

### RHB RETIREMENT SERIES - ISLAMIC EQUITY FUND

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

<sup>^</sup> "medium to long-term" in this context refers to a period between 3 – 7 years.

#### MEMBER'S PROFILE

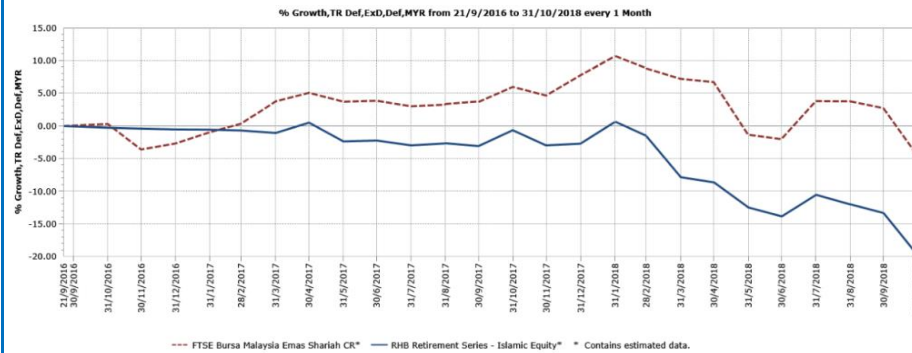
The Fund is suitable for Members who are looking for investments in a diversified portfolio of assets that comply with Shariah requirements. These Members are willing to accept moderate to high risk in their investments and prefer capital growth rather than income over a medium to long-term period.

#### 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	-7.53	-10.44	-12.30	-17.64
Benchmark	-7.15	-8.11	-10.61	-11.51

	1 Year	Since Launch
Fund	-19.35	-19.88
Benchmark	-10.02	-4.63

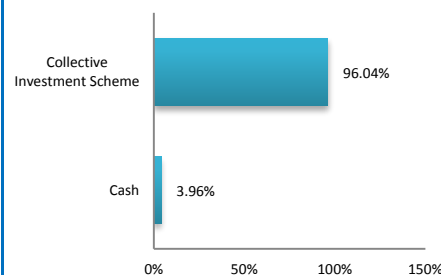
##### Calendar Year Performance (%)\*

	2017
Fund	-2.21
Benchmark	10.72

Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Asset Allocation\*



##### Top Holdings (%)\*

RHB DANA ISLAM 96.04

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4353	0.5102	0.5102
Low	0.3944	0.3944	0.3944

Source: Lipper IM

#### FUND DETAILS

<b>Provider</b>	RHB Asset Management Sdn. Bhd.
<b>Trustee</b>	Deutsche Trustees Malaysia Bhd
<b>Fund Category</b>	Feeder fund – equity (Shariah-compliant)
<b>Launch Date</b>	01 September 2016
<b>Unit NAV</b>	RM0.4006
<b>Fund Size (million)</b>	RM1.27
<b>Units In Circulation (million)</b>	3.16
<b>Financial Year End</b>	31 May
<b>MER (as at 31 May 2018)</b>	Not available #
<b>Min. Initial Investment</b>	RM100.00
<b>Min. Additional Investment</b>	RM100.00
<b>Benchmark</b>	FTSE Bursa Malaysia Emas Shariah Index
<b>Sales Charge</b>	Up to 3.00% of NAV per unit*
<b>Redemption Charge</b>	None
<b>Annual Management Fee</b>	1.50% p.a. of NAV*
<b>Annual Trustee Fee</b>	Up to 0.04% p.a. of NAV*
<b>Switching Fee</b>	None
<b>PPA (Private Pension Administrator) Annual Fee</b>	RM8.00*
<b>PPA Pre-retirement</b>	RM25.00 per withdrawal*
<b>Withdrawal Fee</b>	
<b>PPA Transfer Fee</b>	RM25.00 per transfer*
<b>Annual PPA Administration Fee</b>	0.04% p.a. of NAV*
<b>Fee</b>	
<b>Distribution Policy</b>	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.

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### PROVIDER'S COMMENTS

#### MARKET REVIEW

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, whilst FBM Shariah Index fell 7.15% to 11,772 level, which are the least affected among the region. Telecommunication and technology sector were the worst performing sector. Foreigners were also concerned over rumors on the 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 to address 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 Gross Domestic Product (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 Government-Linked Companies (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 Datasonic 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 Deputy Prime Minister 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 Mass Rapid Transit Line 2 (MRT2) underground works. The contract value will be reduced by RM3.6 billion to RM11.9 billion. The Energy, Green Technology, Science and Climate Change Minister Yeo Bee Yin announced that four proposed Independent Power Producer (IPP) contracts have been cancelled. These are (a) Tenaga Nasional Berhad and Malakoff's 700 megawatt (MW) gas plant in Kapar; (b) Tenaga Nasional Berhad 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.

#### MARKET OUTLOOK AND STRATEGY

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 programs 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. 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.

#### 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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