

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:

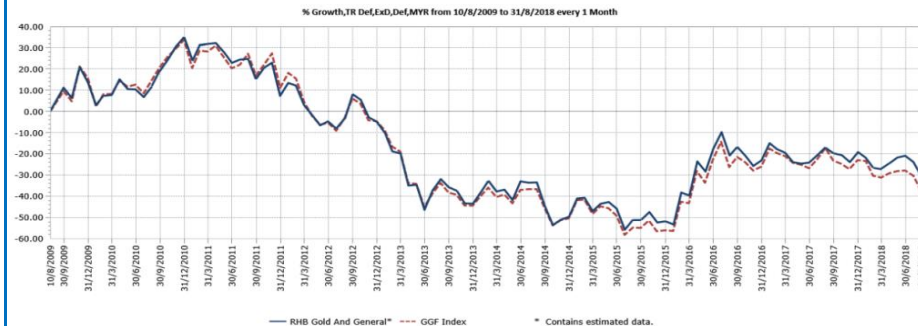
- wish to participate in the potential benefits derived from investment in companies involved in the mining and exploration of precious metals, energy or base metals;
- wish to diversify their investment portfolio from traditional asset classes; and
- are willing to accept a higher risk in their investments 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	-8.79	-11.21	-5.56	-14.26
Benchmark	-10.62	-13.33	-10.64	-19.11

	1 Year	3 Years	5 Years	Since Launch
Fund	-16.43	41.97	2.11	-30.60
Benchmark	-24.68	37.53	-6.05	-37.61

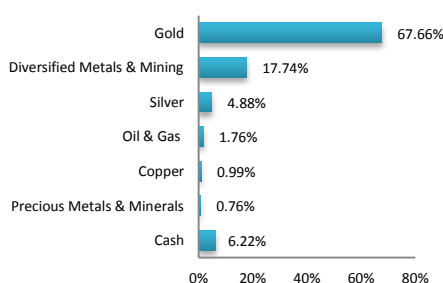
Calendar Year Performance (%)*

	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

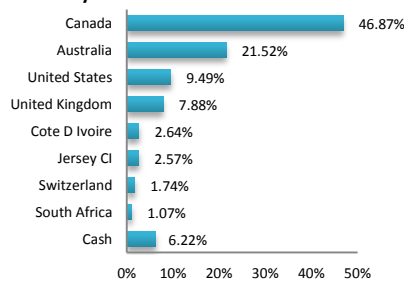
Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

NEWMONT MINING	6.88
TECK RESOURCES LTD	4.90
RIO TINTO	4.34
PRETIUM RESOURCES	4.34
GOLDCORP	4.23

*As percentage of NAV

*Source: UOBAM, 31 August 2018. Exposure in United Gold & General Fund - 96.29%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.2867	0.3282	0.6393
Low	0.2548	0.2548	0.1622

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	RM0.2615
Fund Size (million)	RM175.42
Units In Circulation (million)	670.88
Financial Year End	30 June
MER (as at 30 June 2018)	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

*All fees and charges payable to Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.

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.

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MANAGER'S COMMENTS

MARKET REVIEW

Physical gold started August 2018 at US\$1,224/oz and spent the first half of the month trending downwards to reach an intra-month low of US\$1,175/oz on 16 August 2018. This price action was inversely correlated with the strong upward move in the US Dollar Index (DXY), which reached an intra-month high on 15 August 2018. However, the US Dollar then weakened against other major currencies, which allowed for a limited rebound in gold-related assets. The gold price eventually finished the month at US\$1,202/oz.

Movements in the US Dollar were linked to day-to-day developments in ongoing trade disputes. There were periods of positive news, such as the 27 August 2018 announcement that the US and Mexico had reached a trade agreement that will supersede NAFTA. However, the more important US-China trade dispute showed no signs of de-escalation. Over US\$100bn of goods are now subject to duties, with the Trump administration announcing that it was preparing tariffs on another US\$200bn of Chinese goods. Concerns about a global economic downturn related to increased trade barriers negatively impacted sentiment towards both emerging markets and commodities.

Although historical data shows that gold can rally during periods of US Dollar strength, gold assets remained under pressure ahead of the expected increase in the Fed Funds rate at end-September 2018. With US economic data remaining largely positive, there is no indication that the Fed will reverse its tightening course. Yet real US interest rates have not increased sharply, and could remain subdued if a stronger dollar results in higher import prices and a pick-up in inflation. In addition, any sign that the Fed has over-tightened and will stop raising interest rates will be bullish for gold.

The Target Fund believes gold-related assets are now starting to appear attractive, as the gold price moves towards the lower end of its multi-year trading range. August 2018 saw COMEX gold net long positions move into extremely oversold territory, as net long positioning fell to 755 tonnes (-1.7% mom) and net short positioning increased to 760 tonnes (+13.6% mom). This resulted in a net positioning of -5 tonnes (-36.7% mom), the first time since before 2000 that net COMEX gold positioning has been negative at month-end. Historically, such oversold positioning has been the precursor of a strong rally in the gold price.

Bloomberg data showed total aggregate Gold ETF holdings decreased slightly to 2,139 tonnes (-1.9% mom). IMF data on central bank purchases showed the Russian Central Bank adding another 26 tonnes in July 2018. This increases Russia's official gold reserves to 1,970 tonnes and comes at a time when Russia is liquidating its US treasury holdings. The official gold holdings of the People's Bank of China (PBoC) remained unchanged at 1,842 tonnes.

Gold equities underperformed physical gold in August 2018, as sentiment soured following disappointing impairment charges by several companies during the 2Q18 reporting season. It has been over eighteen months since the gold price was last below the US\$1,200/oz level, and investors are now concerned the gold price will re-test December 2015 lows below the US\$1,100/oz level. However, the Target Fund Manager notes a large number of gold companies can still generate positive free cash flow at US\$1,100/oz and have low levels of debt on their balance sheets. The Target Fund Manager expects to overweight gold equities relative to benchmark, with a preference for companies operating in safe political jurisdictions such as Australia and Canada.

The EMIX Global Mining Index declined in August 2018, with trade war concerns and emerging market currency volatility overshadowing any positive economic data. The Target Fund has moved to a slightly underweight position relative to benchmark, and remains invested in low-cost producers with strong balance sheets.

West Texas Intermediate crude oil price started August 2018 at US\$68.76/bbl and closed the month higher at US\$69.80/bbl (+1.5% mom). While it is possible that a US-China trade war will have a negative impact on global demand, there is also concern about reduced sales of Iranian crude oil into the global market. It was also notable that the US Energy Information Agency (EIA) reduced estimates for US crude production, with revised monthly data showing much lower production than earlier weekly production estimates.

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 easy monetary policies. This divergence may cause volatility in global currency markets and has uncertain implications for global inflation. Unconventional monetary policy and low real interest rates could result in higher inflation, which would be positive for gold and potentially positive for general commodity prices. Conversely, a tariff-related downturn in economic growth could result in deflation and renewed risks 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 the Target Fund Manager's beliefs that gold-related assets can perform well in both inflationary and deflationary environments.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 August 2018, the Volatility Factor (VF) for this fund is 31.3 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are 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 management risk and foreign investment risks such as currency risk and country risk and the specific risks of the Target Fund are market risk in the global markets, foreign exchange/currency risk, political risk, derivatives risk, liquidity risk, small capitalisation companies risk, single sector risk, commodities risk, broker risk, counterparty risk, equity risk and investment management 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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