Fund Category	Equity Fund
Fund Type	Growth Fund
Launch Date	22 August 2007
Unit NAV	RM0.6429
Fund Size (million)	RM9.25
Units In Circulation (million)	14.38
Financial Year End	31 March
MER (as at 31 Mar 2018)	2.37%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI AC Asia-ex-Japan Real Estate Index (RM)
Sales Charge	Up to 5.00% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a min. of RM18,000 p.a.*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Annually, if any

*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.

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MANAGER'S COMMENTS

MARKET REVIEW

In Hong Kong, the real estate sector outperformed the HK market following the underperformance in June. Residential prices, as measured by the CentaCity Leading index, appreciated to an all-time high on 22 July 2018. Developers continue to report strong primary sales and buoyant property prices. Developers are increasing sales launches of more than 6500 units in August, supported by government's measures to increase housing supply. CK Asset announced the redevelopment plan of Hutchison House in Central Hong Kong.

MSCI China declined 2.4%, underperforming against regional markets. The property sector underperformed against the Chinese market marginally on little stock specific news. According to data from CRIC and Yihan Database, contracted sales of major developers grew 34% year-to-date, with large developers such as Country Garden, Vanke and Evergrande leading sales growth. Country Garden, the largest developer in China by sales, issued a temporary work halt following an accident at its site in Anhui province. Work was subsequently restarted for more than 90% of construction and the company in its operational update guided to no impact on sales and delivery.

The Singapore government announced further tightening measures in the Singapore market to address overly aggressive land bids in the very buoyant en-bloc market. The new key measures include increasing additional buyer's stamp duty for second residential properties and developers, increased buyer stamp duty for foreigners buying residential property, and tightened loan-to value limit for all buyers. Consequently, share prices of property developers City Development corrected when the unexpected measures were announced. Separately, Wheelock, announced the privatization of its 76% owned Wheelock Singapore.

Within the smaller ASEAN markets, Philippines property sector performed inline to the market. Ayala Land received the approval from Philippine Competition Commission to purchase Antel's land and assets in Makati, Metro Manila. We remain constructive in Indonesia and the Philippines as domestic demand remains resilient and infrastructure development will boost land and asset prices.

MARKET OUTLOOK AND STRATEGY

While we maintain our positive view on China property for a long horizon, we are slightly cautious over near term. The Chinese central government expressed in recent meetings that they would keep on controlling housing prices from rising too rapidly in certain cities. Domestic liquidity is also undergoing a tightening cycle. We expect sector performances to diversify. Big companies with ample funding resources, strong balance sheets and balanced regional coverage will be able to outperform. So far, major developers are on track to deliver their sales target and will continue to gain market share from the small ones. We will selectively accumulate quality names.

In Hong Kong, we expect the property sector to remain robust as tight new supply. The government launched several new measures to increase the supply of public housings, but it would also decrease the supply of private houses. We still favour developers and landlords with abundant land reserves and stable income from investment property.

We remain selective in ASEAN property stocks. The Philippines is our preferred market as demand for residential units remain strong in urban areas outside Metro Manila. In Singapore, we continue to prefer property developers, supporting by new launches and reasonable real estate prices. Lastly we remain neutral on Indonesia as policy rate hikes will dampen sales.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 July 2018, the Volatility Factor (VF) for this fund is 16.3 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are more than 11.1 (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 30 June 2018 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 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 September 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 real estate risk, foreign investment risks such as country risk and currency risk and equities investment risks such as 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.