

### RHB RETIREMENT SERIES - ISLAMIC EQUITY FUND

The Fund aims to provide above average capital growth over a medium to long-term<sup>^</sup> period by investing in one target Shariah-compliant fund.

<sup>^</sup> "medium to long-term" in this context refers to a period between 3 – 7 years.

#### MEMBER'S PROFILE

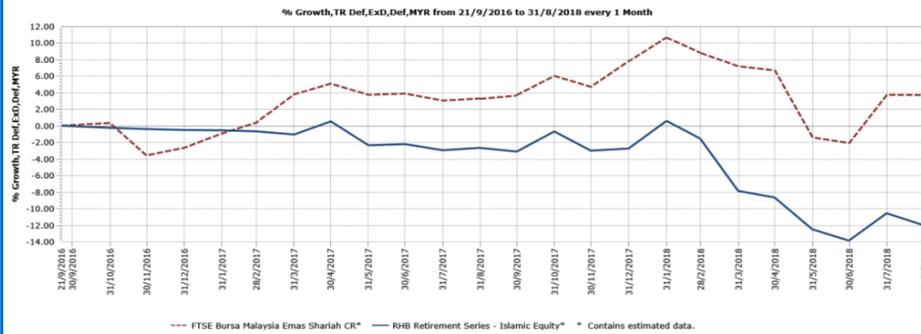
The Fund is suitable for Members who are looking for investments in a diversified portfolio of assets that comply with Shariah requirements. These Members are willing to accept moderate to high risk in their investments and prefer capital growth rather than income over a medium to long-term period.

#### INVESTMENT STRATEGY

- At least 95% of NAV: Investments in units of Dana Islam.
- 1% to 5% of NAV: Investments in liquid assets including Islamic money market instruments and placements of cash.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
Fund	-1.65	0.53	-10.63	-9.56
Benchmark	-0.03	5.18	-4.62	-3.73

	1 Year	Since Launch
Fund	-9.62	-12.02
Benchmark	0.45	3.75

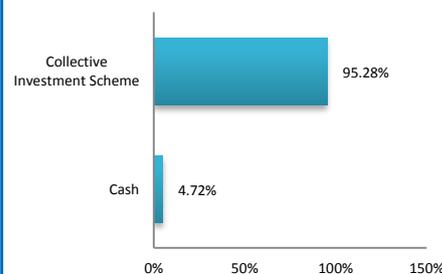
##### Calendar Year Performance (%)\*

	2017
Fund	-2.21
Benchmark	10.72

Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Asset Allocation\*



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

RHB DANA ISLAM 95.28

\*As percentage of NAV

#### FUND DETAILS

<b>Provider</b>	RHB Asset Management Sdn. Bhd.
<b>Trustee</b>	Deutsche Trustees Malaysia Bhd
<b>Fund Category</b>	Feeder fund – equity (Shariah-compliant)
<b>Launch Date</b>	01 September 2016
<b>Unit NAV</b>	RM0.4399
<b>Fund Size (million)</b>	RM1.27
<b>Units In Circulation (million)</b>	2.90
<b>Financial Year End</b>	31 May
<b>MER (as at 31 May 2018)</b>	Not available #
<b>Min. Initial Investment</b>	RM100.00
<b>Min. Additional Investment</b>	RM100.00
<b>Benchmark</b>	FTSE Bursa Malaysia Emas Shariah Index
<b>Sales Charge</b>	Up to 3.00% of NAV per unit*
<b>Redemption Charge</b>	None
<b>Annual Management Fee</b>	1.50% p.a. of NAV*
<b>Annual Trustee Fee</b>	Up to 0.04% p.a. of NAV*
<b>Switching Fee</b>	None
<b>PPA (Private Pension Administrator) Annual Fee</b>	RM8.00*
<b>PPA Pre-retirement</b>	RM25.00 per withdrawal*
<b>Withdrawal Fee</b>	
<b>PPA Transfer Fee</b>	RM25.00 per transfer*
<b>Annual PPA Administration Fee</b>	0.04% p.a. of NAV*
<b>Distribution Policy</b>	None

\*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.

# The MER for the financial year is not comparable, mainly due to the expenses are borne by the PRS Provider during the financial year.

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4473	0.5102	0.5102
Low	0.4399	0.4282	0.4282

Source: Lipper IM

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**PROVIDER'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:**

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 Disclosure Document in relation to the RHB Retirement Series dated 2 December 2015 and its supplementary(ies)(if any) ("Disclosure Document"), before investing. The Disclosure Document 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 Disclosure Document relates will only be made on receipt of a form of application referred to in the Disclosure Document. For more details, please call 1-800-88-3175 for a copy of the PHS and the Disclosure Document or collect one from any of our branches or authorised distributors. The Provider wishes to highlight the specific risks of the Fund is management risk and specific risks of the target Fund is reclassification of Shariah status risk. These risks and other general risks are elaborated in the Disclosure Document. 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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