

### 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:

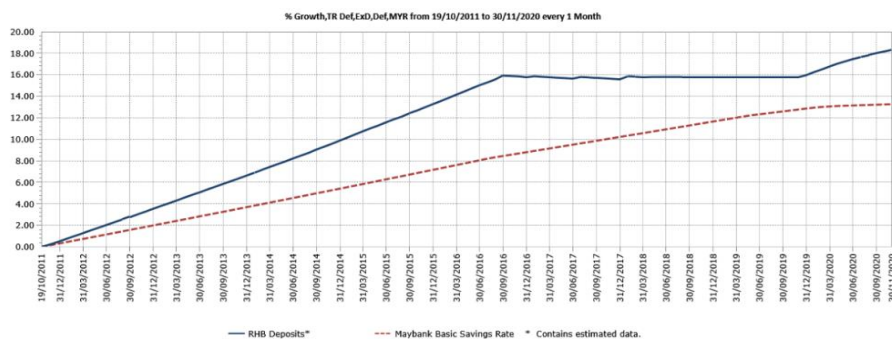
- require a high level of liquidity;
- are conservative and seek capital preservation;
- seek reasonable returns that commensurate with the low risks investments; and
- prefer a short term investment horizon.

#### 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    | 0.41     | 0.89     | 2.00 |
| Benchmark | 0.02    | 0.06     | 0.13     | 0.36 |

|           | 1 Year | 3 Years | 5 Years | Since Launch |
|-----------|--------|---------|---------|--------------|
| Fund      | 2.17   | 2.31    | 4.71    | 18.29        |
| Benchmark | 0.44   | 2.88    | 5.84    | 13.26        |

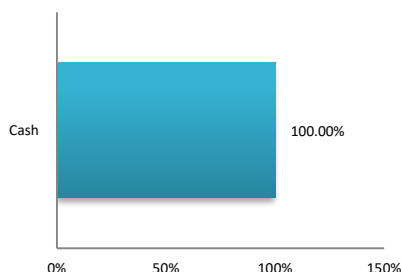
##### Calendar Year Performance (%)\*

|           | 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 | 1.0070  | 1.0070    | 1.0093       |
| Low  | 1.0035  | 1.0021    | 1.0000       |

Source: Lipper IM

#### FUND DETAILS

|                                       |  |
|---------------------------------------|--|
| <b>Manager</b>                        | RHB Asset Management Sdn. Bhd.   |
| <b>Trustee</b>                        | HSBC (Malaysia) Trustee Bhd  |
| <b>Fund Category</b>                  | Money Market Fund  |
| <b>Fund Type</b>                      | Income Fund  |
| <b>Launch Date</b>                    | 19 October 2011  |
| <b>Unit NAV</b>                       | RM1.0039   |
| <b>Fund Size (million)</b>            | RM44.83  |
| <b>Units In Circulation (million)</b> | 44.66  |
| <b>Financial Year End</b>             | 31 October   |
| <b>MER (as at 31 Oct 2019)</b>        | Not available**  |
| <b>Min. Initial Investment</b>        | RM50,000.00  |
| <b>Min. Additional Investment</b>     | RM10,000.00  |
| <b>Benchmark</b>                      | Maybank Berhad – Savings Account Rate  |
| <b>Sales Charge</b>                   | None   |
| <b>Repurchase Charge</b>              | None   |
| <b>Annual Management Fee</b>          | 0.40% p.a. of NAV*   |
| <b>Annual Trustee Fee</b>             | None   |
| <b>Switching Fee</b>                  | RM25.00  |
| <b>Redemption Period</b>              | Redemption monies to be paid the next business day after receipt the request to repurchase |
| <b>Distribution Policy</b>            | 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 ie; Malaysia Government Securities ("MGS") and Government Investment Issues ("GI") curve were generally softer with yields seen to be drifted higher on less trading activities towards the end of the year as well as improvement in risk appetite following vaccine progress that saw global yields spiked and reversed entirely. The uncertainties ahead of the Budget 2021 debate and passing vote added in pressuring sentiment of Malaysia's bond market during the month. At this juncture, high anticipation in bond market is unlikely given the improvement in risk appetite might flows into equities following vaccine progress that could enhance optimism over combating and containing the rising global Covid-19 cases and help on global economy growth. Rising external yields will inevitably weigh on Ringgit bonds when supply profile remains heavy while demand faces headwinds. Nevertheless, BNM has ample capacity to raise its exposure in local government bonds though may less motivated to do so if yield increase comes under the context of better growth prospects.

Month-on-month, MGS space was bear-steepened with the front-end yields adjusted higher after the rate cut expectation did not materialize. Overall, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS closed the month at 1.75% (Oct-2020: 1.75%), 2.00% (2.00%), 2.32% (2.32%), 2.61% (2.61%), 3.10% (3.10%), 3.45% (3.45%) and 3.89% (3.89%) respectively. On the other hand, action on the GI – the Shariah compliant version of MGS, appeared to also been in a same trend of bear-steepening curve on softer overall local bond market. At month end, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year GI were reported at 1.79% (Oct-2020: 1.79%), 1.96% (1.96%), 2.34% (2.34%), 2.59% (2.59%), 3.21% (3.21%), 3.51% (3.51%) and 4.00% (4.00%) respectively.

On the local economic front, Malaysia's Consumer Prices Index ("CPI") declined to -1.5% in October 2020, following reading of -1.4% in September 2020. CPI dropped for the eight-consecutive month in October 2020 since March 2020's 0.2% decline. The decrease in the overall index was attributed to declines in transport (-10.2%), housing, water, electricity, gas and other fuels (-3.0%), clothing and footwear (-0.4%). 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 RM1.67 per litre compared to RM2.08 in October 2019 amid persistently soft global crude oil prices. Year to date, the CPI for the period of January 2020 to October 2020 decreases by 1.0% when compared to the same period last year. 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. 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.

Malaysia's Gross Domestic Product ("GDP") rebounded 18.2% on a quarter-on-quarter basis, seasonally adjusted, stronger than consensus expectation of 16.0% and a prior quarter of 16.5%. The economy contracted 2.7% in year-on-year ("y-o-y") terms, a sharp improvement from the 17.1% contraction in 2Q. The recovery was broad-based, but was driven primarily by a sharp rebound in private consumption (-2.1% y-o-y compared to -18.5% in 2Q2020), contributing to two-thirds of sequential growth in the quarter. This reflects the sharp normalization of resident mobility in 3Q2020. Meanwhile, there was a firm rebound in both fixed investments and net exports, the latter thanks in part to a surge in biomedical and electronics exports. In a statement released alongside the GDP print, Bank Negara Malaysia Governor Nor Shamsiah revealed expectations for growth to contract at the lower end of the -3.5% to -5.5% range this year, while reaffirming that the 125bp of rate cuts this year should boost growth in 2021, and stating that there is "no need" to undertake large-scale government bond purchases.

#### DISCLAIMER:

Based on the fund's portfolio returns as at 10 November 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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