

### RHB DEPOSITS FUND

The fund aims to provide investors with a high level of liquidity while providing reasonable returns by predominantly investing its assets in Malaysian Ringgit deposits placed with financial institutions in Malaysia.

#### INVESTOR PROFILE

This Fund is suitable for Investors who:

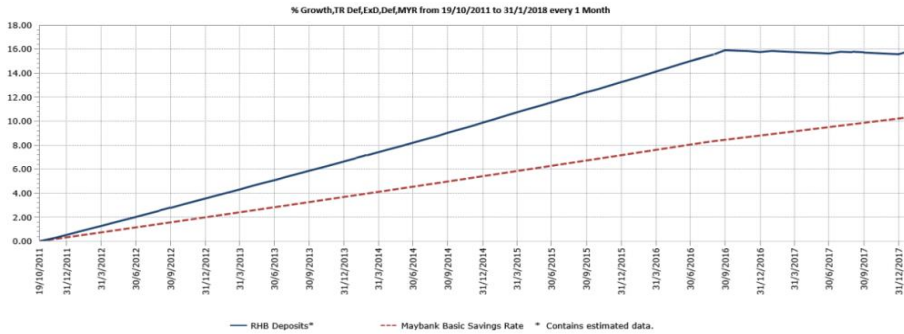
- require a high level of liquidity;
- are conservative and seek capital preservation;
- seek reasonable returns that commensurate with the low risks investments; and
- prefer a short term investment horizon.

#### INVESTMENT STRATEGY

- At least 98% of NAV: Investments in deposits placed with financial institutions which have a remaining maturity period of not more than 365 days.
- Up to 2% of NAV: Maintained in cash.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



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

	1 Month	3 Months	6 Months	YTD
Fund	0.23	0.15	0.04	0.23
Benchmark	0.11	0.33	0.65	0.11

	1 Year	3 Years	5 Years	Since Launch
Fund	-0.02	5.13	11.56	15.83
Benchmark	1.30	4.52	8.02	10.34

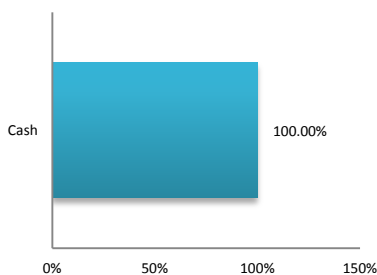
##### Calendar Year Performance (%)\*

	2017	2016	2015	2014	2013
Fund	-0.17	2.21	3.07	3.04	2.98
Benchmark	1.30	1.53	1.66	1.51	1.66

Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Asset Allocation\*



\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0029	1.0029	1.0093
Low	1.0003	1.0003	1.0000

Source: Lipper IM

##### Historical Distributions (Last 6 Months) (Net)

	Distribution (sen)	Yield (%)
20 Sep 2016	0.1450	0.14
22 Aug 2016	0.2800	0.28
20 Jul 2016	0.2800	0.28
20 Jun 2016	0.2800	0.28
20 May 2016	0.2900	0.29
20 Apr 2016	0.2600	0.26

Source: RHB Asset Management Sdn. Bhd.

**RHB DEPOSITS FUND**

The fund aims to provide investors with a high level of liquidity while providing reasonable returns by predominantly investing its assets in Malaysian Ringgit deposits placed with financial institutions in Malaysia.

**MANAGER'S COMMENTS**

**MARKET REVIEW**

Malaysian Ringgit ("MYR") has continued to strengthen against United States Dollar ("USD") amid anticipation for the rate hike by Bank Negara Malaysia ("BNM") on its recent Monetary Policy Committee ("MPC") meeting held in January. While the sell-off has been exhibited in US Treasury ("UST") yields curve together with other global government bonds during the month, there has not been much of a follow through impact to the local bond markets. Instead, the 10-year and 15-year Malaysia Government Securities ("MGS") yield curve were well bid up on several occasions which seemed contrasting to what we have seen in UST yield. On top of that, the auctions were well received during the month. MGS curve bear-flattened but this is more apparent on the shorter-end of the curve as BNM delivered its 25 basis points hike. At closed, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were reported at 3.398% (December-2017: 3.338%), 3.638% (3.531%), 3.929% (3.876%), 3.948% (3.905%), 4.408% (4.401%), 4.615% (4.580%) and 4.860% (4.850%) respectively. The Government Investment Issues ("GII") – Shariah compliant version of MGS exhibited the same pattern with its MGS counterpart which saw the higher yield more pronounced on the shorter-end part of the curve. However, we noted that the 15-year GII rallied more than 10 basis points month-over-month. At closed, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year GII were reported at 3.568% (December-2017: 3.469%), 3.884% (3.791%), 4.080% (4.097%), 4.174% (4.187%), 4.555% (4.685%), 4.780% (4.771%) and 4.937% (4.945%) respectively.

On the local economic data, Malaysia's Consumer Prices Index ("CPI") rose 3.5% in December 2017 from a year ago as expected by the consensus due to higher transport and food costs. CPI changes for the year registered an increase of 3.70% while the core inflation which excludes most volatile items of fresh food recorded 2.60% which is at the higher band of BNM monitoring. The Statistics Department said among the major groups which recorded increases in December were the indices for transport (+11.5%), food and non-alcoholic beverages (+4.1%), restaurants and hotels (+2.6%), household equipment (+2.4%), health (+2.3%) and housing, water, electricity, gas and other fuels (+2.2%). The index of transport group showed a significant increase of 11.5% in December 2017, after rising 10.8% in November 2017. The average price of one litre of RON95 petrol was RM2.27 in December 2017 compared to RM1.90 a year ago. As for RON97, the average price increased to RM2.55 in November 2017 from RM2.25 a year ago. On the other note, Producer Price Index ("PPI") for local production rose by 0.3% on a year-over-year basis in December 2017 compared to the 4.3% increased registered in November 2017. Nonetheless, the average PPI for the year increased by 6.7% as compared to the same period in 2016. The higher PPI was contributed by the increases in index for four sectors namely Mining (+24.7%), Agriculture, forestry and fishing (+7.0%), Manufacturing (+5.3%) and Electricity and gas supply (+1.9%).

**DISCLAIMER:**

Based on the fund's portfolio returns as at 15 January 2018, the Volatility Factor (VF) for this fund is 0.5 and is classified as "Very Low". (source: Lipper) "Very Low" includes funds with VF that are above 0.0 but not more than 1.8 (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 31 December 2017 which is calculated once every six months and is valid until its next calculation date, i.e. 30 June 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 credit/default risk, inflation/purchasing power risk and interest rate 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.