

RHB ENERGY FUND

The Fund aims to achieve long term capital appreciation through an investment that is linked to the global energy sector.

INVESTMENT STRATEGY

- 90% to 100% of NAV: Investments in Malaysian bonds, money market instruments, cash and deposits with financial institutions.
- Up to 10% of NAV: As capital payment for exposure to a derivative instrument in the form of a swap agreement that will provide the Fund with exposure to the global energy sector. With this capital payment, the Fund can have a notional amount of up to 100% of its NAV exposed to the Underlying which are linked to the global energy sector.

INVESTOR PROFILE

This Fund is suitable for investors who:

- seek investment opportunities in the global energy sector;
- seek capital growth;
- have a long term investment horizon; and
- have an appetite for risk to gain higher returns.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-0.86	1.37	3.09	4.40
Benchmark	-2.17	5.49	9.95	9.91

	1 Year	3 Years	5 Years	Since Launch
Fund	10.39	23.40	-2.44	5.07
Benchmark	21.69	10.61	-22.29	0.21

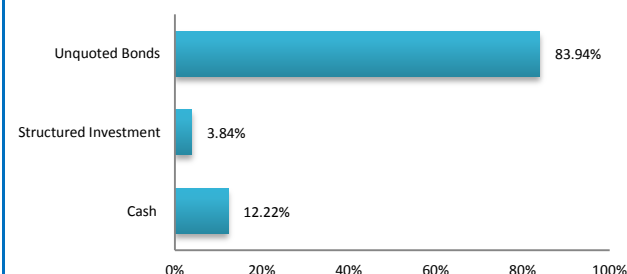
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	-5.85	27.42	-1.89	-23.64	11.02
Benchmark	-5.48	25.72	-19.93	-28.78	17.49

Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Asset Allocation*



Top Holdings (%)*

IJM CORPORATION BHD	4.6% (17/10/2024)	20.19
MALAYSIAN GOVT SEC	3.733% (15/06/2028)	19.75
BRIGHT FOCUS BHD	2.5% (24/01/2030)	12.55
HONG LEONG BANK BHD	4.93% (23/6/2028)	10.13
BRIGHT FOCUS BHD	2.5% (22/01/2031)	7.20

*As percentage of NAV

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Fixed Income Fund
Fund Type	Growth Fund
Launch Date	23 March 2009
Unit NAV	RM0.4366
Fund Size (million)	RM19.70
Units In Circulation (million)	45.13
Financial Year End	31 March
MER (as at 31 Mar 2018)	1.61%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	60% S&P GSCI Energy Official Close Excess Return Index (RM) + 40% MSCI World Energy Index (RM)
Sales Charge	Up to 5.00% of investment amount*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch*
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 STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4438	0.4438	0.6014
Low	0.4311	0.3897	0.3226

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET REVIEW

In July, Purchasing Managers' Index ("PMI") remained in expansionary territory albeit slower for both US and Asia while improved in Europe. US Institute for Supply Management ("ISM") manufacturing PMI eased to 58.1 in July from 60.2 the previous month, while Eurozone's manufacturing PMI improved +0.2pts to 55.1. In Asia, China's Caixin PMI eased by 0.2pts at 50.8 while ASEAN slipped 0.6pts to 50.4 in July.

In China, a relief rally towards month end triggered by State Council's stimulus package through potential more spending on infrastructure projects, and PBOC easing guidance on wealth management products managed to salvage some stock market performance. Our positions in basic materials that are potential beneficiary from higher infrastructure spending carried the fund performance this month. Chinese gas distributors have also performed well for us as pre 2Q earnings announcement for this sector shines through.

Oil came off -5% this month as the market is starting to feel the pressure from the increase in production by Russia and Saudi Arabia as per agreement post June OPEC meeting. However, as summer season is approaching the end, Saudi Arabia has indicated that they will dial back on production for August to keep the balance amidst demand uncertainty due to trade spat between the world's two biggest economies.

Brent Crude Oil price over the month decreased by +6.5% month on month ("mom") to USD 74.25/barrel as at the end of July, while on a 2018 year to date ("ytd") basis, it has increased by +11.54%.

MARKET OUTLOOK AND STRATEGY

We continue to remain long-term positive in the resources sector as in previous months. The cycle is turning and industrial activities out of major economies continue to be solid. Near term dollar strength as well as US-China trade dispute are the major uncertainties however.

In the longer term, gradual improvement in the global economic growth will increase oil demand, and eventually will bring supply-demand back into balance, however we are cognizant that the oil sector is cyclical and the sudden spike higher in oil prices could lead to a correction on signs of lower demand and/or higher output from OPEC or elsewhere.

We see commodity on a recovery mode and provide good inflation coverage. Furthermore, cleaner balance sheet and inexpensive valuation are supportive elements for its performance. Hence, we remain long-term positive in the resources sector. However, we are closely monitoring the trade dispute and its impact on demand.

In terms of strategy, the Fund is still invested in local fixed income instruments for the resiliency of the domestic economy and staying sidelined on allocations in the energy swap while awaiting the decision from Vienna as it would create near term volatility. Despite the risks and volatility in the market, our medium to long term view holds that the continued gradual improvement in the fundamentals of the global economy will eventually lead to firmer oil prices.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 July 2018, the Volatility Factor (VF) for this fund is 10.2 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 8.7 but not 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 Prospectus dated 3 September 2017 and its supplementary (ies) (if any) ("the Prospectus") before investing. The 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 Prospectus relates will only be made on receipt of a form of application referred to in the Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are credit and default risk, interest rate risk, counterparty credit risk associated with derivatives, derivative risk, legal/ regulatory risk, sector risk, currency risk, management risk, risk linked to the MSCI World Energy Index, returns are not guaranteed and risks relating to JPMCCI Energy Excess Return Index and the Contag Indices. These risks and other general risks are elaborated in the 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.