

RHB EMERGING INCOME FUND - RM

The Fund aims to provide income[^] and capital growth by investing in one (1) target fund i.e. Schroder International Selection Fund Emerging Multi-Asset Income.

Note: [^]The income is in the form of units of the Fund.

INVESTOR PROFILE

This Fund is suitable for:

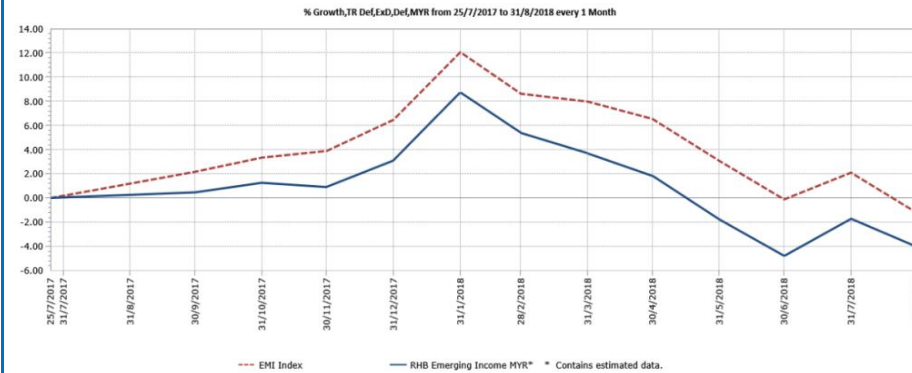
- 'Sophisticated Investor(s)' as defined in the Information Memorandum.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the USD AX distribution share class of the Target Fund;
- 2% - 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 | -2.40 | -2.34 | -8.97 | -6.93 |
| Benchmark | -3.31 | -4.22 | -9.11 | -7.27 |

| | 1 Year | Since Launch |
|-----------|--------|--------------|
| Fund | -5.02 | -4.06 |
| Benchmark | -3.65 | -1.27 |

Source: Lipper IM

FUND DETAILS

| | |
|---------------------------------------|---|
| Manager | RHB Asset Management Sdn. Bhd. |
| Trustee | HSBC (Malaysia) Trustee Bhd |
| Fund Category | Feeder Fund |
| Fund Type | Income & Growth Fund |
| Launch Date | 04 July 2017 |
| Base Currency | USD |
| Unit NAV | RM0.9350 |
| Fund Size (million) | RM231.06 |
| Units In Circulation (million) | 247.18 |
| Financial Year End | 31 August |
| MER | Not available |
| Min. Initial Investment | RM1,000.00 |
| Min. Additional Investment | RM500.00 |
| Benchmark | 50% MSCI Emerging Markets Index (USD) + 25% EMBI Global Diversified (USD) + 25% GBI-EM Global Diversified (USD) |

Sales Charge Up to 5.50% of investment amount*

Redemption Charge None

Annual Management Fee 1.80% p.a. of NAV*

Annual Trustee Fee 0.06% p.a. of NAV*

Switching Fee RM25.00 per switch*

Redemption Period Within 10 days after receipt the request to repurchase

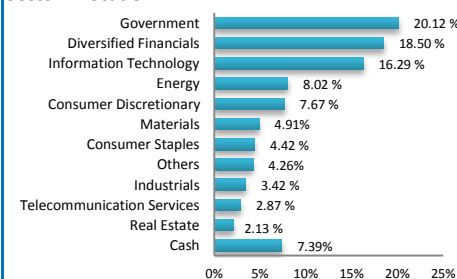
Distribution Policy Quarterly, if any

*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.

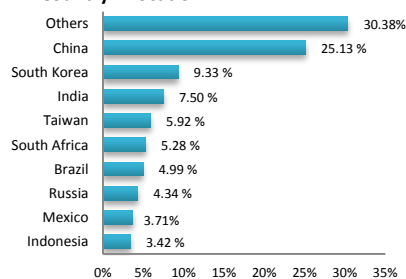
For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

| | |
|------------------------------------|------|
| TENCENT HOLDINGS LTD | 2.53 |
| ALIBABA GROUP HOLDING | 1.93 |
| SAMSUNG ELECTRONICS | 1.89 |
| TAIWAN SEMICONDUCTOR MANUFACTURING | 1.58 |
| CHINA CONSTRUCTION BANK | 1.56 |

*As percentage of NAV

*Source: Schroder, 31 August 2018. Exposure in Schroder International Selection Fund Emerging Multi-Asset Income - 96.21%

FUND STATISTICS

Historical NAV (RM)

| | 1 Month | 12 Months | Since Launch |
|------|---------|-----------|--------------|
| High | 0.9702 | 1.0968 | 1.0968 |
| Low | 0.9256 | 0.9256 | 0.9256 |

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

| | Distribution (sen) | Yield (%) |
|-------------|--------------------|-----------|
| 28 Aug 2018 | 1.2000 | 1.26 |
| 24 May 2018 | 1.3000 | 1.27 |

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MANAGER'S COMMENTS
MARKET REVIEW

Emerging markets fell over the month, as a strong US dollar and protracted US-China trade tensions were compounded by an intensifying currency crisis in Turkey and Argentina. Local currency bonds were firmly down as a result, while other asset classes experienced more modest falls. It is worth highlighting that we do not expect contagion from what remain two highly idiosyncratic situations. In Argentina, text book policies have been suffering from clumsy implementation, while in Turkey, an economically unorthodox approach has been implemented with enthusiasm. The Target Fund's yield at 31 August 2018 was 4.0% p.a.

PORTFOLIO ACTIVITY

Overall the Target Fund remains cautious on local currency debt, credit risk and duration, and retains a tilt towards high quality equities and Asia. Over the month, the Target Fund Manager significantly reduced currency exposure, but maintained equity sensitivity especially in markets that the Target Fund Manager considers increasingly oversold.

MARKET OUTLOOK

Given increasing divergence between countries, the Target Fund Manager thinks it is more important than ever to adopt a precise, focused, granular approach, carefully differentiating between EM assets classes as the cycle matures. Recent market turbulence has created some unusually compelling opportunities across asset classes and the Target Fund Manager will continue to carefully monitor these areas.

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 4 July 2017 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 "sophisticated 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 of the Fund are management risk, liquidity risk, country risk and currency risk and the specific risks of the Target Fund are capital risk due to distribution policy of Target Fund, capital risk due to negative yields, China country risk, counterparty risk for derivatives, counterparty risk for money market and deposit, credit risk, currency risk, derivatives risk, emerging markets and frontier risk, equity risk, high yield bond risk, interest rate risk, leverage risk, liquidity risk, operational risk. These risks and other general risks are elaborated in the Information Memorandum.

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

 RHB Group
  @RHBGroup
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  RHBGroup

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