

### RHB DANA ISLAM

This Fund aims to provide investors with above average capital growth over a medium to long-term period by investing in a carefully selected portfolio of stocks which complies with the Shariah principles.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

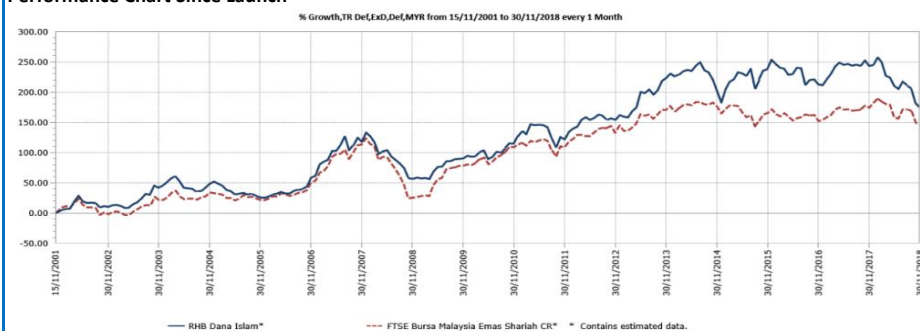
- are looking for investments in a diversified portfolio of assets that comply with Shariah requirements;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a medium to long-term period.

#### INVESTMENT STRATEGY

- 90% - 98% of NAV: Investments in Shariah-compliant equity and equity related securities of companies that have good growth potential.
- 2% - 10% of NAV: Investments in Shariah-compliant liquid assets comprising of cash and Islamic deposits with financial institutions, Islamic accepted bills, sukuk, cagamas sukuk, Government Investment Issues and any other Shariah-compliant instrument capable of being converted into cash within seven (7) days.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	-2.42	-11.53	-11.13	-20.20
Benchmark	-1.18	-9.16	-4.46	-12.55

	1 Year	3 Years	5 Years	Since Launch
Fund	-19.89	-18.60	-14.99	175.09
Benchmark	-9.96	-6.98	-8.64	146.57

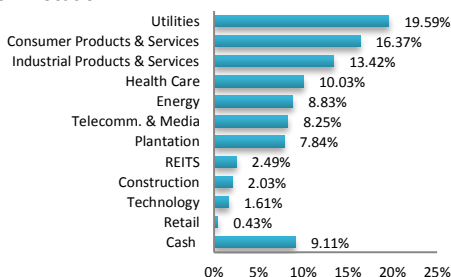
##### Calendar Year Performance (%)\*

	2017	2016	2015	2014	2013
Fund	10.66	-11.91	25.01	-14.38	25.95
Benchmark	10.72	-6.14	2.35	-4.17	13.29

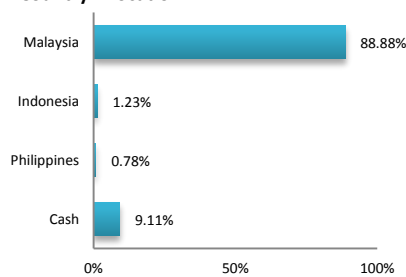
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

TENAGA NASIONAL BHD	9.25
PETRONAS CHEMICALS GROUP BHD	6.11
DIALOG GROUP BHD	4.25
TALIWORKS CORP BHD	3.53
HARTALEGA HOLDINGS BHD	3.43

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7337	0.9515	1.0965
Low	0.7029	0.7029	0.4737

Source: Lipper IM

##### Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
22 Mar 2018	2.2000	2.42
20 Apr 2017	1.7500	1.90
28 Mar 2016	6.6000	6.89
15 Apr 2015	6.5000	6.49
27 Mar 2014	6.6000	6.54

Source: RHB Asset Management Sdn. Bhd.

## RHB DANA ISLAM

This Fund aims to provide investors with above average capital growth over a medium to long-term period by investing in a carefully selected portfolio of stocks which complies with the Shariah principles.

### MANAGER'S COMMENTS

#### MARKET REVIEW

Global equity markets rose 3.3% in the last week of November 2018 to advance 1.3% during the month, thereby curtailing year-to-date (YTD) losses to 4.3%, as Federal Reserve Chairman Jerome Powell hinted at the possibility of approaching the end to the hiking cycle. Asia ex-Japan equities rose 5.2% in November 2018, reducing YTD losses to -13.9%. The promise of an accommodative stance from the government, especially towards the private sector, at the end of October 2018 and optimism around a temporary truce in the United States-China trade war provided impetus to China (7.3%) and Hong Kong (7.0%) equities. Korea (+3.4%) underperformed relatively, given a weak 3Q earnings season and a gloomy earnings outlook for the technology sector in the region. Weak guidance from Apple led to the downward revision on technology countries like Korea and Taiwan.

FTSE Bursa Malaysia KLCI Index (KLCI) posted its third consecutive monthly decline of 1.7% month-on-month (MoM) in November 2018. The KLCI fell 29.4 points to close at 1,679 points at end November 2018. As a result, KLCI's YTD losses widened to 6.5%. Meanwhile, FTSE Bursa Malaysia Shariah Index fell 1.18%. We believe the decline could be due to foreign selling, weaker than expected results from earnings season, and losses in the Genting group's share prices. The latter was due to higher gaming taxes announced in Budget 2019 as well as news that the group has filed a United States (US) \$1 billion legal suit against Walt Disney Co and Twenty First Century Fox Inc over the cancellation of the first Fox branded theme park. Foreigners were again net sellers in November 2018 with a net outflow of RM0.7 billion.

Malaysia real Gross Domestic Product (GDP) growth softens to 4.4% year-on-year (YoY) in 3Q18 (from 4.5% in 2Q18), which is a tad lower than Bloomberg market consensus of 4.6%. A mildly expansionary 2019 budget with allocations for tax refunds and supportive measures has also provided more policy clarity. Key contributors to growth in 3Q18 were domestic demand particularly private sector spending while net exports turned bumpy. Key sectors that recorded expansion were services, manufacturing, and construction, while agriculture and mining & quarrying contracted further.

The current account surplus narrowed slightly to RM3.8 billion or 1.0% of GDP in 3Q18 (from RM3.9 billion or 1.1% in 2Q18), bringing YTD current account surplus to RM22.7 billion or 2.1% of GDP. The narrower surplus in 3Q18 was mainly due a wider deficit in the income account, which was offset by a higher goods trade surplus and narrower services deficit. Malaysia's modest growth is in line with a trend of slowing growth in the region. Emerging Market (EM) growth has been waning since March this year, affected by rising global interest rates, trade tensions, and idiosyncratic stress events in Argentina and Turkey. The main concerns going into 2019 remain the ongoing US-China trade dispute and the quantum of Federal Reserve rate.

#### MARKET OUTLOOK AND STRATEGY

The recent sell off in risk assets primarily reflects fears of weaker growth and a slowdown in corporate earnings in 2019. Sentiment on EM appears to be fairly cautious. Many expect a further escalation in trade tensions and assume EM will struggle in that environment. Trade war between major economies namely United States of America, China, European Union (EU), Canada and Mexico remain in global trade radar as downside risks.

What no one has been able to predict is how far the Trump Administration is prepared to put global growth at risk. At this moment, markets have resisted from pricing in a worst case scenario simply because rational investors argue that a full-blown trade war would be a counter-productive exercise that would stunt global trade and economic growth.

In Malaysia, business confidence for the next 3 to 6 months is expected to stay low amid policy changes and reforms made by the Pakatan Harapan government. The review of mega infrastructure projects such as East Coast Rail Link (ECRL), High Speed Rail (HSR) and Mass Rapid Transit Line 3 (MRT3) will have significant impacts on overall business confidence and investment flows. The new government promise to respect the rule of law, eliminate corruption and cronyism, and promote transparency and principles of good governance bodes well for the country's future in all respects.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 15 November 2018, the Volatility Factor (VF) for this fund is 10.9 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are 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 August 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 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.