RHB Asset Management

FUND FACTSHEET – DECEMBER 2018

All data expressed as at 30 November 2018 unless otherwise stated

3-year Fund Volatility 0.1 very low Lipper Analytics 15 NOV 2018

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 institutionas 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.

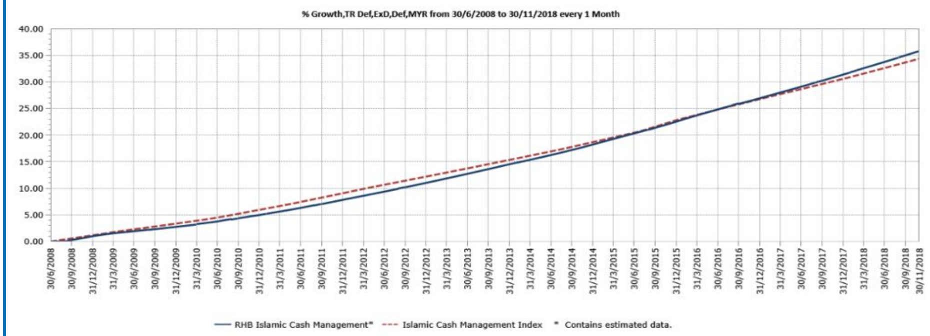
INVESTOR PROFILE

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**	**3.31**
Benchmark	0.26	0.79	1.59	2.90

	1 Year	3 Years	5 Years	Since Launch
Fund	**3.62**	**11.16**	**18.87**	**35.76**
Benchmark	3.16	9.78	16.75	34.34

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

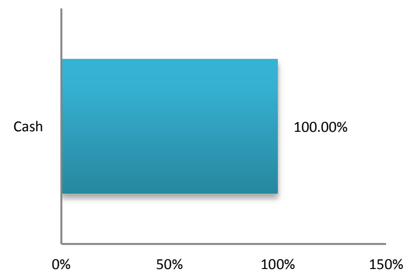
FUND DETAILS

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)	RM4,231.77
Units In Circulation (million)	4231.77
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.

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 Nov 2018	0.3000	3.63
31 Oct 2018	0.3100	3.62
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

Source: RHB Asset Management Sdn. Bhd.

3-year Fund Volatility
0.1
very low
Lipper Analytics
15 NOV 2018

RHB ISLAMIC CASH MANAGEMENT FUND

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MANAGER'S COMMENTS

MARKET REVIEW

The dominant theme for 3rd quarter of 2018 besides the United States (US) were the developments happening in Europe with Italy's opposition unable to form a coalition government and their debt concerns amid a budget spat with the European Union (EU). Uncertainties surrounding the Brexit deal has also drove risk aversion with the 10-year gilt yield declining 22 basis points quarter-to-date (QTD). On United States Treasury (UST), the 10-year yield was initially sold higher to 3.24% but then managed to recover most of the losses. At the close, the UST 2-, 5-, 10- and 30-year closed the month lower at 2.79% (October 2018: 2.87%), 2.81% (2.97%), 2.99% (3.14%) and 3.29% (3.39%) respectively. Thus far in 2018, the US economy has been posting strong macro numbers and the Federal Reserve has committed to their tightening path with three 25 basis points rate hikes already and market is pricing in another hike for the last meeting in December 2018.

On Malaysia front, Bank Negara Malaysia (BNM) kept Overnight Policy Rate (OPR) unchanged at 3.25% in their last Monetary Policy Committee (MPC) meeting in November 2018 as widely expected. The statement was largely neutral with the central bank expect underlying inflation to remain contained in the absence of strong demand pressure, which likely mean inflation would likely be due to cost pressure and therefore not likely to spur OPR higher. Malaysia 3Q18 Gross Domestic Product (GDP) was at +4.4% year-on-year (YoY) against +4.6% YoY consensus and 2Q18's +4.5%. The growth fell below expectation at 1.6% quarter-on-quarter (QoQ), extending slowdown despite a stronger demand offset by a more challenging external environment. Malaysia's slower growth are consistent with its peers Indonesia, Philippine and Thailand in the 3Q's economic growth. Unexpectedly there was large foreign inflow from Malaysian Ringgit bond/sukuk market of RM7.8 billion in October 2018 probably due to improving risk sentiment toward Emerging Market (EM) debts. Year-to-date (YTD) foreign outflows narrowed to RM14.4 billion (September 2018: -RM22.2 billion) and foreign shares of Malaysian Government Securities (MGS) and MGS+Government Investment Issues (GII) increased to 40.7% (September 2018: 39.5%) and 25% (September 2018: 24.1%) respectively. Malaysia foreign reserved declined by United States Dollar (USD) 1.1 billion and stood at USD101.7 billion in October 2018 (September 2018: USD102.8 billion).

The October 2018 inflation data were mostly in line with economists' expectations, which resulted in mild net buying of bond/sukuk post data release. Headline inflation accelerated to +0.6% YoY in October 2018 (September 2018: +0.3%). These are steeper than the pick-up in core inflation (+0.4% YoY in October 2018 versus +0.3% YoY in September. The seasonally-adjusted headline Consumer Price Index (CPI) rose just 0.2% month-on-month (MoM) in October 2018 versus +0.4% MoM in September 2018. MGS benchmark issues ended the month mostly higher with the 3-, 5-, 7-, 10-,15-, 20- and 30-year MGS closed at 3.68% (October 2018: 3.66%), 3.86% (3.79%), 4.05% (4.01%), 4.12% (4.08%), 4.54% (4.56%), 4.75% (4.78%) and 4.92% (4.95%) respectively. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year GII followed the same trend at 3.78% (October 2018: 3.74%), 3.93% (3.90%), 4.14% (4.11%), 4.23% (4.25%), 4.59% (4.59%), 4.78% (4.78%) and 4.93% (4.96%) respectively.

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

MARKET OUTLOOK AND STRATEGY

The recent budget announced late October 2018 saw Government's commitment towards fiscal consolidation eyeing a fiscal deficit of 3.7% in 2018 and 3.4% in 2019. Although the fiscal deficit is expected wider, we opine market players should focus on the mid to longer term fiscal consolidation progress going forward as Malaysia still has healthy domestic growth and manageable inflation outlook. In terms of inflation prospects, inflation is expected to remain well-contained within the range of 1.5-2.5% in 2018 and 2.5-3.5% in 2019. Gross supply of MGS/GII is RM115 billion in 2019 while net supply estimated to be similar at RM52 billion in both 2019 and 2018, it is still considerably higher than the average net supply of about RM40 billion per annum between 2013 and 2017. Although the gross supply is relatively higher next year, but net amount at RM52 billion is still manageable, with onshore real money demand is expected to remain supportive taking cue from YTD healthy bid-to-cover trends and BNM's still accommodative monetary policy stance. As inflation remains within comfortable ranges and economic growth likely to stay at +4.8% (2018) and +4.9% (2019), we expect the OPR to remain unchanged at 3.25% in the medium term subject to global macroeconomic fundamentals remaining intact and no severe economic shocks globally. 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/sukuk on healthy credit spreads and yield premium.

DISCLAIMER:

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