

RHB RETIREMENT SERIES - GROWTH FUND

The Fund seeks to provide capital growth.

INVESTMENT STRATEGY

- Up to 70% of NAV: Investments in equities.
- At least 30% and up to 50% of NAV: Investments in fixed income instruments and/or money market instruments.
- Up to 5% of NAV: Investments in cash or cash equivalents.

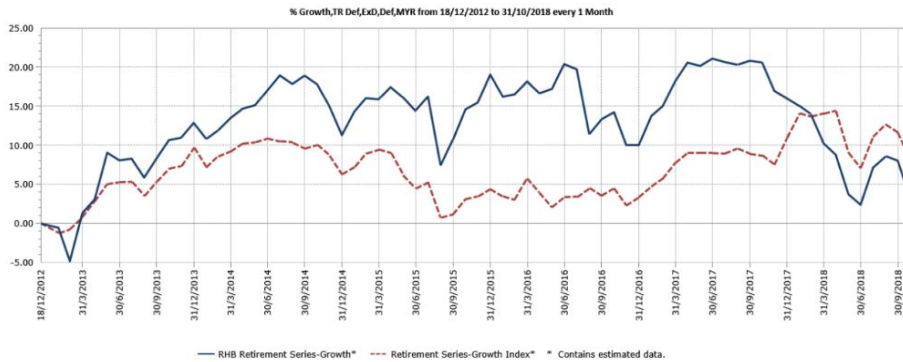
MEMBER'S PROFILE

This Fund is suitable for Members who:

- have high risk profile; and
- are in the age group of below 40 years old.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-4.41	-3.66	-5.09	-10.97
Benchmark	-3.08	-2.57	-5.41	-2.44

	1 Year	3 Years	5 Years	Since Launch
Fund	-14.36	-9.91	-6.68	3.27
Benchmark	-0.43	4.96	1.11	8.23

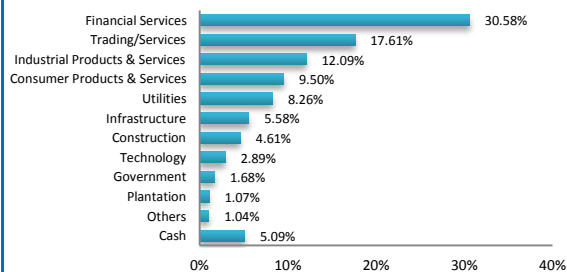
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	5.45	-7.58	6.97	-1.41	12.86
Benchmark	7.36	-1.02	-1.73	-3.15	8.35

Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Asset Allocation*



Top Holdings (%)*

YTL POWER INTERNATIONAL BHD (AA1)	8.26
HONG LEONG ASSURANCE BHD (AA3)	7.74
MALAYAN BANKING BHD	7.04
TENAGA NASIONAL BHD	6.02
AMMB HOLDINGS BHD MTN	5.62

*As percentage of NAV

FUND DETAILS

Provider	RHB Asset Management Sdn. Bhd.
Trustee	Deutsche Trustees Malaysia Bhd
Fund Category	Core (Growth)
Launch Date	18 December 2012
Unit NAV	RM0.4210
Fund Size (million)	RM18.06
Units In Circulation (million)	42.90
Financial Year End	31 May
MER (as at 31 May 2018)	1.13%
Min. Initial Investment	RM100.00
Min. Additional Investment	RM100.00
Benchmark	70% FBM KLCI + 30% Maybank's 12 mths FD Rate Up to 1.00% of NAV per unit*
Sales Charge	Up to 1.00% of NAV per unit*
Redemption Charge	None
Annual Management Fee	Up to 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 Withdrawal Fee	RM25.00 per withdrawal*
PPA Transfer Fee	RM25.00 per transfer*
Annual PPA Administration Fee	0.04% p.a. of NAV*
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	0.4406	0.4916	0.5784
Low	0.4162	0.4153	0.4153

Source: Lipper IM

Historical Distributions (Last 4 Years) (Net)

	Distribution (sen)	Yield (%)
23 May 2017	2.0000	4.08
26 May 2016	3.1000	5.97
29 May 2015	3.0000	5.44
28 May 2014	2.7000	5.00

Source: RHB Asset Management Sdn. Bhd.

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PROVIDER'S COMMENTS
MARKET REVIEW
Equity

Global equity market tumbled in the month of October 2018 with Dow Jones declined more than almost 9% during the month. This has completely erased the gain for the year and Dow Jones is now trading at level below 1 January 2018. The meltdown continued towards the end of the month as United States (US) talks about extending tariffs to all Chinese imports. Nasdaq also briefly broke below 7000 level on news that United Kingdom (UK) might introduce much expected new tax on technology companies.

Asia was not spared from the meltdown with Taiwan and Korea being the worst hit countries with major indices down approximately 13% to 14%. Technology sector globally suffered the most as Amazon and Google miss earnings. Also, there were reports that China hacked into US companies by implanting a chip on servers destined for the US.

FBM KLCI declined by 4.7% to close at 1709 points, which are the least affected among the region. Telecommunication and technology sector were the worst performing sector. Foreigners also concern over rumors of introduction of capital gain tax. "A New Dawn" investor conference was held on 9 October 2018 with major speakers like Tun Dr. Mahathir bin Mohamad and Finance Minister Lim Guan Eng addressing investors' concerns. Malaysia is returning back into a position of prudence and is in restructuring mode to fix weaknesses and pare back debt. Slightly reduced GDP growth while improving the daily life outcome of Malaysia's bottom 40%/middle class population is an acceptable balance. Pakatan Harapan government aims to scale back equity stake in GLCs (to help with Budget 2019) and over time reduce "crowding out" of private businesses. Greater equity participation will be encouraged and a higher free-float eventually will help improve liquidity and cost of funding.

On the corporate front, MYEG and Datasomic share price was battered on worries about the fallout from the charges against former Deputy Prime Minister Datuk Seri Ahmad Zahid Hamidi. On 19 October 2018, MYEG share prices hit limit down and trading was suspended in the afternoon session. MYEG released a press statement to Bursa Malaysia last Friday that its company was not implicated in the charges against former Datuk Seri Ahmad Zahid Hamidi. The Malaysian government has rescinded its earlier decision to terminate MMC-Gamuda Joint Venture's contract for the Klang Valley MRT Line 2 (MRT2) underground works. The contract value will be reduced by RM3.6bn to RM11.9bn. The Energy, Green Technology, Science and Climate Change Minister Yeo Bee Yin announced that four proposed IPP contracts have been cancelled. These are (a) TNB and Malakoff's 700MW gas plant in Kapar; (b) TNB and Aman Majestic Sdn Bhd's 1,400MW plant in Paka; (c) Sabah Development Energy (Sandakan) Sdn Bhd and SM Hydro Energy Sdn Bhd's 300MW gas plant in Sandakan; and (d) Edra Power Holdings Bhd's 400MW solar plant.

Fixed Income
U.S. Treasuries

US Treasury (UST) 10-year yields started out the month of October 2018 at 3.06% and yields steadily climbed higher through the month, as US Macro data continues posting stable numbers showing the overall strength of the economy.

Ringgit Sovereign Bond

On the local rates, Malaysia Government Securities (MGS) started the month on a stable ground despite risk-off sentiments surrounding the external front. Nevertheless, the yield has inched higher towards the end of the month as investors stayed sideline in anticipating further details of Budget 2019 with some concerns on wider fiscal deficit and the impact on sovereign Malaysia rating.

Ringgit Corporate Bond

In the ringgit corporate bond space, overall monthly trading volume improved during the month of October 2018 amid higher government bond yields as investor switched to corporate space for yield preservation.

MARKET OUTLOOK AND STRATEGY
Equity

Malaysia's economy is showing resilience and continues to perform however at moderating pace. Fiscal consolidation may see transitory impact on growth. Hence, going forward, government policy priorities will balance the objectives of fiscal consolidation and ensuring more inclusive economic growth. In this regard, we foresee a short-term impact on economic growth pursuant to the implementation of the fiscal reforms. However, structural policy measures as well as high impact development programmes and projects will continue to be implemented, albeit in a more transparent and financially sustainable manner. The growth outlook until 2020 can be deemed as cautiously optimistic.

Overall, we retain our view that the stock market could be volatile in the months ahead due to short-term domestic policy uncertainty and external risk factors. However, we are positive on the government's push to reform the country in the medium-to-long term. Budget announced seen the government's effort in trying to manage the market expectation and the budget deficit. As the priority is to reduce the nation debt, gaming taxes was increased substantial to cushion the national revenue loss due to GST.

Fixed Income

On the local front, Budget 2019 has confirmed that Malaysia's fiscal deficit will be wider at 3.7% in 2018 (previous expectation was at 2.8%) and at 3.4% in 2019, deviating temporarily from its previous fiscal plan.

In terms of domestic strategy, as indicated previously, we witnessed another round of recently upward adjustment of yields quickly been met by real money investors and extensively guided the yield of 10-year MGS back to the lower end of 4.10% level after being sold-off to as high as 4.20% level during the month. The recent Budget 2019 has revealed some supply concern on local rates as total net supply is expected to increase due to the fiscal slippage. Strategically, we will tactically invest in corporate bonds where we see yields as attractive with decent credit fundamentals to ride on the re-pricing of yields to boost overall portfolio yield.

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 are equity risk, credit risk, interest rate risk, liquidity risk, income distribution risk and derivatives 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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