

RHB GOLDEN DRAGON FUND

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

INVESTOR PROFILE

This Fund is suitable for investors who:

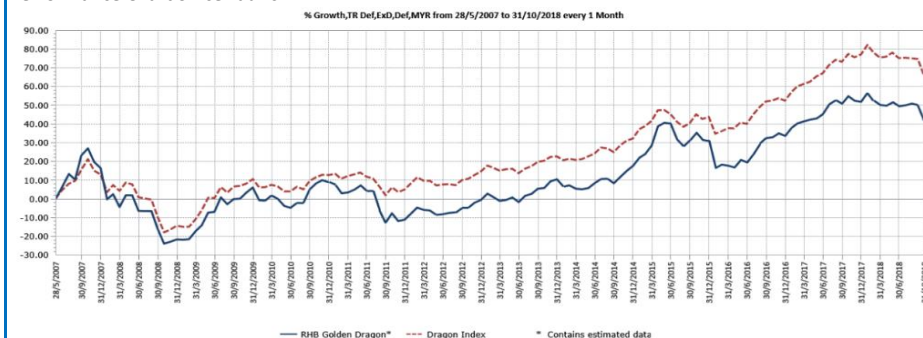
- are conservative and yet wish to participate opportunistically in the potential of the fast growing Greater China markets;
- seek a flexible investment mandate capable of capitalising and adapting to prevailing market conditions;
- are willing to accept moderate risk in their investments in order to achieve long term capital growth and income.

INVESTMENT STRATEGY

- 30% - 70% of NAV: Investments in securities of & securities relating to companies whose businesses are in the Greater China (i.e. the People's Republic of China, Hong Kong SAR and Taiwan) & are listed on the Greater China markets and/or other markets.
- 30% - 70% of NAV: Investments in Malaysian 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
Fund	-5.54	-5.47	-5.33	-6.62
Benchmark	-5.25	-5.61	-5.89	-6.56

	1 Year	3 Years	5 Years	Since Launch
Fund	-8.42	4.79	34.12	41.81
Benchmark	-6.67	14.05	37.65	65.51

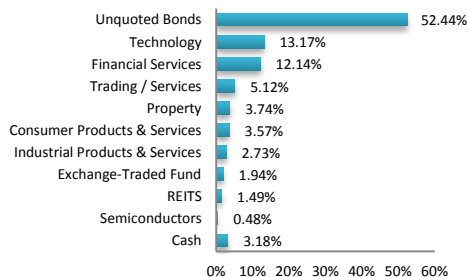
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	13.68	2.02	11.36	6.55	11.05
Benchmark	16.20	6.02	8.85	7.76	7.00

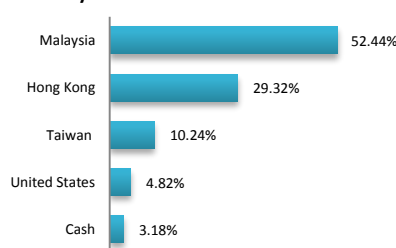
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

MEX II SDN BHD 6.2% (29/04/2032)	16.35
ALPHA CIRCLE 5.6% (18/11/2022)	8.82
ALPHA CIRCLE 5.30% (23/02/2021)	6.65
BRIGHT FOCUS BHD 2.5% (24/01/2030)	4.12
TAIWAN SEMICONDUCTOR MANUFACTURING	3.87

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5380	0.5679	0.6106
Low	0.5020	0.5020	0.3026

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
31 Dec 2017	-	-
28 Dec 2016	3.6000	7.51
16 Dec 2015	4.5750	8.24
31 Dec 2014	-	-
31 Dec 2013	-	-

Source: RHB Asset Management Sdn. Bhd.

RHB Asset Management Sdn Bhd (174588-x)

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MANAGER'S COMMENTS

MARKET REVIEW

Chinese markets suffered from the huge sell-off pressure in October (MSCI China -11.1%) due to a number of reasons: 1) Trump's threat to apply import tariffs on all of the remaining USD260bn worth of China imports; 2) weaker third quarter earnings on major US tech names; 3) continued currency depreciation of RMB; and 4) weak set of China economic data. Nevertheless, we saw a relief rally at the end of October when markets speculated a potential resolution in the U.S. – China trade war. China reported its third quarter GDP growth figures, slowing down to 6.5% yoy, compared to 6.7% forecasted in the second quarter.

Major government officials publicly expressed their views upon the undervalued A-share market, and reiterated their positive stance on China's long term economic growth outlook. In terms of the policy wise, government stood up with numerous market stabilization measures including; 1) encouraging local government to establish new managed funds to support listed companies with healthy long term growth prospect, 2) encouraging private funds to participate in private placements, equity transfer agreements and merger and acquisition transactions, 3) loosening the cap for insurance companies to further invest in specific managed equity products.

Sector wise, we continue to see heavy selling pressure on China property, internet technology, mobile hardware, Macau gaming sectors on upcoming policy overhang and slowing economic growth concerns. On the other hand, defensive sector such as HK and China telecom, HK utilities, railway and infrastructure players fared better than the market.

MARKET OUTLOOK AND STRATEGY

In the China and Hong Kong market, we expect a volatile market in near term, as we do not think sentiments will further deteriorate substantially at this level. On a positive note, we are encouraged to see serious efforts by the Chinese government to stabilise the overall economy. We are also seeing some signs of relief in trade tension between U.S. and China. Valuation-wise, as the market is trading close to historical trough, we expect some supports will come in for certain sectors with solid fundamentals. We stress again that sector and stock selection will be the key to performance down the road.

For sectors, we stay constructive on consumption, healthcare and internet technology over a long term investment horizon. Although they were being sold off, we believe that their secular growth story is still very much intact. We will take this chance to accumulate slowly. But in near term, we skewed our portfolio towards companies and sectors with strong balance sheet, good cash flow and better policy outlook. This has proved to allow us to better weather through market volatility.

For Taiwan market, we continue to expect underperformance within the Apple supply chain. This was proven to be correct after Apple revised down its shipment outlook lately. We will stick to leaders, as they are able to gain market share during this industry downturn. On the non-tech side, we still like banks as they are a clear beneficiary of the U.S. rate hike cycle.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 October 2018, the Volatility Factor (VF) for this fund is 9.4 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 restrictive geographical market, interest rate risk, credit and default risk, foreign investment risks such as country risk and currency risk and equities investment risks such as market risk and particular security 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.