

RHB DEPOSITS FUND

The Fund aims to provide investors with a high level of liquidity while providing reasonable returns by predominantly investing its assets in Malaysian Ringgit deposits placed with financial institutions in Malaysia.

INVESTOR PROFILE

This Fund is suitable for investors who:

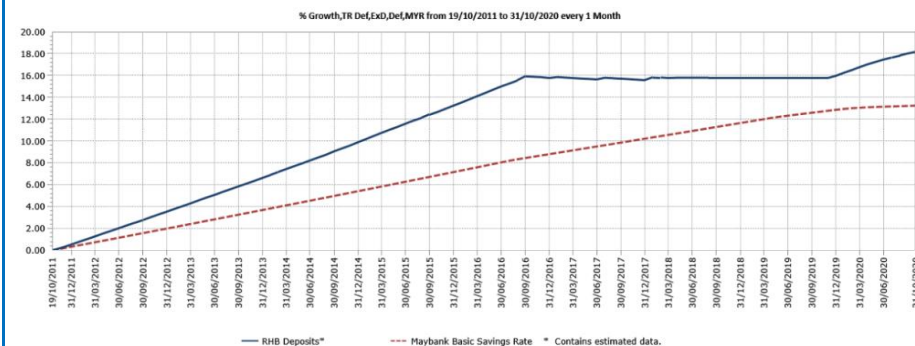
- require a high level of liquidity;
- are conservative and seek capital preservation;
- seek reasonable returns that commensurate with the low risks investments; and
- prefer a short term investment horizon.

INVESTMENT STRATEGY

- At least 98% of NAV: Investments in deposits with financial institutions which have a remaining maturity period of not more than 365 days.
- Up to 2% of NAV: Maintained in cash.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.13	0.42	0.95	1.86
Benchmark	0.02	0.06	0.13	0.34

	1 Year	3 Years	5 Years	Since Launch
Fund	2.04	2.14	4.85	18.14
Benchmark	0.50	2.96	5.96	13.24

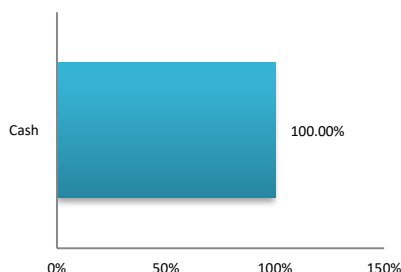
Calendar Year Performance (%)*

	2019	2018	2017	2016	2015
Fund	0.17	0.18	-0.17	2.21	3.07
Benchmark	1.08	1.30	1.30	1.53	1.66

Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Asset Allocation*



*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0064	1.0066	1.0093
Low	1.0056	1.0021	1.0000

Source: Lipper IM

FUND DETAILS

Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Money Market Fund
Fund Type	Income Fund
Launch Date	19 October 2011
Unit NAV	RM1.0061
Fund Size (million)	RM44.78
Units In Circulation (million)	44.50
Financial Year End	31 October
MER (as at 31 Oct 2019)	Not available**
Min. Initial Investment	RM50,000.00
Min. Additional Investment	RM10,000.00
Benchmark	Maybank Berhad – Savings Account Rate
Sales Charge	None
Repurchase Charge	None
Annual Management Fee	0.40% p.a. of NAV*
Annual Trustee Fee	None
Switching Fee	RM25.00
Redemption Period	Redemption monies to be paid the next business day after receipt the request to repurchase
Distribution Policy	Annually, 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.

**The MER is not comparable as the Fund being dormant.

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MANAGER'S COMMENTS

MARKET REVIEW

On the local rates, both Malaysia's sovereign papers that is Malaysia Government Securities ("MGS") and Government Investment Issues ("GII") curve were generally bull-steepened in most part of the month as positive auction of the new MGS 10-year benchmark has drove the short-tenor and up to the belly of the curve to be well demanded. This is on top of gradual market adjustment and expectation for lower policy rate going forward as the surge in number of Covid-19 cases shall warrant dovish monetary policy to curb potential shortfall in growth trajectory as well as to lend further support for domestic economy.

Looking ahead, curve steepening pressure might prevail on supply dynamics point of view as there is now a stronger case for the continuation of expansionary fiscal measures which will reflect in similarly heavy government bond supply profile in 2021. Therefore, we will be closely watched for further details in this upcoming Budget 2021 announcement as government need to find a tight balance between fiscal consolidation and maintaining adequate and sustainable support for the recovery. Nonetheless, we remain opportunistic as the correction in yields will attracts good entry level as policy remain far from tightening cycle.

Month-on-month, MGS space was bull-steepened with the front-end yields were well priced-in for another 25 bps OPR reduction. Overall, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS closed the month at 1.75% (Sept-2020: 2.00%), 2.00% (2.24%), 2.32% (2.42%), 2.61% (2.65%), 3.10% (3.04%), 3.45% (3.37%) and 3.89% (3.84%) respectively. On the other hand, action on the GII – the Shariah compliant version of MGS, appeared to also been in a same trend of well-demanded shorter-tenor which has moved closed to 25 bps lower during the month. At month end, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year GII were reported at 1.79% (Sept-2020: 2.04%), 1.96% (2.22%), 2.34% (2.37%), 2.59% (2.64%), 3.21% (3.15%), 3.51% (3.57%) and 4.00% (4.05%) respectively.

On the local economic front, Malaysia's Consumer Prices Index ("CPI") report for September 2020 was still in deflationary mode at a lower rate of -1.4%, following the same reading of -1.4% in August 2020. CPI dropped for the eight-consecutive month in September 2020 since March 2020's 0.2% decline. The decrease in the overall index was attributed to declines in transport (-9.9%), housing, water, electricity, gas and other fuels (-3.0%), clothing and footwear (-0.6%), and furnishing and household equipment (-0.1%) which overall contributed about 41.6% of overall weight in CPI basket. The CPI's transport segment declined on cheaper petrol and diesel retail price. In the statement, the Department of Statistic Malaysia ("DOSM") said the average price of unleaded petrol RON95 decreased to RM1.68 per litre compared to RM2.08 in September 2019 amid persistently soft global crude oil prices. For now, headline CPI is forecasted to be staying in negative territory for the rest of the year and only rising through for the first half of 2021 on base effects. Currently the average year-to-date Brent oil price is still hovering about USD42/barrel which is above the Government's assumption for average oil price at around USD35/barrel, indicated during the release of the previous stimulus package. To recap, BNM's inflation rate forecast remains at -1.5% to 0.5% for 2020 and see the inflation could pick-up to 1.0% to 3.0% in 2021.

DISCLAIMER:

Based on the fund's portfolio returns as at 10 October 2020, the Volatility Factor (VF) for this fund is 0.3 and is classified as "Very Low". (source: Lipper) "Very Low" includes funds with VF that are above 0.0 but not more than 3.3 (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 2020 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2020.

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 contents of the PHS and Master Prospectus dated 3 August 2017 and its supplementary(ies) (if any) ("collectively known as the Master Prospectus") before investing. The Master Prospectus has been registered with the Securities Commission Malaysia ("SC") who takes no responsibility for its contents. The SC's approval or authorization, or the registration of the Master Prospectus should not be taken to indicate that the SC has recommended the fund. 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. If in any doubt, consult your banker, lawyer, stockbroker or an independent financial adviser.

The Manager wishes to highlight the specific risks of the Fund are credit/default risk, inflation/purchasing power risk and interest rate risk. These risks and other general risks are elaborated in the Master Prospectus.

This Fund 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.

This Fund Factsheet has not been reviewed by the SC.

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