

RHB ASEAN FUND

This Fund aims to achieve medium to long term capital appreciation through investments in securities of companies with high growth potential.

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in equities and equity related securities (such as warrants).
- Up to 30% of NAV: Investments in fixed income securities such as government and semi-government bonds, corporate debt securities and money market instruments.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

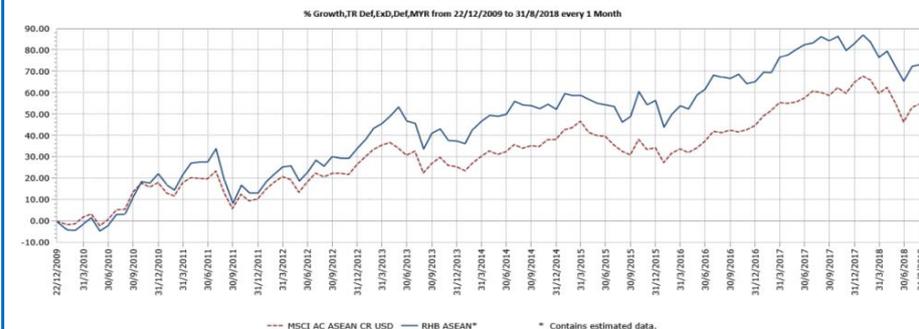
INVESTOR PROFILE

This Fund is suitable for investors who:

- wish to participate in the potential and investment opportunities of the fast growing ASEAN economies; and
- are willing to accept higher risk in their investments in order to achieve medium to long term capital growth.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.48	0.60	-5.74	-5.39
Benchmark	1.07	-0.17	-6.72	-6.07

	1 Year	3 Years	5 Years	Since Launch
Fund	-7.06	18.44	29.46	73.07
Benchmark	-3.27	16.67	26.30	54.81

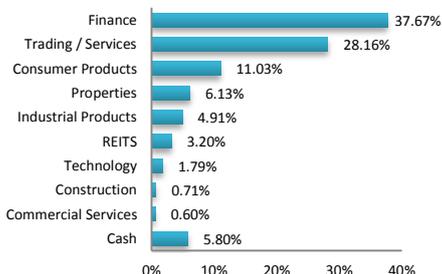
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	10.85	5.55	2.67	10.86	2.48
Benchmark	13.98	7.64	-2.79	10.16	-0.92

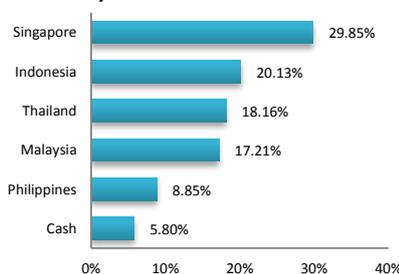
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

DBS GROUP HOLDINGS LTD	7.10
UNITED OVERSEAS BANK LTD	5.80
SINGAPORE TELECOMMUNICATIONS	4.21
PUBLIC BANK BHD	3.83
BANK CENTRAL ASIA TBK PT	3.36

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5075	0.5806	0.6743
Low	0.4883	0.4713	0.4562

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
20 Apr 2018	3.4000	6.05
28 Apr 2017	-	-
28 Apr 2016	6.0000	11.24
28 Apr 2015	6.0000	10.12
28 Apr 2014	5.8000	9.54

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

All markets in ASEAN rebounded in August, except Singapore. Philippines and Malaysian markets led the rebound, while the Thai baht was the only currency which saw an appreciation against the US dollar.

The Malaysian government ended its first 100 days in office on 19th August 2018, with sweeping changes made on major economic issues such as the removal of GST, petrol subsidy, introduction of SST and scaling down on mega infrastructure plans. The MRT 3 will be scrapped, the LRT3 has been renegotiated to bring the costs down and the High Speed Railway will be delayed for 2 years. The next key event would be the Malaysian budget announcement on 2nd November 2018, which would provide more clarity on the GDP deficit.

Thailand's 2Q GDP growth was stronger than expected at 4.6% y-o-y. The Bank of Thailand (BoT) has shifted their stance away from inflation and towards financial stability. General elections are expected to be held in 2nd quarter of 2019, but before that, a royal coronation is expected to be held.

In the Indonesian market, we saw the central bank intervening at various juncture to ensure stability in the Rupiah (IDR). The IDR depreciated the most amongst its ASEAN peers and has reached 14,800 against the greenback. Bank Indonesia has signalled that they would rather stabilize the currency at the expense of economic growth. Our view is that Indonesia is in a better fiscal shape than when it was during the Taper Tantrum, but poor sentiments from the emerging markets woe and seasonality will probably see the Rupiah heading downwards over the short term.

The Philippines markets will likely see its inflation peak in August due to persistent high inflation, low rates and a weak currency. As expected, the BSP raised its interest rate by 50bps to 4% to anchor the high inflation. Singapore will likely see slower growth in the 2H18 on external factors although a small proportion of Singapore's trade are impacted by US tariffs.

MARKET OUTLOOK AND STRATEGY

We are cautiously optimistic on our markets given the depreciation of currencies across the ASEAN currencies and growing macro concerns in Philippines and Indonesia. We have moved our strategy towards a more defensive stance, as we see further headwinds in the ASEAN markets over external factors such as poorer sentiment from the impact of the trade war tariffs and possible stronger US dollar impact on emerging countries.

In the next 5-10 years, Asia and especially ASEAN will emerge as the region with relatively stronger growth than the rest of the world. ASEAN, with its structural advantage in demographics, will emerge as the complimentary piece to China's evolution into a giant consumption economy. Adding on to the commitments by the governments in Asia/ASEAN towards infrastructure development, the region will feature prominently as the place for equity investments. We would look to buy stocks during periods where investors largely ignore these positive developments in the region.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 August 2018, the Volatility Factor (VF) for this fund is 11.2 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 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 country risk and currency 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.