

RHB MULTI ASSET REGULAR INCOME FUND

The Fund aims to provide regular income and medium to long term capital growth through a multi asset strategy.

INVESTOR PROFILE

This Fund is suitable for investors who:

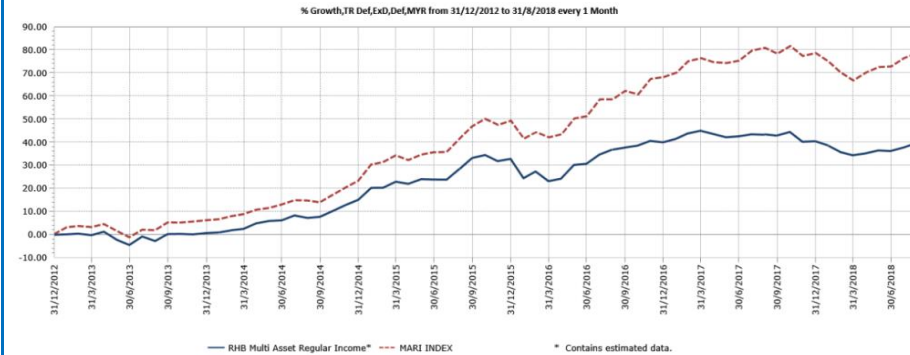
- seek regular income and capital growth over the medium to long term;
- are willing to accept moderate risk in their investments; and
- wish to benefit from investment exposure in the Asia and Asia Pacific (ex Japan) region.

INVESTMENT STRATEGY

- 65% - 98% of NAV: Investments in Asian (ex Japan) debt instruments/bonds, Asia Pacific (ex Japan) dividend equities and Asia Pacific (ex Japan) REITs.
- 2% - 35% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	1.38	2.32	2.80	-0.49
Benchmark	0.89	3.18	4.52	-0.33

	1 Year	3 Year	5 Year	Since Launch
Fund	-2.57	8.68	43.48	39.63
Benchmark	-1.57	25.91	74.88	77.96

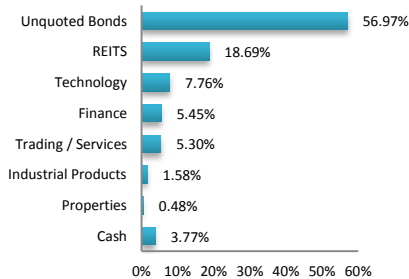
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	0.19	5.41	15.46	14.19	0.77
Benchmark	6.19	12.65	21.25	16.30	6.12

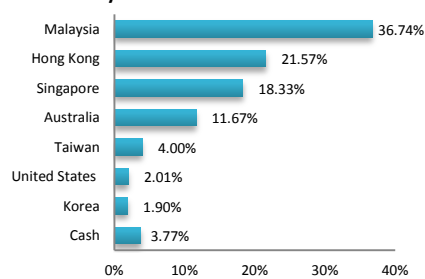
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TNB 4.95% (03/08/2032)	13.10
PLUS BHD IMTN 4.72% (12/01/2026)	12.96
PAKUWON PRIMA 5% (14/02/2024)	7.83
PUTRAJAYA IMTN 4.58% (26/05/2026)	7.68
FAR EAST HORIZON LTD 4.335% (3/7/2021)	4.19

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5287	0.5631	0.6266
Low	0.5192	0.5061	0.4636

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

	Distribution (sen)	Yield (%)
29 Jan 2018	0.8500	1.57
26 Oct 2017	0.8500	1.52
20 Jul 2017	1.4500	2.54
23 May 2017	1.5000	2.54

Source: RHB Asset Management Sdn. Bhd.

RHB Asset Management Sdn Bhd (174588-x)

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MANAGER'S COMMENTS

MARKET REVIEW

The month of August saw flattish return for MSCI World Index, registering a positive gain of 0.6%, bringing its year to date return to 1.9%. United States (+3.1%) outperformed Asia ex Japan (-1.2% USD terms) and Europe (-3.2% USD terms), while ASEAN (-0.0% USD terms) and Japan (+0.2%) closed the month flattish. China (-3.9%) got hurt by the looming trade war sentiment, as the second tranche of the USD50bn import list, which amounted to USD16bn, was implemented from August 23. The proposed additional tariff duty from 10% to 25% on the US\$200bn Chinese products could be implemented on 6 September after the end of the public comment period.

The UST 10 years closed the month of August at 2.86%, easing 9.9bps with the 10-2 year spread continuing to flatten at 23bps. The FOMC minutes released in August confirmed that a September rate hike is likely, in line with expectations (with an implied probability of 94.6% as of end August). The Dollar Index (DXY) surged to a high of 96.7 as of 14th August, before closing the month up by 0.6%.

JGB 10 year hovered around 0.1% in the month of August after the Bank of Japan introduce forward guidance measures, raising the ceiling on their 10-year interest target band from 0.1% to 0.2% in order to allow for more flexibility for purchases while sustaining its rate low-for-long guidance.

In Europe, German IFO expectations have moved back to its highest levels since March this year, while the labour market continued to improve. ECB has announced that it expects key ECB interest rates to remain at their present levels until summer 2019, and to end its bond buying programme in December.

In August, Markit Manufacturing PMI remained in expansionary territory, slowing down in both US and Europe while improving in Japan and China. US's Markit Manufacturing PMI eased by 0.8pts to 54.5 while Eurozone's manufacturing PMI eased by 0.5pts to 54.6 in August. In Asia, China's Caixin PMI improved by 0.1pts at 51.3, while Japan improved by 0.2pts to 52.5.

MARKET OUTLOOK AND STRATEGY

Market environment remained challenging amid the US – China trade war dispute. In addition to that, most of China's internet companies reported disappointing 2Q18 results, leading to share prices underperforming during the month, notably Tencent, one of our long term positions. Tencent is the largest distributor for internet games in China, and the company owns the most popular text messaging services – WeChat – which has over 1bn monthly active user. Tencent's 2Q18 results missed the consensus high expectation, due to the regulatory halt on the approval process for new games. One of the most popular game – PlayerUnknown's Battleground (PUBG) – has yet to receive the government's approval for monetization. We believe that this is a short-term issue and does not change Tencent's long-term competitive advantage. We remain optimistic in Tencent in the long run, given its dominant position in China's internet space.

During the month, we also added a position to Baidu and built a new position in Alibaba. We like both names given the solid reported earnings so far 2018 and also their respective strength in AI and e-commerce in China. Both companies are also the undisputed No.1 leader in their respective industries and we believe both Baidu and Alibaba will continue to do well for many years to come.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 August 2018, the Volatility Factor (VF) for this fund is 7.2 and is classified as "Moderate". (source: Lipper) "Moderate" includes funds with VF that are above 6.6 but not more than 8.7 (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 currency risks, country risk, regional risk, liquidity risk, default and credit risk, interest rate risk, risk of using rating agencies and other third parties, REITs management risk, real estate risk and derivative 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.