

### RHB EUROPEAN SELECT FUND

The Fund aims to achieve capital growth over the long-term\* by investing in one target fund, i.e. the Threadneedle European Select Fund.

\*Note: "long term" in this context refers to a period of between 5 - 7 years.

#### INVESTOR PROFILE

This Fund is suitable for investors who:

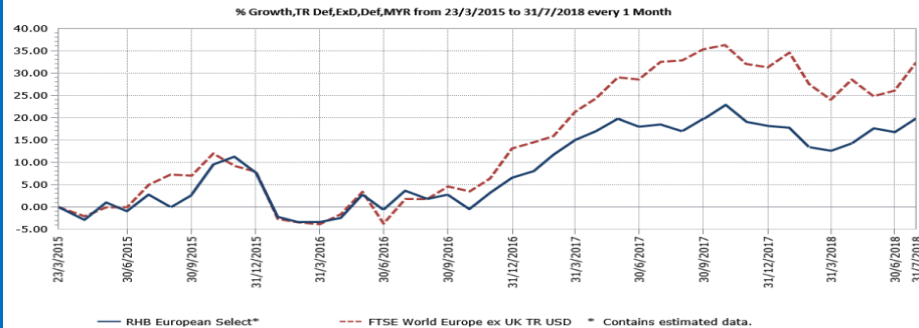
- are 'qualified investors' as defined in the Information Memorandum.

#### INVESTMENT STRATEGY

- At least 95% of NAV: Investments in units of Threadneedle European Select Fund.
- 2% to 5% of NAV: Investments in liquid assets including money market instruments and placements of cash.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
Fund	2.69	4.92	1.85	1.49
Benchmark	5.04	3.01	-1.60	0.86

	1 Year	3 Years	Since Launch
Fund	1.18	16.73	19.90
Benchmark	-0.07	26.12	32.37

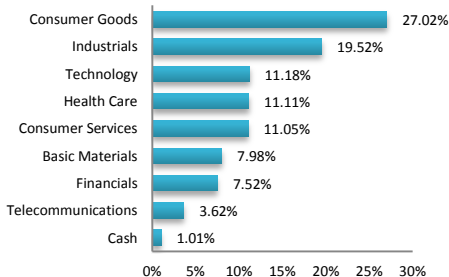
##### Calendar Year Performance (%)\*

	2017	2016
Fund	10.85	-0.97
Benchmark	16.07	4.85

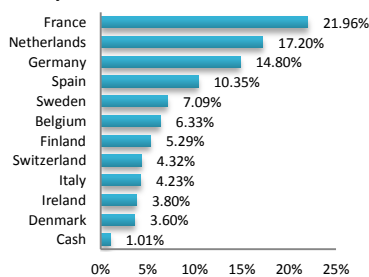
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

UNILEVER NV CERT. OF SHS	5.21
RELX NV	4.91
PERNOD RICARD SA	4.41
SAMPO OYJ CLASS A	4.13
ADIDAS AG	4.13

\*As percentage of NAV

\*Source: Threadneedle, 31 July 2018. Exposure in Threadneedle European Select Fund - 97.03%

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6017	0.6188	0.6188
Low	0.5763	0.5512	0.4517

Source: Lipper IM

#### FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustee Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth (Wholesales Fund)
Launch Date	03 March 2015
Unit NAV	RM0.5995
Fund Size (million)	RM128.70
Units In Circulation (million)	214.69
Financial Year End	28 or 29 February
MER (as at 28 Feb 2018)	0.55%
Min. Initial Investment	RM20,000.00
Min. Additional Investment	RM10,000.00
Benchmark	FTSE World Europe ex UK (RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	Up to 1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.06% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
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.

**RHB EUROPEAN SELECT FUND**

The Fund aims to achieve capital growth over the long-term\* by investing in one target fund, i.e. the Threadneedle European Select Fund.

\*Note: "long term" in this context refers to a period of between 5 - 7 years.

**MANAGER'S COMMENTS****MARKET BACKGROUND**

European markets rallied in July following a period of subdued returns; the Target Fund's benchmark index rose by 4.2% in euros and by 5.1% in sterling.

Estimated composite PMI data dipped to 54.3, pointing to a slight softening of economic momentum in the eurozone; however, any reading above 50 still signifies expansion. The European Central Bank remains on track to taper its stimulus programme after September. In the UK, Brexit negotiations were thrown into further disarray following the resignation of the foreign secretary and the Brexit secretary.

The threat of a trade war between the US and China escalated in July; both nations imposed levies on a swathe of imported goods, and threatened additional retaliatory tariffs. President Trump held talks with Jean-Claude Juncker, president of the European Commission, and appeared to soften his stance towards tariffs on European carmakers – further trade negotiations are planned on other industrial goods.

Within the portfolio's benchmark index, Poland and Switzerland delivered the best relative returns. Ireland and Finland were among the main laggards. Healthcare and financials led the outperforming sectors; real estate and consumer discretionary were weaker.

**MARKET OUTLOOK**

European equities are benefiting from encouraging corporate profitability, a supportive economic backdrop in the eurozone, and a resurgence in M&A activity; they are also cheap relative to US equities. Market volatility presents us with investment opportunities.

It will take time before the full effects of Brexit, new governments in Spain and Italy, and Catalonia's bid for independence become clear. Other risks include heightened tensions with Russia and the threat of a global trade war.

The Target Fund Manager's main focus in managing this high-conviction portfolio is on stock selection. The Target Fund Manager seeks to identify high-quality companies with the pricing power to sustain strong returns.

**DISCLAIMER:**

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 Information Memorandum dated 3 March 2015 and its supplementary(ies) (if any) ("the Information Memorandum") before investing. The Information Memorandum 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 Information Memorandum relates will only be made on receipt of a form of application referred to in the Information Memorandum. The Fund are only offered to "qualified investors" as defined in the Information Memorandum. For more details, please call 1-800-88-3175 for a copy of the PHS and the Information Memorandum or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks for the Fund are market risk, currency risk, hedged share classes, effect of portfolio concentration and restrictive geographical market.

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.

**RHB Asset Management Sdn Bhd (174588-x)****Head Office: Level 8, Tower 2 & 3, RHB Centre, 50400 Kuala Lumpur****General Line: 603-9205 8000**[www.rhbgroup.com](http://www.rhbgroup.com) RHB Group @RHBGroup RHB Group RHBGroup

RHB Asset Management Sdn Bhd (174588-X)

