

RHB EUROPEAN SELECT FUND

The Fund aims to achieve capital growth over the long-term* by investing in one target fund, i.e. the Threadneedle European Select Fund.

*Note: "long term" in this context refers to a period of between 5 - 7 years.

INVESTOR PROFILE

This Fund is suitable for investors who:

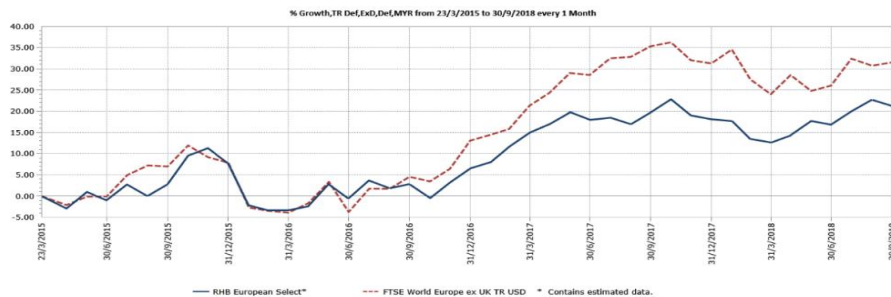
- are 'qualified investors' as defined in the Information Memorandum.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in units of Threadneedle European Select Fund.
- 2% to 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	-1.17	3.80	7.66	2.59
Benchmark	0.58	4.33	6.03	0.18

	1 Year	3 Years	Since Launch
Fund	1.22	17.99	21.20
Benchmark	-2.82	22.90	31.48

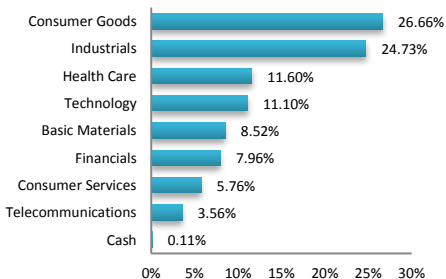
Calendar Year Performance (%)*

	2017	2016
Fund	10.85	-0.97
Benchmark	16.07	4.85

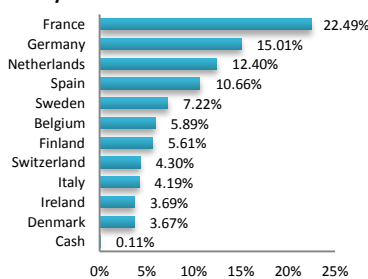
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

UNILEVER NV CERT. OF SHS	5.10
RELX PLC	4.77
ADIDAS AG	4.62
PERNOD RICARD SA	4.55
SAMPO OYJ CLASS A	4.47

*As percentage of NAV

*Source: Threadneedle, 30 September 2018. Exposure in Threadneedle European Select Fund - 97.08%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6132	0.6188	0.6188
Low	0.5919	0.5512	0.4517

Source: Lipper IM

FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustee Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth (Wholesales Fund)
Launch Date	03 March 2015
Unit NAV	RM0.6060
Fund Size (million)	RM109.87
Units In Circulation (million)	181.33
Financial Year End	28 or 29 February
MER (as at 28 Feb 2018)	0.55%
Min. Initial Investment	RM20,000.00
Min. Additional Investment	RM10,000.00
Benchmark	FTSE World Europe ex UK (RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	Up to 1.80% p.a. of NAV*
Annual Trustee Fee	Up to 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	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.

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MANAGER'S COMMENTS

MARKET BACKGROUND

The Target Fund's benchmark index was flat in euro terms and fell by 0.5% in sterling terms during September.

President Trump announced that the US would impose tariffs on \$200 billion worth of goods imported from China, ramping up the trade tensions between the two countries. China has retaliated with further levies on US imports. Nevertheless, US equity markets remained near record levels, boosted in part by strength in energy stocks – Brent crude rose above \$80 per barrel.

Jean-Claude Juncker, the president of the European Commission, expressed concerns that the UK may not secure a Brexit deal – issues such as a hard border between Northern Ireland and the Republic remain contentious.

Italy's new populist government unnerved investors by targeting a larger-than-expected budget deficit for 2019. In Sweden, negotiations are underway to form a coalition government. A general election held during the month saw gains for the anti-immigration party Sweden Democrats, mirroring the rise of populist parties in other countries. However, these gains were less than many had feared, and did not provide a major disruption to the Swedish political landscape. In Turkey, interest rates were raised sharply to 24% in an attempt to control inflation and prevent a further collapse in the lira.

Within the benchmark index, Turkey, Norway and Sweden led the gains, while Greece, Denmark and Ireland were weaker. Energy and financials were the strongest sectors; real estate and technology were the main laggards.

MARKET OUTLOOK

European equities are benefiting from encouraging corporate profitability, a supportive economic backdrop in the eurozone and a resurgence in M&A activity; they are also cheap relative to US equities. Market volatility presents us with investment opportunities.

It will take time before the full effects of Brexit, new governments in Spain and Italy, and Catalonia's bid for independence become clear. Other risks include heightened tensions with Russia and the threat of a global trade war.

The Target Fund Manager's main focus in managing this high-conviction portfolio is on stock selection. The Target Fund Manager seeks to identify high-quality companies with the pricing power to sustain strong returns.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 September 2018, the Volatility Factor (VF) for this fund is 10.6 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 Information Memorandum dated 3 March 2015 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 "qualified 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 for the Fund are market risk, currency risk, hedged share classes, effect of portfolio concentration and restrictive geographical market.

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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