

### RHB LEISURE, LIFESTYLE & LUXURY FUND

The Fund aims to achieve long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

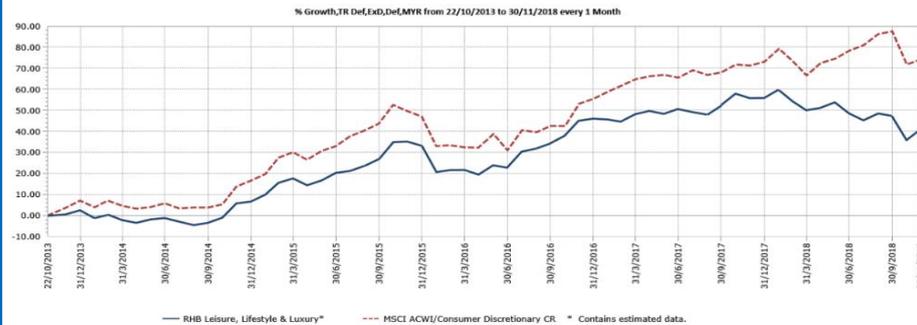
- seek long term capital appreciation by investing in equities and equity related securities issued by companies that provide goods and services in the leisure, lifestyle and luxury market.

#### INVESTMENT STRATEGY

- At least 70% of NAV: Investments in equities and equity related securities.
- Up to 30% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
Fund	3.74	-5.02	-8.34	-9.42
Benchmark	1.34	-6.50	-0.23	0.60

	1 Year	3 Years	5 Years	Since Launch
Fund	-9.40	4.33	40.06	41.04
Benchmark	1.67	16.34	67.93	74.12

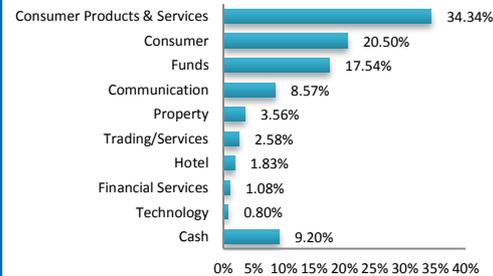
##### Calendar Year Performance (%)\*

	2017	2016	2015	2014
Fund	6.63	9.67	24.94	3.80
Benchmark	11.31	5.76	26.06	8.85

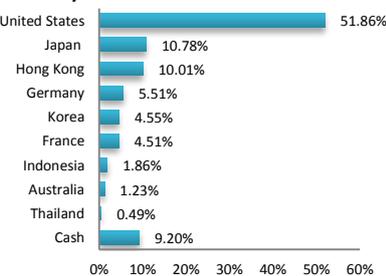
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

AMAZON.COM	7.68
COMCAST CORP-CLASS A	3.62
HOME DEPOT INC	3.56
ISHARES GLOBAL HEALTHCARE ET	3.55
WALT DISNEY CO/THE	3.38

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7115	0.8175	0.8175
Low	0.6798	0.6638	0.4584

Source: Lipper IM

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### MANAGER'S COMMENTS

#### MARKET REVIEW

The month of November welcomed a recovery of 1.3%, reducing year to date negative returns to 4.3%. President Donald Trump's tweets on his positive conversation with President Xi Jinping and dovish Fed talks boosted the global equity markets, even as Brent oil fell by more than 20%.

Within markets, Emerging Markets outperformed Developed Markets, with the United States (+1.7%) underperforming against Asia ex-Japan (+5.2%). Meanwhile, Japan eked out a small gain of +0.4%, but Europe (-1.0%) underperformed in November. Within sectors, health care (+5.4%), real estate (+4.4%) and telecommunications (+3.9%) outperformed while energy (-3.9%) and information technology (-2.0%) suffered in November.

This month, Chinese airlines and internet technology stocks were the key outperformers for the fund. On average, airlines and internet technology stocks gained +15%, compared to MSCI World +1.3%. New policy from the Civil Aviation Administration of China (CAAC) regarding the approval of domestic flights/routes (effective from the next flight season commencing 31 March 2019) as well as lower oil prices helped with the stellar performance. This positive announcement officially puts in place a new barrier to entry to 49 air routes involving Beijing, Shanghai and Guangzhou, while laying the ground rules that will progressively allow more competition on these routes over time.

The United States was the best performer year to date, up +3.1% as share buybacks, earnings growth and fiscal policy have relatively supportive to US equities. Within sectors, health care outperformed in November and recovered its October losses. According to the US labour data, unemployment rate remains unchanged at 3.7%, but the average hourly earnings rose by a strong 3.1% yoy. US is performing reasonably well and earnings delivery has been positive. Indication from retail Black Friday sales was positive on the whole, as consumers begin to holiday shop throughout the month of November and into December. Consumption is likely to be holding up well as we end the year.

In Japan, CAO consumer sentiment index edged down 0.1pt to 42.9 in November, slightly lower than market expectation. Since the beginning of the year, the trend of the index has declined moderately. November print was the lowest level since December 2016, which partly attributed to the recent rise (until 3Q18) in oil prices and fresh food prices reflecting the unusual weather and natural disasters.

#### MARKET OUTLOOK AND STRATEGY

After an expected policy rate hike by the FOMC to the target range 2-2.25% in the September meeting, Fed Chairman Powell indicated a dovish shift and a move towards more data-dependent. The UST 10 years break its 3% support level to close the month of November at 2.99%. As expected, the Democrats flipped control of the House of Representatives at the mid-term election. This result marks the end of the one party rule that President Trump has enjoyed for the first two years of his presidency.

In the US, we continue to slightly skew our portfolio towards companies with strong balance sheet and good cash flow generation. This has proved to allow us to better weather through market volatility. But at the same time, we are also picking up certain quality names slowly, as valuation has come down quite substantially. Again, we will keep our overall position flexible so that we can catch any market opportunities.

Over in Asia, we are adding weights on the internet gaming sector. Despite not having any new games approved, Tencent delivered a decent set of results thanks to contributions from its non-gaming segments. Markets are expecting a resumption in new game approvals, likely in late 2018 or early 2019. This will remove the biggest regulatory overhang on the Chinese gaming sector. As China's biggest game publisher, we believe Tencent should have a big pipeline, including the highly promising mobile DNF and League of Legend (LoL), whose PC version is a global hit. Tencent's ads and payment are two long-term drivers. From the same investment thesis, we are adding NetEase into the portfolio on the back of attractive valuation and new games launch in early 2019.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 15 November 2018, the Volatility Factor (VF) for this fund is 10.7 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 6 October 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, country risk, currency risk, equity risk, regulatory risk, liquidity risk and equity related securities 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.

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