

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.

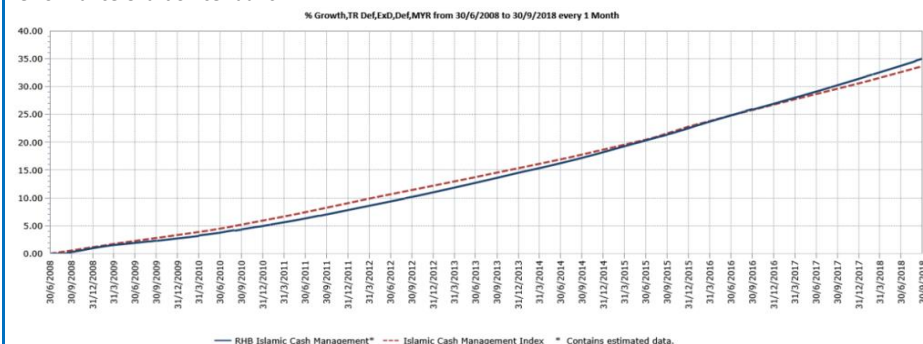
INVESTOR PROFILE

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	0.29	0.91	1.80	2.69
Benchmark	0.26	0.80	1.59	2.36

	1 Year	3 Years	5 Years	Since Launch
Fund	3.60	11.16	18.78	34.95
Benchmark	3.13	9.94	16.68	33.63

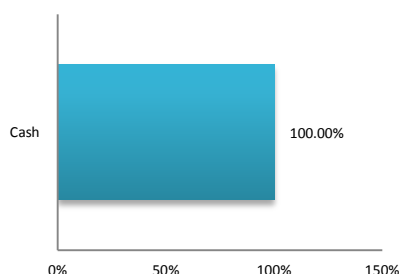
Calendar Year Performance (%)*

	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 Sep 2018	0.2900	3.57
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

Source: RHB Asset Management Sdn. Bhd.

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Money market fund (Shariah-compliant)
Fund Type	Income Fund
Launch Date	30 June 2008
Unit NAV	RM1.0000
Fund Size (million)	RM4,006.55
Units In Circulation (million)	4006.55
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

Federal Reserve (Fed) hiked key interest rate by 25 basis points on 26 September 2018 and Fed signaled a continued monetary tightening plan in response to the strong economic growth. Rhetoric suggest prospects of another 25 basis points hike by end 2018 as the pace of United States (US) Fed hikes for 2018 have remained on track and well telegraphed to the market. The policy tone of Federal Open Market Committee (FOMC) meeting was also slightly hawkish given that the Fed had dropped referring to its policy being the accommodative stance though Chairman Jerome Powell played down the significance of that move and said it was not a policy signal. Global local currency government bond/sukuk yields in Asia have crept higher impacted by rising United States Treasury (UST) yields coupled with fear of contagion risks emanating from Turkey and Argentina which worsen in August and September 2018. At the close, the UST 2-, 5-, 10- and 30-year closed the month higher at 2.82% (August 2018: 2.63%), 2.95% (2.74%), 3.06% (2.86%) and 3.21% (3.02%) respectively.

Month of September 2018 also saw the Trump administration slapped a 10% tariff on about United States Dollar (USD) 200 billion of Chinese goods on 24 September 2018 and more than double the rate in 2019, setting up what could be a prolonged trade war between the world's two biggest economies. On another hand, global benchmark Brent crude jumped to a four-year high of above USD80 a barrel during the month, after Saudi Arabia and Russia ruled out any immediate increase in production despite calls by US President Donald Trump for action to raise global supplies.

In Malaysia, Bank Negara Malaysia (BNM) maintained the Overnight Policy Rate (OPR) at 3.25% as it acknowledges that the local economy faces downside risks from heightened trade tensions in the immediate term. Malaysia has also cut its 2018 growth forecast to 5% from 5.5-6.0% as 2Q2018 Gross Domestic Product (GDP) came in slower with expansion of 4.5% compared to Q12018's 5.4%. Malaysian Ringgit traded softer on the back of USD strengthening, down 0.7% in September 2018 to close at 4.1383 against USD from 4.1090 in August 2018. Foreign funds resumed net selling of Malaysian Ringgit bonds/sukuk in August 2018 with RM2.4 billion outflows. The foreign share of Malaysian Government Securities (MGS) declined to 40% versus 40.5% recorded in July 2018. MGS benchmark issues ended the month slightly higher in yields with the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS at 3.56% (August 2018: 3.53%), 3.75% (3.70%), 3.95% (3.93%), 4.07% (4.04%), 4.49% (4.47%), 4.69% (4.67%) and 4.90% (4.90%) respectively. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year Government Investment Issue pared up better at 3.70% (August 2018: N/A), 3.82% (3.86%), 4.02% (4.01%), 4.14% (4.14%), 4.56% (4.54%), 4.75% (4.75%) and 4.93% (4.92%) respectively.

On economic data front, Malaysia's Consumer Price Index (CPI) have fallen to +0.2% year-on-year in August 2018 versus consensus of +0.4% and +0.9% year-on-year growth recorded in July 2018. This marked the lowest rate in 42 months and the slowdown movement was mainly due to the impact of cost of fuels. BNM's international reserves fell to USD103.9 billion as at 14 September 2018 from USD104.4 billion as at 30 August 2018. The reserves position is sufficient to finance 8.1 months of retained imports and is 0.9 times the short-term external debt. Malaysia household debt to GDP has continued to moderate, standing at 83.8% in 1H18 compared to 84.2% in 2017.

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

MARKET OUTLOOK AND STRATEGY

Regional government bond/sukuk yields have edged higher but Malaysian Ringgit (MYR) govies appear more resilient compared to peers markets like Indonesia and Philippines. We believe MYR bond/sukuk market remains as one of the deepest in the region, supported by still healthy macro dynamics. The recent upward adjustment in MYR government bond/sukuk yields could pave the way for bargain hunts and may have already started as bond/sukuk yields have since converged lower. Onshore real money investors are supporting MYR market and reinvest at higher yielding levels when valuation becomes attractive. Benign inflation outlook with receding CPI bode wells for fixed income market as real yields are still attractive. Key risk events to watch will be upcoming Malaysia Budget 2019 to be tabled on 2 November 2018 as fiscal consolidation measures are expected to be announced and another is US mid-term election on 6 November 2018.

Going forward, although MYR bond/sukuk yields are likely to be influenced by upward pressure as US Fed normalization continues to resonate, we are still upbeat on 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/sukuk on healthy credit spreads and yield premium.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 September 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.