

RHB ASEAN FUND

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

INVESTMENT STRATEGY

- 70% to 98% of NAV: Investments in equities and equity related securities (such as warrants).
- Up to 30% of NAV: Investments in fixed income securities such as government and semi-government bonds, corporate debt securities and money market instruments.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

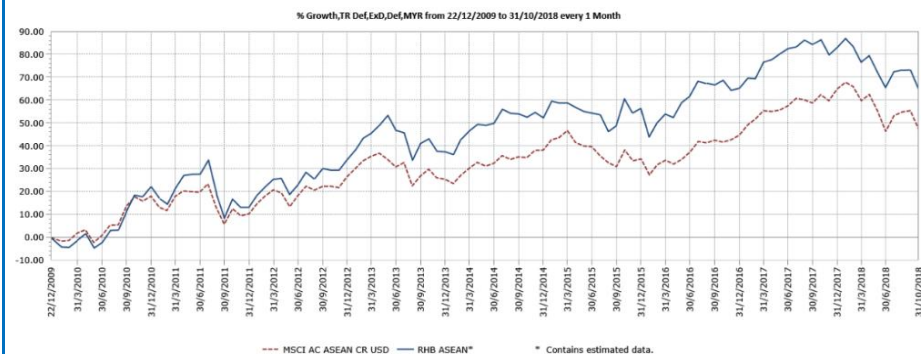
INVESTOR PROFILE

This Fund is suitable for investors who:

- wish to participate in the potential and investment opportunities of the fast growing ASEAN economies; and
- are willing to accept higher risk in their investments in order to achieve medium to long term capital growth.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-4.98	-4.46	-8.28	-10.05
Benchmark	-5.30	-3.95	-9.43	-10.74

	1 Year	3 Years	5 Years	Since Launch
Fund	-11.68	2.52	15.05	64.55
Benchmark	-9.38	6.43	13.29	47.12

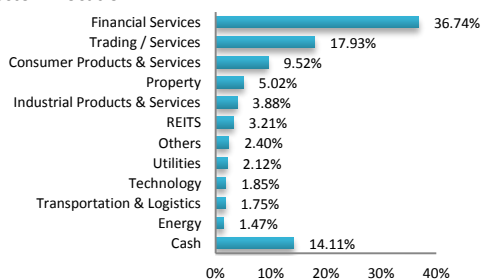
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	10.85	5.55	2.67	10.86	2.48
Benchmark	13.98	7.64	-2.79	10.16	-0.92

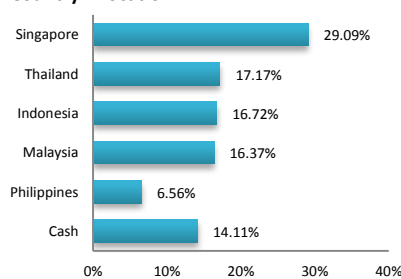
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

DBS GROUP HOLDINGS LTD	6.38
UNITED OVERSEAS BANK LTD	4.94
SINGAPORE TELECOMMUNICATIONS	4.26
OVERSEA CHINESE BANKING	4.22
PUBLIC BANK BHD	3.90

*As percentage of NAV

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Growth Fund
Launch Date	02 December 2009
Unit NAV	RM0.4754
Fund Size (million)	RM13.88
Units In Circulation (million)	29.20
Financial Year End	30 April
MER (as at 30 April 2018)	2.43%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI South East Asia Index (RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Incidental

*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 STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5003	0.5806	0.6743
Low	0.4677	0.4677	0.4562

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
20 Apr 2018	3.4000	6.05
28 Apr 2017	-	-
28 Apr 2016	6.0000	11.24
28 Apr 2015	6.0000	10.12
28 Apr 2014	5.8000	9.54

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

The ASEAN markets had a tough month in October. Singapore, Thailand and Malaysia led the declines in the region. Most ASEAN currencies depreciated against the US Dollar, except for the Philippines. Concerns on a possible global slowdown and the U.S. and China trade impact elevated market concerns.

More property guidelines were released in Singapore. The Urban Redevelopment Authority (URA) has revised its guideline to reduce the maximum allowable units. This measure is encourage developers to cater to bigger family units, safeguard the liveability of the apartments and to ensure that local infrastructure is not overburdened. The measure will ensure that nine areas will have a 100sqm requirement per unit, and the condominium developments in the Outside Central Region (OCR) will have an average unit size of 85sqm. The Oil and Gas sector bore the brunt of the retracement of the oil price. The fears of a supply shock from loss in Iran crude changed the mind of the U.S., and the decision to grant waivers to 8 countries before the sanction takes effect on November 3 saw some profit taking in the market.

Malaysia continued to reset expectations on fiscal consolidation and yet ensure growth. The Malaysian government cut costs for the MRT Line 2 total construction by 22.5% to MYR 30.5bn and decided to continue with the LRT3 project at MYR 16.6bn. The 2019 budget revealed that the deficit target will be revised up to 3.7% of 2018 GDP and back down to 3.4% in 2019.

Thailand export data was weak (-6.6% m-o-m), due to supply chain disruption in the auto sector. Thailand consumer confidence also fell for the first time in four months in September, -0.2% m-o-m. Bank of Thailand also released new regulation on housing loans to be effective next year that require buyers of homes worth more than BHT 10mn and of second homes to make down payments of at least 20%. This is in relation to the rising household debt and rising bad mortgage loans.

The Indonesia market current account deficit in 3Q will likely be high but we expect a recovery in 4Q. Parliament has approved the FY19 fiscal budget which expects a 1.84% GDP budget deficit, inflation of 3.5%, RP/\$ at 15,000. The government has surprised the market by not hiking excise tax on cigarettes. This is an unprecedented move as excise usually increases about 10% every year. The main reason is due to combat illegal cigarettes and protect consumer confidence in 2019 given the weakening Indonesia Rupiah and also Presidential Elections next year. The government also plan to bring VAT on services export from 10% to 0%.

The Philippines central bank raised its overnight rates by another 50bps to 4.5% bringing to a total of 150bps since May to curb inflation. Inflation hits a 9-year high at 6.7% in September. The government has also mulled the postponement of the scheduled 2019 increase in fuel excise taxes for at least three months.

MARKET OUTLOOK AND STRATEGY

We are cautiously optimistic on our markets given the depreciation of currencies across the ASEAN currencies and growing macro concerns in Philippines and Indonesia. We have moved our strategy towards a more defensive stance as we see further headwinds in the ASEAN markets on external factors such as poorer sentiment from the impact of the trade war tariffs and possible stronger US dollar impact on emerging countries.

In the next 5-10 years, Asia, especially ASEAN, will emerge as the region with relatively stronger growth than the rest of the world. ASEAN with the structural advantage in demographics will emerge as the complimentary piece to China's evolution into a giant consumption economy. Adding on to the commitments by the governments in Asia/ASEAN towards infrastructure development, the region will feature prominently as the place for equity investments. We would look to buy stocks during periods where investors largely ignore these positive developments in the region.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 October 2018, the Volatility Factor (VF) for this fund is 10.7 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 8.7 but not 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 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.