

### RHB GROWTH AND INCOME FOCUS TRUST

This Fund aims to achieve maximum total returns through a combination of long term growth of capital and current income.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

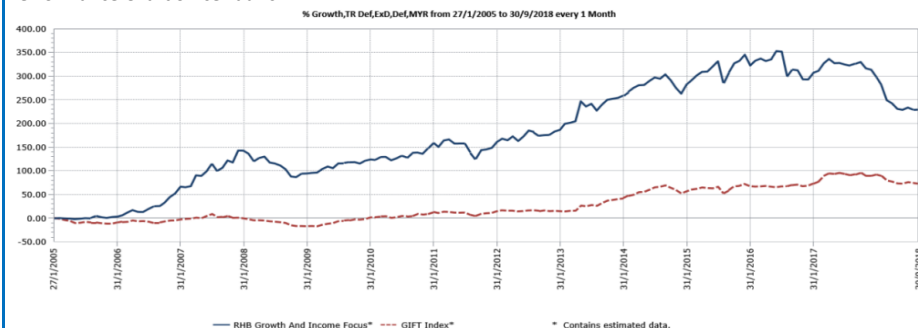
- seek long term capital appreciation through investments in high growth potential small cap securities whilst requiring the flexibility of a conservative portfolio of fixed income securities in order to capitalise and adapt to prevailing market conditions; and
- are willing to accept slightly higher risk in their investments than that normally associated with a general balanced fund in order to achieve long term capital growth and income.

#### INVESTMENT STRATEGY

- 30% - 70% of NAV: Investments in securities of companies with market capitalization of not more than RM750 million ("small cap securities").
- 30% - 70% of NAV: Investments in fixed income securities, money market instruments, cash and deposits with financial institutions.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
<b>Fund</b>	<b>0.16</b>	<b>0.25</b>	<b>-5.62</b>	<b>-20.30</b>
Benchmark	-0.68	0.22	-3.46	-8.44

	1 Year	3 Years	5 Years	Since Launch
<b>Fund</b>	<b>-22.64</b>	<b>-19.19</b>	<b>-3.08</b>	<b>229.17</b>
Benchmark	-10.15	9.20	30.43	72.82

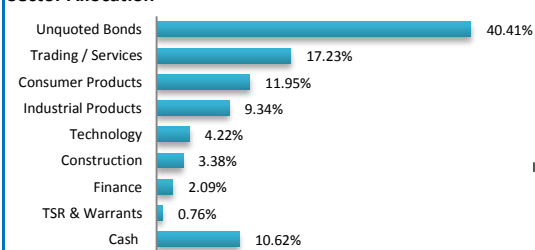
##### Calendar Year Performance (%)\*

	2017	2016	2015	2014	2013
<b>Fund</b>	<b>5.08</b>	<b>-11.62</b>	<b>22.73</b>	<b>2.38</b>	<b>25.10</b>
Benchmark	12.19	-1.96	12.80	8.09	21.51

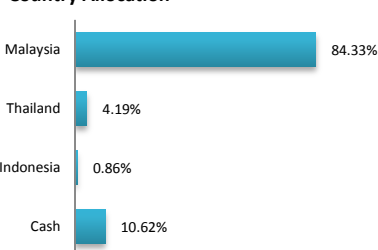
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

BRIGHT FOCUS BHD 2.5% (24/01/2030)	14.48
MEX II SDN BHD 5.7% (29/04/2027)	10.09
GENM CAPITAL BHD 4.98% (31/03/2027)	5.75
ELSOFT RESEARCH BHD	4.22
BANGKOK AVIATION FUEL SERVICES	4.19

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3188	0.4632	0.9179
Low	0.3132	0.3132	0.3132

Source: Lipper IM

##### Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
20 Dec 2017	4.5000	9.89
16 Dec 2016	-	-
16 Dec 2015	2.0500	4.27
16 Dec 2014	2.7800	6.05
27 Dec 2013	7.8075	15.58

Source: RHB Asset Management Sdn. Bhd.

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### MANAGER'S COMMENTS

#### MARKET REVIEW

For the month of September 2018, FBM KLCI decline -26.5 points, or -1.5% month on month ("MoM") to 1,793 points while Malaysian Ringgit ("MYR") weakened by 0.79% to MYR 4.1390/ U.S. Dollar ("USD") in the month despite oil price rising by +5%. However, September month also saw net monthly inflows from foreign funds for the first time since the 14th General Elections, albeit small, thanks to the Financial Times Stock Exchange ("FTSE") rebalancing on the 21st September, which resulted in net inflows into Malaysia.

The key headline in September 2018 was the end of the tax holiday with Sales and Service Tax ("SST") being re-introduced. The other big news is the announcement of the cancellation of 3 China-backed projects – the East Coast Railway ("ECRL") and the 2 gas pipeline projects estimated at USD \$23bn. More changes were seen in corporate Malaysia with new appointments seen in the Government Linked Companies ("GLC").

The Bank Negara Malaysia ("BNM") Monetary Policy Committee ("MPC") meeting held in the month did not reveal any surprises, as low inflation and the current account surplus provide flexibility for keeping policy rates on hold at 3.25%. The next and last MPC meeting for the year is scheduled on 8th November 2018. Malaysia's exports rose 9.4% YoY in July to MYR 86.1 billion to a new record high on higher export volume of electrical & electronic products goods, crude petroleum, and natural rubber and timber. However there were declines for liquefied natural gas (-MYR1.5 billion), palm oil and palm oil-based products (-MYR862.9 million), and refined petroleum products (-MYR768.3 million).

#### MARKET OUTLOOK AND STRATEGY

The Emerging markets' currency weakness over the last six months is the result of USD strength amid heightened trade tensions, while medium-term headwinds are not diminishing. The MYR has weakened almost 7% against the USD since the last six months, to MYR 4.14/USD. While the MYR has held up relatively well versus the Emerging markets due to Central Bank's exchange rulings and a positive current account surplus, and a weaker MYR would be positive for exporters.

The coming budget in 2nd November 2018 will be closely watch as investors will see how the new government will chart economy growth going forward. As the priority is to reduce the nation's debt, we believe that certain sectors will face lower allocation and government will find new avenues to increase national revenue. Furthermore, apart from global factors, the return of foreign funds will hinge on 1) reaffirmation of Malaysia's sovereign credit rating 2) MYR stability 3) market earnings/ GDP growth outlook and 4) greater clarity on GLC leadership.

In terms of strategy, the equity market is still adjusting to the new government policies and actions, and we are also mindful of the headwinds from global trade tensions and geopolitical events. Hence, in the near term, we expect the equity market continues to be volatile, but given the opportunity when the valuations reach an attractive level, we will slowly accumulate good quality stocks to benefit the fund in the longer term.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 15 September 2018, the Volatility Factor (VF) for this fund is 12.5 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 August 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 for the Fund are liquidity risk of underlying investments, interest rate risk, credit/default risk, inflation/purchasing power risk, market risk and particular securities 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.