

### 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

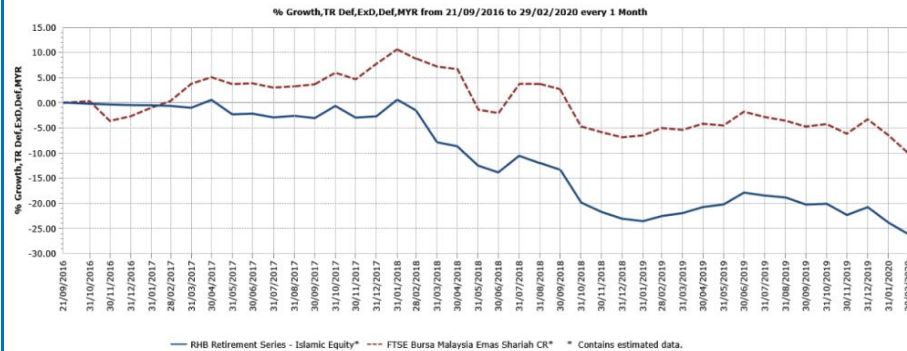
The Fund is suitable for Members who are looking for investments in a diversified portfolio of assets that comply with Shariah requirements. These Members are willing to accept moderate to high risk in their investments and prefer capital growth rather than income over a medium to long-term period.

#### 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	-2.94	-4.87	-8.95	-6.74
Benchmark	-3.74	-4.07	-6.64	-6.92

	1 Year	3 Years	Since Launch
Fund	-4.62	-25.63	-26.14
Benchmark	-5.21	-10.22	-9.90

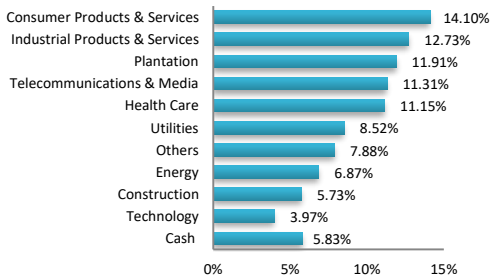
##### Calendar Year Performance (%)\*

	2019	2018	2017
Fund	2.99	-20.95	-2.21
Benchmark	3.85	-13.52	10.72

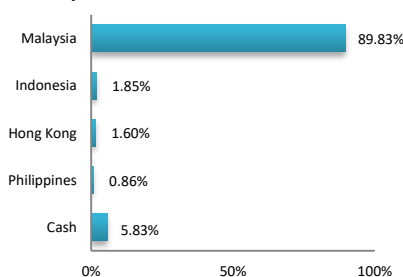
Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

TENAGA NASIONAL BHD	7.70
AXIATA GROUP BHD	5.27
IHH HEALTHCARE BHD	5.21
SIME DARBY PLANTATION BHD	4.33
IOI CORP BHD	4.21

\*As percentage of NAV. Exposure in RHB Dana Islam 95.81%

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3944	0.4175	0.5102
Low	0.3693	0.3693	0.3693

Source: Lipper IM

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**PROVIDER'S COMMENTS****MARKET REVIEW**

Investor euphoria on global equities in January 2020 was punctured by concerns of global growth slowdown, triggered by the spread of the Coronavirus epidemic. Risk assets plunged with global equities declining 10.5% in the last week of February 2020. As the pandemic rippled across the world, investors sought safety in bonds/sukuk, with the futures market pricing in three potential rate cuts during the year. Developed Markets equities corrected 8.6% in February 2020, led by the United States (US) as it succumbed to the perils of elevated valuations. As for Asia Ex-Japan, China was the only country (out of 49) in the MSCI All Country World Index to advance in February 2020, as the virus outbreak peaked in the mainland early on in the month, while Korea reported a spurt of new virus cases.

Amidst the political uncertainty, former Prime Minister Tun Mahathir announced an economic stimulus package with a headline impact of RM20 billion, mainly having three thrusts: 1) mitigating the impact of Coronavirus Disease 2019 (COVID-19); 2) spurring rakyat centric economic growth; and 3) promoting quality investments. Sectors which could see the most direct impact, in our view include transport and logistics, utilities and consumer.

In a twist of events in Malaysia's political arena over the past week we saw a new Prime Minister sworn in on 1 March 2020, with the King's blessing. There is no clarity on the new cabinet at the time of writing, neither is there a clear agenda for the new coalition. FBM KLCI faced selling pressure on Monday morning (2 March) due to inherent domestic uncertainty in addition to the global economic slowdown and Covid-19 concern. Construction stocks under pressure as the change in the political landscape could entail award delays. FBM KLCI and FBM Emas Shariah Index was down 3.16% and 3.74% respectively for the month of February 2020 and 6.68% year-to-date (YTD) to close at 1,482 points. Construction sector was the worst hit sector, down 12.6% YTD.

**MARKET OUTLOOK AND STRATEGY**

The FBM KLCI is expected to remain volatile, with eyes on the next Parliament seating where the current government could face a vote of no confidence. We expect the stock market and currency to face selling pressure and contractors could be most vulnerable.

Also, it is unclear whether or not we could see the return of Goods and Services Tax (GST) since it was proponent in the BN coalition before General Election 14th (GE14) which could bring in RM40 billion in government revenue, which would not be good for the man on the street but would provide some fiscal maneuvering space. Effort to bring in Foreign Direct Investment (FDI) could be disrupted due to political & policy uncertainty. Although, the government should still aim to boost Malaysia as a center to attract FDI. We suggest sticking to glove-makers which may see price movement from Covid-19.

**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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