

### RHB ENTREPRENEUR FUND

The Fund aims to achieve long term capital appreciation through investments in securities of companies that possess entrepreneurial characteristics as determined by the Manager.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

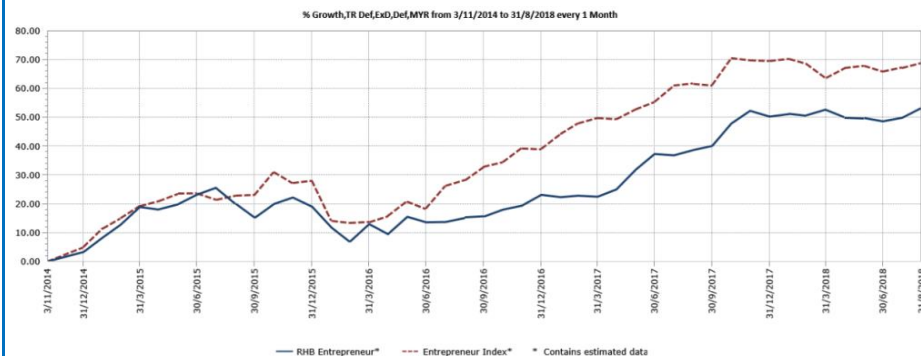
- wish to participate in the potential and investment opportunities of the Japan and Asian economies;
- wish to invest in companies which possess entrepreneurial characteristics; and
- are willing to accept high risk in their investments in order to achieve capital growth in the long term.

#### INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in securities of companies that are listed on the stock exchanges of Japan and other Asian markets.
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and Deposits.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	2.29	2.36	1.78	1.90
Benchmark	1.04	0.70	0.23	-0.33

	1 Year	3 Years	Since Launch
Fund	10.49	27.65	53.16
Benchmark	4.47	37.51	68.85

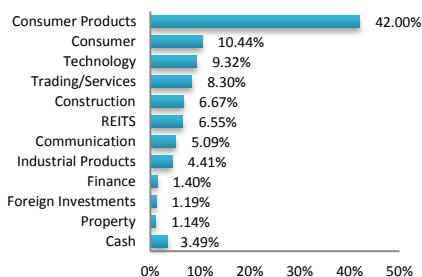
##### Calendar Year Performance (%)\*

	2017	2016	2015
Fund	22.08	3.41	15.25
Benchmark	21.92	8.59	21.99

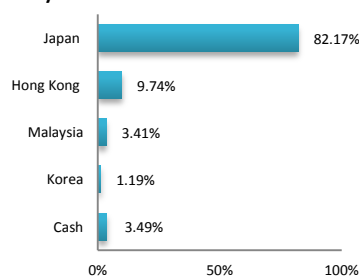
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

OBIC	6.86
MCJ	6.85
MAEDA KOSEN	6.67
SHINOKEN GROUP	6.55
TOSHO	5.37

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6822	0.7345	0.7345
Low	0.6542	0.6314	0.4942

Source: Lipper IM

##### Historical Distributions (Last 3 Years) (Net)

	Distribution (sen)	Yield (%)
26 Oct 2017	8.0000	13.47
31 Oct 2016	-	-
31 Oct 2015	-	-

Source: RHB Asset Management Sdn. Bhd.

**RHB ENTREPRENEUR FUND**

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**MANAGER'S COMMENTS**

**MARKET REVIEW**

For the month of August 18, global equity market continued to rise. MSCI World Equities was up 0.6% during the month (YTD: +1.9%), riding on the strength of 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 18, with YTD 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 USD200bn worth of Chinese imports. China's July 18 macroeconomic number also disappointed, led by further deceleration in infrastructure fixed asset investment(FAI). Rapid CNY depreciation since mid-June 18 is also negative for equities. CNY has stabilized in recent weeks and we expect economic slowdown in 2H18 will be more moderate than market consensus forecast.

Over in Japan, ever since the third week of July 18, the Nikkei 225 has been trading in a narrow range between 22,300 and 22,800, unable to break out on the upside but surprisingly well supported on the downside. The two main current concerns of the Bank of Japan are the lack of greater traction in wages and the risk that another bout of US dollar strength precipitates another wave of "risk off" in markets which would likely send the yen higher against the dollar as well as other currencies.

**MARKET OUTLOOK AND STRATEGY**

In Japan, the Abe administration, and therefore also the Bank of Japan, is no longer obsessed about meeting the 2% inflation target. This is why what the market, if not the central bank, has commenced in terms of the BoJ decision last month to let the 10-year JGB yield move in a range of 20bp above or below zero. The reality is that Kuroda is coming under political pressure to start to normalise monetary policy, not least as a result of lobbying from the financial services sector which has been a major casualty from negative or zero interest rates. Japan real GDP growth is expected to be around +1.0% in comparison with the previous year for FY18. Japan's economy will continue slowing down for some time, and then move toward an extremely moderate growth pattern. The main risk for the Japanese economy in the future is the problem of the US-China trade war.

Outside of Japan, the fund has exposure in HK/China market but very small exposure in ASEAN.

**DISCLAIMER:**

Based on the fund's portfolio returns as at 15 August 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 Master Prospectus dated 6 October 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 particular security risk, regional risk, currency risk and country 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.

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