

RHB BIG CAP CHINA ENTERPRISE FUND

This Fund aims to achieve long term capital appreciation through investments in securities of companies with high growth potential.

INVESTOR PROFILE

This Fund is suitable for investors who:

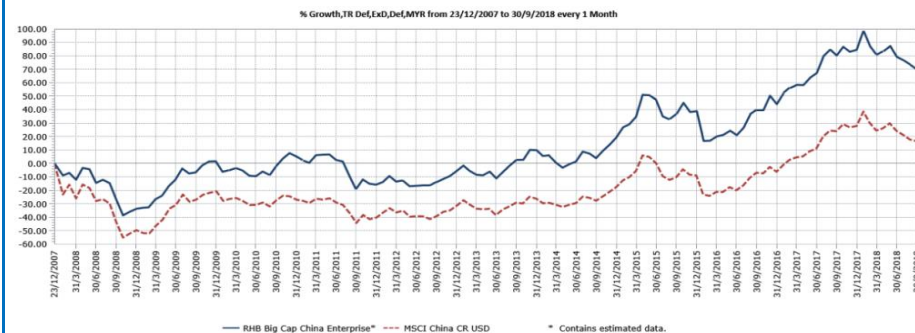
- wish to participate in the potential of the fast growing China economy; and
- are willing to accept higher risk in their investments in order to achieve long term capital growth.

INVESTMENT STRATEGY

- Up to 98% of NAV: Investments in equities & equity-linked securities issued by companies whose businesses are in China and are listed on the China markets and/or other markets.
- 2% - 5% 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	-1.94	-5.12	-5.90	-7.79
Benchmark	-0.97	-6.21	-6.28	-8.80

	1 Year	3 Years	5 Years	Since Launch
Fund	-5.56	24.56	65.36	70.16
Benchmark	-5.96	30.03	64.73	16.62

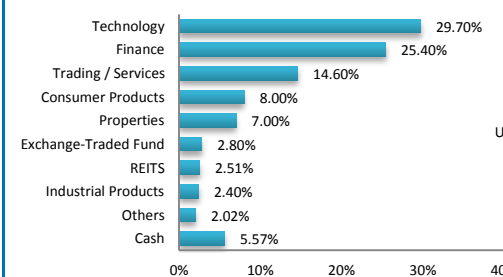
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	27.98	4.06	16.01	8.51	16.36
Benchmark	36.32	2.99	10.47	11.71	7.54

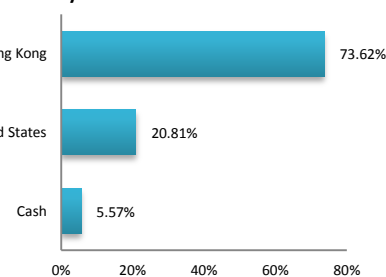
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

BAIDU	9.14
TENCENT HOLDINGS LTD	9.11
ALIBABA GROUP HOLDING	8.35
PING AN INSURANCE GROUP	5.81
CHINA CONSTRUCTION BANK	5.48

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6274	0.7715	0.7715
Low	0.5861	0.5861	0.2720

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
20 Dec 2017	7.0000	10.28
28 Dec 2016	5.0000	8.90
16 Dec 2015	5.2600	7.81
16 Dec 2014	3.0000	5.72
31 Dec 2013	-	-

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

Market sentiment continued to remain weak in September (MSCI China -2.9%), primarily due to threats of full-blown trade war between US and China. Official manufacturing PMI stood at 50.8 in September, versus 51.3 in August and street consensus of 51.2; reflecting the early impacts of the trade war on the nation's economic activity. However, we saw a relief rally during mid-September when Trump delayed the effective launch date of the 25% tariff against USD200bn worth of Chinese imports until the start of 2019.

In terms of the financial market, the People's Bank of China continued to issue reverse repos during the month to ease market liquidity pressures. The Chinese government guided for further cut in value-added tax as well as including a more comprehensive set of deduction items for individual households targeted to boost consumption demand. Furthermore, we expect an increase in government's fiscal stimulus – including infrastructure investments in the Central, Western and metropolitan areas to combat the negative impacts of the trade war.

Sector wise, we continue to see heavy selling pressure on Chinese property, Internet Technology, downstream gas players on upcoming policy overhang; autos and Macau gaming industry on slowing economic growth concerns. On the other hand, defensive sectors such as Hong Kong and Chinese telecom, as well as railway and infrastructure players fared better. Upstream oil and gas players also outperformed on the back of rising international oil prices.

MARKET OUTLOOK AND STRATEGY

We continue to expect a volatile market over the short term due to the China-U.S. trade war. Market sentiment is likely to remain weak in both China's offshore and onshore markets. However, we are getting more excited to see some further supportive policies put forward by the Chinese government to stabilise the overall economy. We have also noticed that the CNY showed some signs of stabilization. Valuation-wise, although high growth stocks are not cheap enough yet due to further downside, we expect some support for traditional sectors, as they are trading at historical lows. Again, we think sector and stock performances will further diverge down the road.

As for sectors, we remain constructive on consumption, healthcare and Internet Technology over a long term horizon. Although they are being sold off due to an across the board market sell-off, we believe their secular growth story is still very much intact. We will take this chance to accumulate slowly. In near term, we skewed our portfolio towards companies and sectors with strong balance sheet, good cash flow and better policy outlook. This has proved to allow us to better weather through market volatility. Finally, we will keep our overall position flexible so that we can catch any potential market opportunities.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 September 2018, the Volatility Factor (VF) for this fund is 16.1 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 September 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 restrictive geographical market, equities investment risks such as market risk and particular security risk and foreign investments risks such as country risk and currency 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.