

RHB RETIREMENT SERIES - ISLAMIC EQUITY FUND

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

[^] "medium to long-term" in this context refers to a period between 3 – 7 years.

MEMBER'S PROFILE

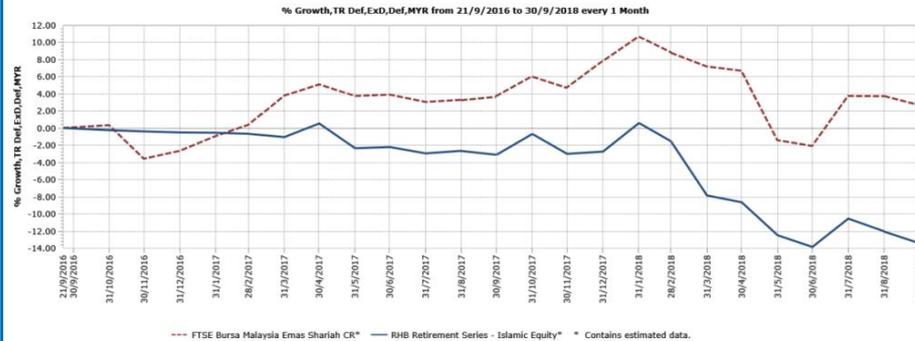
The Fund is suitable for Members who are looking for investments in a diversified portfolio of assets that comply with Shariah requirements. These Members are willing to accept moderate to high risk in their investments and prefer capital growth rather than income over a medium to long-term period.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in units of RHB 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	-1.52	0.56	-5.99	-10.94
Benchmark	-1.00	4.85	-4.17	-4.69

	1 Year	Since Launch
Fund	-10.59	-13.36
Benchmark	-0.93	2.71

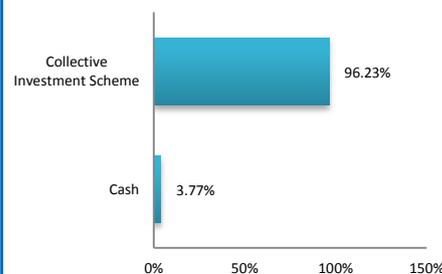
Calendar Year Performance (%)*

	2017
Fund	-2.21
Benchmark	10.72

Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Asset Allocation*



Top Holdings (%)*

RHB DANA ISLAM 96.23

*As percentage of NAV

FUND DETAILS

Provider	RHB Asset Management Sdn. Bhd.
Trustee	Deutsche Trustees Malaysia Bhd
Fund Category	Feeder fund – equity (Shariah-compliant)
Launch Date	01 September 2016
Unit NAV	RM0.4332
Fund Size (million)	RM1.27
Units In Circulation (million)	2.94
Financial Year End	31 May
MER (as at 31 May 2018)	Not available #
Min. Initial Investment	RM100.00
Min. Additional Investment	RM100.00
Benchmark	FTSE Bursa Malaysia Emas Shariah Index
Sales Charge	Up to 3.00% of NAV per unit*
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.04% p.a. of NAV*
Switching Fee	None
PPA (Private Pension Administrator) Annual Fee	RM8.00*
PPA Pre-retirement	RM25.00 per withdrawal*
Withdrawal Fee	
PPA Transfer Fee	RM25.00 per transfer*
Annual PPA Administration	0.04% p.a. of NAV*
Fee	
Distribution Policy	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	0.4399	0.5102	0.5102
Low	0.4319	0.4282	0.4282

Source: Lipper IM

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PROVIDER'S COMMENTS**MARKET REVIEW**

For the month of September 2018, FBM Shariah Index declined -128.51 points, or -1% month-on-month to 12,679 level while Malaysian Ringgit (MYR) weakened 0.79% to 4.1390 in the month despite oil price rising +5%. However, September also saw net monthly inflows from foreign funds for the first time since General Election 14, albeit small, at +RM66.3 million, thanks to the FTSE rebalancing on 21 September which resulted in net inflows into Malaysia with the inclusion of Hartalega and Dialog into the index.

The key headline in September 2018 was the end of the tax holiday with Sales and Services 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 US\$23 billion, with the penalty fee yet to be negotiated. More changes were seen in corporate Malaysia with the Government-Linked Companies (GLCs) leading the pack. A new Malaysian Communications and Multimedia Commission (MCMC) head was announced together with new heads at Felda Global Ventures (FGV), Lembaga Tabung Angkatan Tentera (LTAT) and Majlis Amanah Rakyat (MARA), while CIMB's chairman announced stepping down from his role at the end of the year.

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 8 November 2018. Malaysia's exports rose 9.4% year-on-year in July to RM86.1 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 (-RM1.5 billion), palm oil and palm oil-based products (-RM862.9 million), and refined petroleum products (-RM768.3 million).

MARKET OUTLOOK AND STRATEGY

The Emerging Market (EM) currency weakness over the last six months is the result of dollar strength amid heightened trade tensions, while medium-term headwinds are not diminishing. The United States Dollar: Malaysian Ringgit (USD: MYR) has weakened almost 7% against the USD since the last six months, to 4.14. While the MYR has held up relatively well vs. EM due to central bank exchange rulings and a positive current account surplus, what may work against the MYR is the high level of foreign ownership of 40% in Malaysia Government Securities (MGS), leaving little room for policy error, given the narrow fiscal space. A weaker MYR would be positive for exporters (including rubber manufacturers and tech), petrochemicals, plantations and tourism.

The coming budget in 2 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 debt, we believe that certain sectors will face lower allocation and some form of taxes may be introduced to increase the national revenue.

In our view apart from global factors, return of foreign funds will hinge on 1) reaffirmation of Malaysia sovereign credit rating 2) MYR stability 3) market earnings/GDP outlook and 4) greater clarity on GLC leadership. We see upcoming Budget on 2 November 2018 as a key market event unlike previous Budgets.

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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