

## RHB-OSK ISLAMIC CASH MANAGEMENT FUND

This Fund aims to provide liquidity and a regular stream of income by investing in Shariah compliant 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.

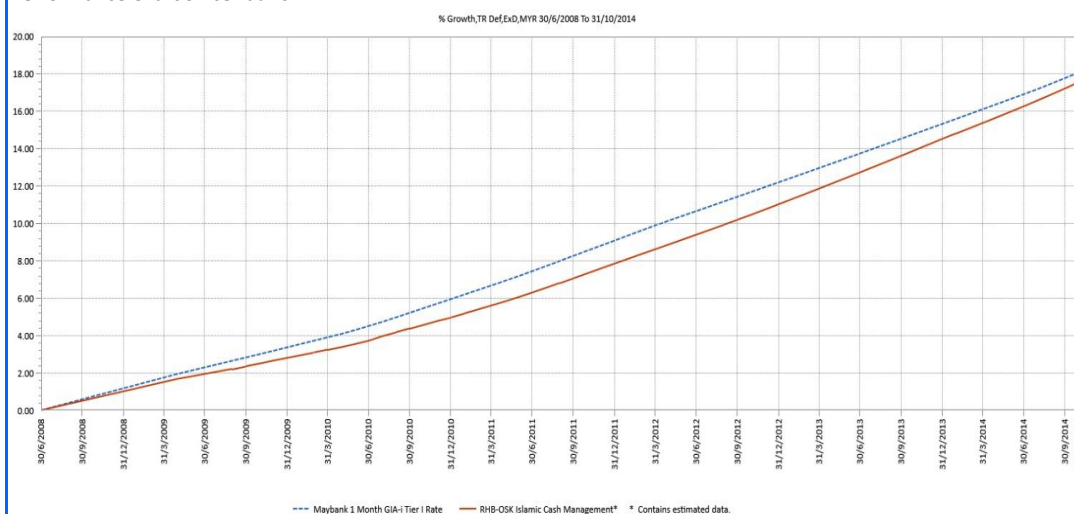
### INVESTOR PROFILE

**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	0.84	1.63	2.65
Benchmark	0.25	0.76	1.46	2.38

	1 Year	3 Years	5 Years	Since Launch
Fund	3.20	9.52	14.67	17.55
Benchmark	2.85	8.80	14.63	18.07

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

	2013	2012	2011	2010	2009
Fund	3.15	2.93	2.75	2.11	1.80
Benchmark	2.78	2.87	2.94	2.49	2.17

\*Source: Lipper IM

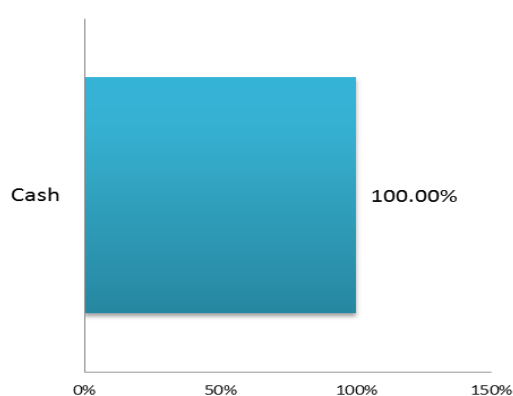
### FUND DETAILS

<b>Investment Manager</b>	RHB Asset Management Sdn. Bhd.
<b>Trustee</b>	HSBC (Malaysia) Trustee Bhd
<b>Fund Category</b>	Money Market Fund (Shariah)
<b>Fund Type</b>	Income Fund
<b>Launch Date</b>	30 June 2008
<b>Unit NAV</b>	RM1.0000
<b>Fund Size (million)</b>	RM701.39
<b>Units In Circulation (million)</b>	701.39
<b>Financial Year End</b>	30 November
<b>MER (as at 30 Nov 2013)</b>	0.36%
<b>Min. Initial Investment</b>	Institutional - RM100,000.00 Retail - RM50,000.00
<b>Min. Additional Investment</b>	Institutional - RM50,000.00 Retail - RM25,000.00
<b>Benchmark</b>	Maybank AI-Mudharabah (GIA) 1-month Rate
<b>Sales Charge</b>	None
<b>Redemption Charge</b>	None
<b>Annual Management Fee</b>	Up to 0.30% p.a. of NAV*
<b>Annual Trustee Fee</b>	0.025% p.a. of NAV*
<b>Switching Fee</b>	RM25.00 per switch
<b>Redemption Period</b>	Within 1 days after receipt the request to repurchase
<b>Cooling-Off Period</b>	Within 6 business days from the date of receipt of application
<b>Distribution Policy</b>	Monthly, if any

\*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

#### Sector 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)
31 Oct 2014	0.2872
30 Sep 2014	0.2716
31 Aug 2014	0.2762
31 Jul 2014	0.2711
30 Jun 2014	0.2554
31 May 2014	0.2611

Source: RHB Asset Management Sdn. Bhd.

**RHB-OSK ISLAMIC CASH MANAGEMENT FUND**

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**MANAGER'S COMMENTS****MARKET REVIEW**

The Budget 2015 announced in October further emphasized on meeting fiscal deficit target in 2014 (3.50% of GDP) and 2015 (3.00% of GDP), by gradually removing fuel subsidy as well as implementation of Goods and Services Tax ("GST") in April 2015. During the IMF annual meeting in Washington, BNM Governor Dr. Zeti comments were dovish, noting that risks to global growth have increased and domestic growth will moderate closer to 5.00% in 2015 due to some moderation in consumption. While implementation of GST will likely to increase inflation in the short term, BNM still sees long term inflation trend of 3.00% as achievable. Both her comment as well as the temporary fall in September CPI to 2.60% YoY (August: 3.30% YoY) reinforces the rate hike pause in November. The last BNM Monetary Policy Committee meeting for the year is scheduled on 6th November.

As a result, the local government bond market bullish flattened with long-end yields compressed more than short-end yields. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year Malaysia Government Securities ("MGS") were traded at 3.50% (September: 3.47%), 3.63% (3.67%), 3.77% (3.80%), 3.83% (3.89%), 4.15% (4.21%), 4.25% (4.31%) and 4.63% (4.71%) respectively. Likewise, Government Investment Issues ("GI") mirrors the performance of MGS with bullish flattening trend. The 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.67% (September: 3.66%), 3.80% (3.80%), 4.00% (4.00%), 4.12% (4.14%), 4.39% (4.42%) and 4.57% (4.62%) respectively.

Trading volume in the Ringgit corporate bond increased moderately in October due to the positive spillover sentiment from strong govies performance. Average daily corporate bond trading volume increased to RM498mil from RM402mil reported a month ago. Longer duration PDS remained the outperformer for October as investors looking for higher yield pickup. On average, the longer end of the curve tightened by 4-5bps.

For the period under review, the Money Market rates for periods of 1, 3 and 6 months rates were offered higher between 3.70%, 3.80% and 3.90% respectively.

**ECONOMIC REVIEW AND OUTLOOK**

The August inflation number came slightly higher than expected at +3.3% yoy, in comparison to +3.2% consensus. Meanwhile, Malaysia's IPI showed a small 0.5% yoy growth in July, or its smallest gain since February 2013. In contrast, consensus amongst economists was growth of 4.3% after the 7.0% yoy growth the month before. BNM kept OPR steady at 3.25% as expected in the September MPC meeting and we continue to believe the interest rate outlook to remain stable for the rest of 2014. This is supported by the wordings in statement such as "absence of external price pressures" and "moderate demand conditions" to mitigate impact of cost factors on underlying inflation.

**STRATEGY GOING FORWARD**

Budget 2015's objective to reduce fiscal deficit was viewed positively by foreign investors and a credit positive to our foreign currency sovereign rating. The reduction in fiscal deficit may result to a smaller size of Government bond issuance for 2015. From a demand-supply perspective, this is positive for the bond market. We remained confident that BNM will not raise OPR in the next MPC meeting in November and therefore will continue to be tactically increasing duration with an overweight bias to longer term money market placements for better returns.

**DISCLAIMER:**

Based on the fund's portfolio returns as at 15 October 2014, 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 not more than 1.1 (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 2014 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2014.

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 9 September 2014 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, liquidity 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.