

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:

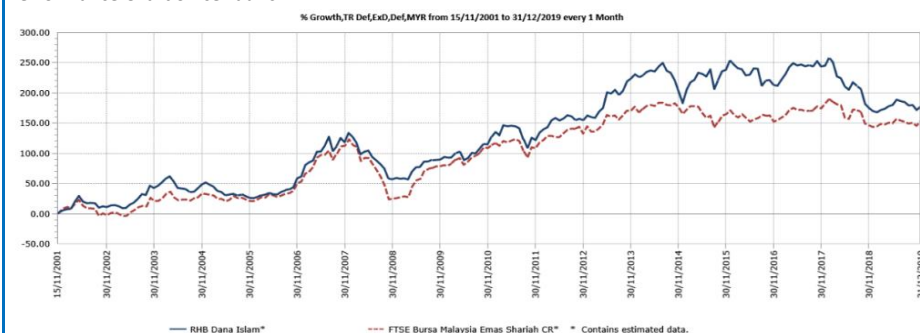
- are looking for investments in a diversified portfolio of assets that comply with Shariah requirements;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a medium to long-term period.

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 instruments 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	2.07	-0.69	-3.94	2.78
Benchmark	3.07	1.53	-1.52	3.85

	1 Year	3 Years	5 Years	Since Launch
Fund	2.78	-10.95	-1.95	177.40
Benchmark	3.85	-0.55	-4.47	153.23

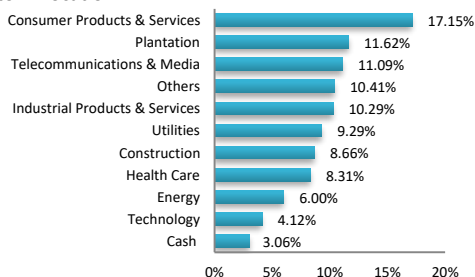
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	2.78	-21.71	10.66	-11.91	25.01
Benchmark	3.85	-13.52	10.72	-6.14	2.35

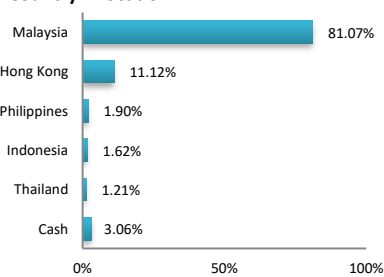
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

TENAGA NASIONAL BHD	8.01
SIME DARBY PLANTATION BHD	4.06
DIALOG GROUP BHD	3.86
IHH HEALTHCARE BHD	3.74
GAMUDA BHD	3.39

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7169	0.7511	1.0965
Low	0.6944	0.6777	0.4737

Source: Lipper IM

Historical Distributions (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.

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MANAGER'S COMMENTS

MARKET REVIEW

2019 was a good year for global equity market. Global equity markets rallied 24.0% in 2019, to cap off its best year since the Global Financial Crisis in 2009. Although 2019 predominantly circled around United States (US)-China trade tensions, an abundance of liquidity made available by the capitulation of central banks globally played an equally important role. Federal Reserve (Fed) seem to have engineered a soft landing through balance sheet expansion and numerous rate cuts. Markets closed the year on a high as two imminent bottlenecks inched slightly closer to resolution with the progress on the US-China Phase 1 trade deal. Asia Ex-Japan equities advanced 15.4% in 2019, primarily driven by index heavyweights China (+20.9%) and Taiwan (+31.5%), as the markets moved largely in tandem with the progress on the US-China trade talks.

Commodities ended 2019 on a positive note as well. Brent Crude rose 19.0%, driven by the supply cuts by the Organization of the Petroleum Exporting Countries (OPEC) and the US decision to end waivers on Iranian oil imports. Similarly, Crude Palm Oil prices shot up to above RM3,000 per metric tonne (pmt) due to lower production, drought season and B30 bio diesel mandate in Indonesia.

The FBM KLCI rose 1.7% month-on-month (MoM) (or 27 points) to close at 1,588 points at end December 2019. As a result, the benchmark index narrowed its 2019 losses to 6%. The FBM KLCI rose steadily in December 2019 and peaked at 1,615 points on 30 December. However, it succumbed to profit-taking and lost 26.9 points on the last trading day to close at 1,588.7 points. FBM Shariah Emas Index performed better rising by 3.1% MoM. Against regional peers, Malaysia was the worst-performing Asian market.

MARKET OUTLOOK AND STRATEGY

On the local front, the key events to watch out for are how the new minimum wage and smoking ban will impact consumption patterns, Monetary Policy Committee (MPC) meeting on 22 January 2020 to decide on Overnight Policy Rate (OPR) and update on government plans to acquire highway concessionaires and toll roads. On the external front, investors will be following up on the Fed policy meeting on 29 January 2020, signing of US-China Phase one trade deal on 15 January 2020 and Brexit day on 31 January 2020.

Malaysian equities are set for a better year in 2020 with the resumption of earnings growth after a 2-year hiatus thanks firstly, to subsiding external risks; secondly, to recovering commodity prices; thirdly, to the anticipated revival of mega infrastructure projects and finally, to the positive impact of trade diversion on investments and exports.

We are overweight on oil & gas and plantation sectors as we believe these two sectors will continue to offer growth and are still in early stage. The latter being that Crude Palm Oil (CPO) prices rose to above RM3000 pmt and this will help drive earnings growth for 2020 among the planters.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 December 2019, the Volatility Factor (VF) for this fund is 9.3 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 8.8 but not more than 11.2 (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 2019 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2019.

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.