

RHB DANA ISLAM

This Fund aims to provide investors with above average capital growth over a medium to long-term period by investing in a carefully selected portfolio of stocks which complies with the Shariah principles.

INVESTOR PROFILE

This Fund is suitable for Investors who:

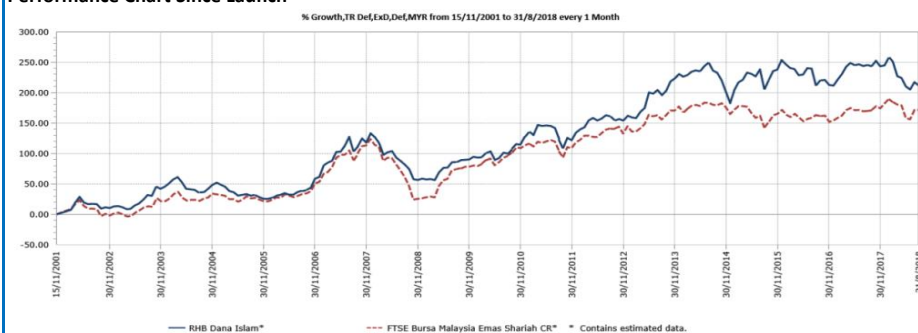
- are looking for investments in a diversified portfolio of assets that comply with Shariah requirements;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a medium to long-term period.

INVESTMENT STRATEGY

- 90% - 98% of NAV: Investments in Shariah-compliant equity and equity related securities of companies that have good growth potential.
- 2% - 10% of NAV: Investments in Shariah-compliant liquid assets comprising of cash and Islamic deposits with financial institutions, Islamic accepted bills, sukuk, cagamas sukuk, Government Investment Issues and any other Shariah-compliant instrument capable of being converted into cash within seven (7) days.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-1.82	0.46	-11.12	-9.80
Benchmark	-0.03	5.18	-4.62	-3.73

	1 Year	3 Years	5 Years	Since Launch
Fund	-10.00	1.79	4.99	210.94
Benchmark	0.45	11.92	6.31	171.44

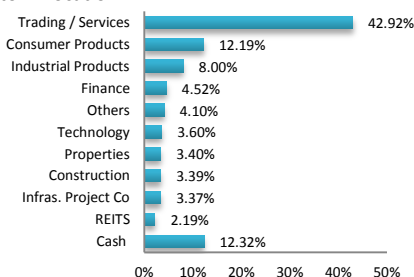
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	10.66	-11.91	25.01	-14.38	25.95
Benchmark	10.72	-6.14	2.35	-4.17	13.29

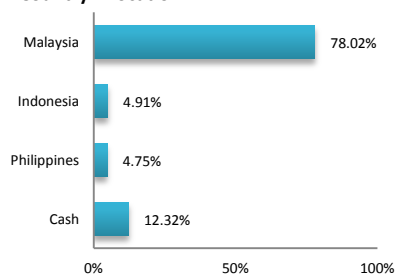
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENAGA NASIONAL BHD	7.35
BIMB HOLDINGS BHD	4.52
KPJ HEALTHCARE BHD	4.21
LOTTE CHEMICAL TITAN HOLDING	4.14
MUHIBBAH ENGINEERING (M) BHD	3.39

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.8092	0.9515	1.0965
Low	0.7945	0.7733	0.4737

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
22 Mar 2018	2.2000	2.42
20 Apr 2017	1.7500	1.90
28 Mar 2016	6.6000	6.89
15 Apr 2015	6.5000	6.49
27 Mar 2014	6.6000	6.54

Source: RHB Asset Management Sdn. Bhd.

RHB DANA ISLAM

This Fund aims to provide investors with above average capital growth over a medium to long-term period by investing in a carefully selected portfolio of stocks which complies with the Shariah principles.

MANAGER'S COMMENTS

MARKET REVIEW

For the month of August 2018, global equity market continued to rise. MSCI World Equities was up 0.6% during the month (year-to-date: +1.9%), riding on the strength of United States (US) equities (+3.1%) although investors were concern over high valuation in US market. Developed Markets (DM) outside US failed to provide respite to investors with Europe falling 3.1% and Australia 2.6%, while Japan (+0.2%) stayed flat. MSCI Asia Ex Japan declined 1.2% in August 2018, with year-to-date returns at -6.6%, as underperformance by China (-3.9%) and Hong Kong (-2.6%) weighed on the region. China continued on its downtrend as the US upped the ante in the Sino-US trade conflict by preparing to impose harsher tariffs on an additional US Dollar 200 billion worth of Chinese imports.

The FTSE Bursa Malaysia Kuala Lumpur Composite Index (FBMVKLCI) started the month relatively stable, before turning positive in the second week of the month supported foreign inflows. The index later declined on 13 August 2018 on selling pressure due to the issue with the Turkey crisis. The Lira crumbled after Trump approved of higher tariffs and threat of sanctions. The index staged a recovery on the 20th of August 2018, on optimism over US-China trade talks which boosted sentiments. This buoyed the index to close at an intraday high on 23 August 2018, lifted by index heavyweights. The positive momentum continued; with the index then closed at its three-month high on news of the new North American Free Trade Agreement (NAFTA) deal which improved investors risk appetite. Foreigners net sold Malaysian Ringgit (MYR) 98.9 million worth of shares, bringing the total year-to-date net selling to MYR8.6 billion. Best performer sector was Industrial Production (+3.72%) with the biggest movers being Petronas Chemicals (PChem) (+7.49%), Hartalega (+15.45%), and Top Glove (+9.86%). Worst performer sector was Construction (-5.76%) being dragged down by Gamuda (-4.39%) and IJM (-4.59%). The FBM Emas Shariah Index lost 3.68 points or -0.03% for the month of August.

On the economic front, Malaysia's Q2 2018 Gross Domestic Product (GDP) growth of only 4.5% year-on-year (YoY) was a sharp miss of the Bloomberg consensus for 5.2% YoY. However, the underlying data are better than the headline implies. Domestic demand growth accelerated to 5.6% YoY from 4.1% YoY driven by consumption. The miss in the overall number came from shocks to the mining and agriculture sector that seem to be reversing.

MARKET OUTLOOK AND STRATEGY

The market has over this period suffered due to a combination of external and domestic factors such as trade-related tensions, slowdown in global growth momentum, worsening China growth amidst deleveraging, unwinding of central bank liquidity, MYR weakness and uncertainties over the policies of the new government. Foreign equity outflows from Association of Southeast Asian Nations (ASEAN), including Malaysia, during this sell-off have been intense, and we believe the bulk of the sell-off may have already occurred. However, we believe near-term uncertainty, especially around Malaysia's fiscal deficit situation after the withdrawal of Government Service Tax (GST), could remain a sticking point especially for foreign investors. That said, we are reluctant to be underweight on the market and would still like to give the benefit of the doubt to the new government as they come out with policies and direction to deliver on their promise of reforms over medium-term. We believe an economy with less leakages will likely be able to fully realise its growth potential and investors may be more willing to give a higher valuation premium eventually. With this in mind, we see value emerging for investors with medium-term investment horizon and investing opportunities in selected themes/sectors/stocks at more palatable valuations.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 August 2018, the Volatility Factor (VF) for this fund is 12.1 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 August 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 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.