

RHB ISLAMIC CASH MANAGEMENT FUND

This Fund aims to provide liquidity and a regular stream of income by investing in Islamic money market instruments.

INVESTMENT STRATEGY

- At least 90% of NAV: Investments into Islamic money market instruments and Islamic deposits with licensed financial institutions that are not more than 365 days maturity.
- Up to 10% of NAV: Investments in Islamic money market instruments and Islamic deposits with licensed financial institutions that is more than 365 days but fewer than 732 days maturity.

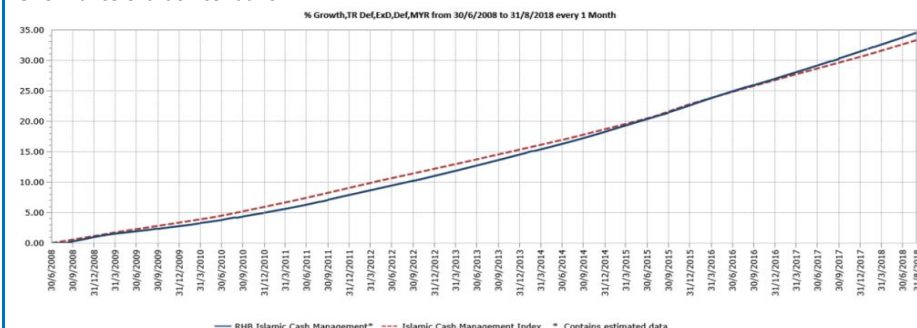
INVESTOR PROFILE

This Fund is suitable for Investors who:

- want to earn returns higher than savings deposits while maintaining a high degree of liquidity.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.30	0.90	1.81	2.39
Benchmark	0.27	0.80	1.60	2.10

	1 Year	3 Years	5 Years	Since Launch
Fund	3.59	11.16	18.74	34.55
Benchmark	3.11	10.01	16.64	33.29

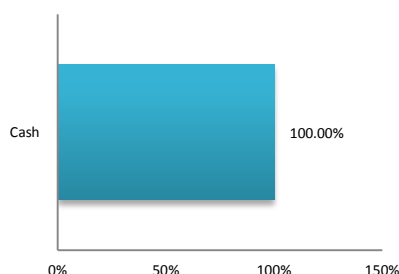
Calendar Year Performance (%)*

	2017	2016	2015	2014	2013
Fund	3.50	3.61	3.63	3.25	3.15
Benchmark	3.01	3.22	3.47	2.89	2.78

Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Asset Allocation*



*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0000	1.0000	1.0027
Low	1.0000	1.0000	0.9998

Source: Lipper IM

Historical Distributions (Last 6 Months) (Net)

	Distribution (sen)	Yield (%)
30 Aug 2018	0.3000	3.58
31 Jul 2018	0.3100	3.60
30 Jun 2018	0.2900	3.53
31 May 2018	0.3000	3.54
30 Apr 2018	0.2900	3.54
30 Mar 2018	0.3000	3.54

Source: RHB Asset Management Sdn. Bhd.

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Money market fund (Sharia-compliant)
Fund Type	Income Fund
Launch Date	30 June 2008
Unit NAV	RM1.0000
Fund Size (million)	RM3,932.48
Units In Circulation (million)	3932.47
Financial Year End	30 November
MER (as at 30 Nov 2017)	0.34%
Min. Initial Investment	Institutional - RM100,000.00 Retail - RM50,000.00
Min. Additional Investment	Institutional - RM50,000.00 Retail - RM25,000.00
Benchmark	MIB 1 mths Islamic FD-i
Sales Charge	None
Redemption Charge	None
Annual Management Fee	Up to 0.30% p.a. of NAV*
Annual Trustee Fee	0.025% p.a. of NAV*
Switching Fee	RM25.00 per switch*
Redemption Period	Within 1 days after receipt the request to repurchase
Distribution Policy	Monthly, if any

*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

Emerging market sell-off drove safe haven demand sending United States Treasuries (UST) yields and the United States Dollar (USD) higher month-on-month. At the close, the UST 2-, 5-, 10- and 30-year closed the month 4 to 11 basis points (bps) lower at 2.63% (July 2018: 2.67%), 2.74% (2.85%), 2.86% (2.96%) and 3.02% (3.08%) respectively. Federal Reserve (the Fed) chairperson, Jerome Powell stuck to his usual rhetoric in his Jackson Hole speech, mildly disappointing hawkish speculators eyeing for a more aggressive stance. The Fed remains on track to deliver 2 more rate hikes this year, supported by a stronger than expected 2Q 2018 revised Gross Domestic Product (GDP) print (4.2% quarter-on-quarter Seasonally Adjusted Annual Rate) while core Personal Consumption Expenditure (PCE) is expected to print 2.0% year-on-year (YoY), in line with the Fed's target although it is drawing the ire of President Trump who wished for a greater policy support. However the outburst failed to dampen the strength on the Greenback, with investors remaining confident towards Fed's independence.

In Malaysia, 2Q2018 GDP slowed to 4.5% YoY (consensus: 5.2%; 1Q2018: 5.4%), reinforcing views of dimmer Overnight Policy Rate (OPR) hike prospects. Malaysian Ringgit (MYR) traded softer, weakening 1.08% in August 2018 to close at 4.1090 against USD impacted by rebound of USD strength although Malaysian Government Securities (MGS) yields ticked lower as foreign investors return to the bond markets. Bank Negara Malaysia (BNM) also remained committed towards financial markets developments and capabilities, offering greater flexibility in YoY Foreign Exchange (FX) hedging and interest rate derivatives, which goes a way to reap dividends over the medium term. These recent amendments to the Foreign Exchange Administration (FEA) regulations are market friendly measures which may narrow the perceived risk premium of Malaysian assets and improve market liquidity. Foreign funds turned net buyers in July 2018 registering RM4.0 billion inflows to our domestic market, ending the three consecutive months of foreign outflows. The foreign share of MGS + Government Investment Issue (GII) increased to 24.8% from 24.7% in June 2018. The return of foreign demand is in sync with the flows pattern observed in emerging markets. With foreign inflows coming back to our bond market, MGS benchmark issues ended the month better closing the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS at 3.53% (July 2018: 3.57%), 3.70% (3.75%), 3.93% (3.97%), 4.04% (4.07%), 4.47% (4.53%), 4.67% (4.77%) and 4.90% (4.92%) respectively. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year GII followed suit closing at 3.51% (July 2018: 3.55%), 3.82% (3.86%), 4.01% (4.05%), 4.14% (4.19%), 4.54% (4.61%), 4.75% (5.00%) and 4.92% (4.94%) respectively.

On economic data front, headline inflation rate up 0.9% in July 2018, matched market expectations. The inflation rate remains below 1% as it is the second month during tax holiday period. On the other hand, core inflation went down to deflationary level of 0.2% YoY for the first time. Malaysia's current account surplus narrowed sharply to RM3.9 billion in 2Q 2018 compared to RM15 billion in the previous quarter, making it the smallest surplus since 3Q 2016. Exports growth expanded by 7.6% YoY in June 2018, improved from 3.4% YoY gain registered in the preceding month. In the upcoming month, we foresee Malaysia's exports to remain positive on the back of zero-rated Government Service Tax (GST), tax holiday period and stable retail fuel price. Nevertheless, protectionism and trade tension remain a concern to the economy.

KLIBOR 1-,3-,6-, and 12-months closed unchanged at 3.43% (July 2018: 3.43%), 3.69% (3.69%), 3.80% (3.80%) and 3.90% (3.90%) as liquidity remained ample.

MARKET OUTLOOK AND STRATEGY

In early September 2018, Malaysia's Ringgit drop to the lowest level in more than 9 months as a selloff in emerging markets fuels contagion fears. USD/MYR is likely to rise to 4.20 by year end as the dollar continues to strengthen on higher US rates and global trade tensions. BNM maintained OPR at 3.25% as expected in 5th September 2018 Monetary Policy Committee meeting. We see the central bank to maintain a stable monetary policy through 2019 while allowing the Malaysian Ringgit to weaken further as risks to growth increase and inflation remains muted.

Domestic macro conditions are still supportive for Malaysia's bond market. Headline Consumer Price Index (CPI) remained weak at +0.9% YoY in July 2018, while core CPI went into negative territory at -0.2% YoY. Though the re-introduction of Sales and Services Tax (SST) in September 2018 is expected to induce upward revision of prices, inflation is likely to remain muted. We still have a positive long-term view for Malaysia and remain comfortable in tactically nimble around duration or buying on dips to the portfolio. We also remain overweight corporate bond on healthy credit spreads and yield premium.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 August 2018, the Volatility Factor (VF) for this fund is 0.1 and is classified as "Very Low". (source: Lipper) "Very Low" includes funds with VF that are above 0.0 but not more than 1.9 (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 15 July 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 interest rate risk, credit / default risk, inflation risk and shariah specific 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.