RHB GOLD AND GENERAL FUND

This Fund aims to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), base metals of all kinds (e.g. copper, aluminium, nickel, zinc, lead tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal and alternative energy or other commodities or other minerals.

INVESTOR PROFILE

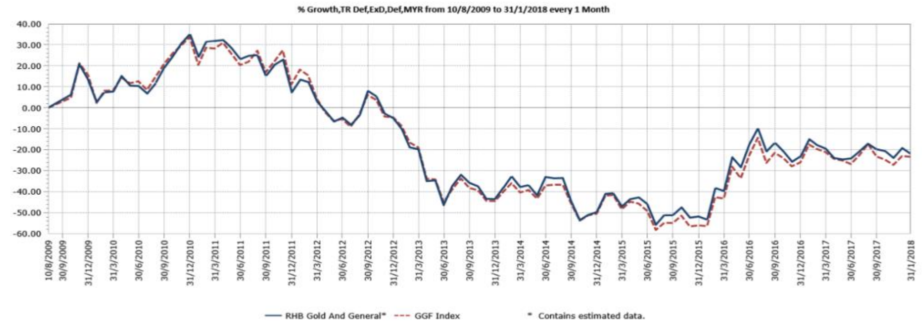
This Fund is suitable for Investors who:
- wish to participate in the potential benefits derived from investment in companies involved in the mining and exploration of precious metals, energy or base metals;
- wish to diversify their investment portfolio from traditional asset classes; and
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Gold and General Fund.
- 2% - 5% 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	**-3.44**	**-1.67**	**-1.44**	**-3.44**
Benchmark	-0.49	1.82	-1.05	-0.49

	1 Year	3 Years	5 Years	Since Launch
Fund	**-8.03**	**32.78**	**-12.87**	**-21.84**
Benchmark	-7.07	31.73	-15.82	-23.24

Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	**5.32**	**59.38**	**-4.01**	**-10.92**	**-40.59**
Benchmark	4.07	68.12	-11.34	-10.72	-41.64

Source: Lipper IM

FUND DETAILS

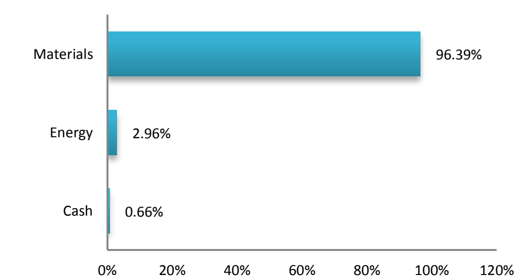
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	21 July 2009
Unit NAV	RM0.2945
Fund Size (million)	RM185.04
Units In Circulation (million)	628.26
Financial Year End	30 June
MER (as at 30 June 2017)	0.55%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	70% FTSE Gold Mines Index (RM) + 30% HSBC Global Mining Index (RM)
Sales Charge	Up to 5.50% of investment amount*
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	None

**The implementation of GST will be effective from 1 April 2015 at the rate of 6% and the fees or charges payable is exclusive of GST.*

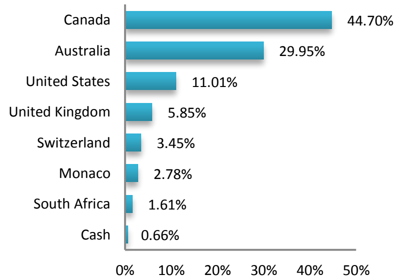
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

NEWMONT MINING CORP	9.12
EVOLUTION MINING LTD	5.05
BARRICK GOLD CORP	4.86
TECK RESOURCES LTD	4.37
OCEANAGOLD CORP	3.63

**As percentage of NAV*

**Source: UOBAM, 31 January 2018. Exposure in United Gold & General Fund - 97.10%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3165	0.3436	0.6393
Low	0.2945	0.2722	0.1622

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET REVIEW

Physical gold started the calendar year at US$1,303/oz and rose strongly in the first weeks of January 2018, eventually reaching an intra-month high of US$1,358/oz on 24 January 2018. The gold price was helped by the weakness of the US Dollar as measured by the DXY index, which tracks the US Dollar's relative performance against a basket of other major currencies. Gold was unable to break above the US$1,360/oz level, which had also acted as the ceiling price during the North Korea missile crisis in September 2017 and the Brexit referendum vote in June 2016. The gold price eventually finished the month at US$1,345/oz.

Gold benefited from the US Dollar's weakness, given its negative correlation with the US currency in recent years. Current US Dollar weakness was linked to two factors. First, President Trump's recent tax cuts combined with no offsetting budget cuts means the US is now expected to run a larger fiscal deficit. There is speculation foreign investors may be less willing to fund such deficits than in the past. Second, the Euro currency has started to strengthen following the European Central Bank's (ECB) comments on possible monetary tightening, as well as political developments in Germany that point to a renewal of the grand coalition between the Christian Democrats (CDU/CSU) and the Social Democrats (SPD) parties. Such a coalition will be positive for political and economic stability within the European Union.

US Dollar weakness also benefited from suspicions that the Trump administration is happy with a weaker currency. For example, US Treasury Secretary Mnuchin appeared to support this position in a Wall Street Journal article, when talking about ways to reduce the US trade deficit. However, President Trump subsequently stated that he supported a strong US Dollar when speaking to business leaders at the World Economic Forum at Davos. Trump's comments allowed the US Dollar to recover slightly. Reported US economic data was also largely positive, strengthening expectations of further US interest rates increases in the coming months.

January 2018 saw COMEX gold long positions increase to 1,123 tonnes (+45.8% mom), with COMEX gold short positions rising to 369 tonnes (+24.7% mom). This meant net long positions rose sharply to 754 tonnes (+59.1% mom), moving COMEX gold positioning into overbought territory. UBS data showed total aggregate Gold ETF holdings increasing to 2,251 tonnes (+1.1% mom). IMF data on central bank gold purchases showed the Russian Central Bank bought 9 tonnes in December 2017, increasing its official gold reserves to 1,838 tonnes. The People's Bank of China (PBoC) made no addition to its current official gold reserves of 1,842 tonnes.

Gold equities underperformed physical gold in January 2018, with the ratio between physical gold and the HUI gold equity index increasing to 6.9x, from 6.8x previously. The bulk of listed gold companies reported good production numbers with no noticeable increase in operating costs. This meant FCF generation remained positive for many companies. The target Fund was negatively affected by one Canadian producer that suffered from grade control problems as it brought a new mine into production. The target Fund remained largely invested in Australian and Canadian producers that have low operating costs and good production growth profiles.

The EMIX Global Mining Index strengthened in January 2018, helped by US Dollar weakness and supply tightness in the Chinese market. This was partly weather-related, with continuing disruption in railway traffic, and with strong coal demand caused by gas shortages and seasonally weak hydropower production. There were also rumours that Chinese winter production cuts would be extended beyond March 2018. Mining companies started to report good production numbers, which should feed through into strong 4Q17 financial results. The Target Fund retained a neutral benchmark weighting for general mining companies.

The West Texas Intermediate crude oil price started December at US$60.42/bbl and closed the month higher at US$64.73/bbl (+7.1% mom). Brent crude oil prices also increased to US$69.05/bbl (+3.3% mom). Crude oil prices continued to benefit from reduced OPEC production, lower US inventories, temporary supply disruptions and strong demand from emerging markets. However, it was noticeable that the US onshore rig count has started to rise, which is normally an early indicator that US onshore production will start to increase. The Target Fund Manager expects that this will limit any further upside gain in the oil price.

MARKET OUTLOOK AND STRATEGY

Financial markets expect further interest rate hikes and monetary tightening from the US Federal Reserve. However, US monetary policy contrasts with the Bank of Japan and the ECB, both of which continue with quantitative easing programs. This divergence may cause volatility in global currency markets and has uncertain implications for global inflation. Unconventional monetary policy and negative real interest rates could result in higher inflation, which would be positive for gold and for general commodity prices. Conversely, disappointing economic growth could result in deflation and systemic risk to the global banking system. The Target Fund expects to hold a neutral to overweight position in gold equities relative to the benchmark, with a preference for mid-tier and junior producers with growing volume output and low production costs. The Target Fund's preference for gold is based on our belief that gold-related assets can perform well in both inflationary and deflationary environments.

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