

RHB CASH MANAGEMENT FUND 2

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

INVESTOR PROFILE

This Fund is suitable for Investors who:

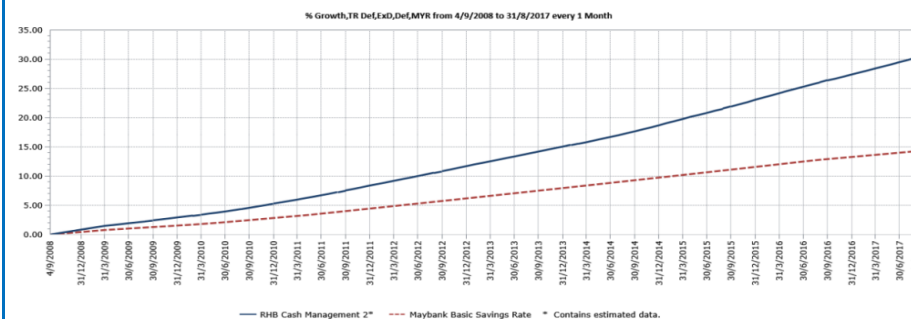
- require a high level of liquidity;
- are conservative and seek capital preservation;
- seek reasonable returns that commensurate with the low risks investments; and
- prefer a short term investment horizon.

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	0.31	0.88	1.72	2.25
Benchmark	0.11	0.33	0.65	0.86

	1 Year	3 Years	5 Years	Since Launch
Fund	3.37	10.97	17.82	30.24
Benchmark	1.30	4.68	8.18	14.24

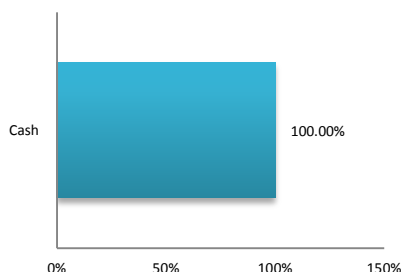
Calendar Year Performance (%)*

	2016	2015	2014	2013	2012
Fund	3.52	3.65	3.24	2.99	3.06
Benchmark	1.53	1.66	1.51	1.66	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	1.3024	1.3024	1.3024
Low	1.2984	1.2599	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	04 September 2008
Unit NAV	RM1.3024
Fund Size (million)	RM235.33
Units In Circulation (million)	180.69
Financial Year End	31 March
MER (as at 31 Mar 2017)	0.43%
Min. Initial Investment	RM500.00
Min. Additional Investment	RM100.00
Benchmark	Maybank Berhad – Savings Account Rate
Sales Charge	None
Redemption Charge	None
Annual Management Fee	0.40% p.a. of NAV*
Annual Trustee Fee	None
Switching Fee	Not applicable
Redemption Period	Redemption monies to be paid the next business day after receipt the request to repurchase
Distribution Policy	None

*The implementation of GST will be effective from 1 April 2015 at the rate of 6% and the fees or charges payable is exclusive of GST.

*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

Local government bond market saw increased trading activity during the month. The Malaysia Government Securities (“MGS”) curve shifted 5-13 bps lower along the 5-year to 15-year on the back of foreign buying flows from long-term type of real money investors. At month-end close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were reported at 3.360% (July-2017: 3.310%), 3.560% (3.705%), 3.855% (3.920%), 3.899% (4.000%), 4.314% (4.415%), 4.537% (4.575%) and 4.723% (4.800%) respectively. Action on the Government Investment Issues (“GII”) – Shariah compliant version of MGS also seeing a much better trading activity compared to previous month. The curve shifted down to around 10bps for the short dated papers. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year GII were reported at 3.487% (July-2017: 3.585%), 3.708% (3.804%), 3.973% (4.012%), 4.047% (4.094%), 4.504% (4.531%), 4.713% (4.720%) and 4.891% (4.921%) respectively. There were 3 government bond auctions in August, the new issuance of 20-year GII (GII 04/37, RM2.5bil issuance size, 4.755% average yield), new issuance of 3-year MGS (MGS 02/21, RM3.5bil, 3.441%) and re-opening of 8-year GII (GII 08/24, RM3.5bil, 3.963%). The first two auctions recorded only modest bid-to-cover ratio of 1.784x and 1.706x respectively but subsequently the final auction of the month saw better bid-to-cover ratio of 2.104x.

On the local economic front, Malaysia’s trade surplus increased sharply to MYR9.88bil in June 2017 from a surplus of MYR5.49bil created last month and was the largest trade surplus since Apr 2016. The trade surplus widened more than expected as exports rose more than imports. However, both exports and imports number were lower than May 2017 by 8% and 14.5% respectively on broad-based basis. In MYR term, June exports expanded by 10% YoY (consensus: 15.8%, May 2017: 32.5%), while imports grew marginally by 3.7% YoY (consensus: 19.0%, May 2017: 30.4%). The higher export growth for YoY was spurred by increased exports of liquefied natural gas (LNG), supported by higher average unit value (AUV) and volume while the import factor was a result of lower imports of semi-durables, particularly woven apparel. On the other note, Malaysia inflation moderated for the fourth consecutive monthly decline (since highest in Mar 2017) to 3.2% YoY (consensus: 3.3%, June 2017: 3.6%), core at 2.6% (June 2017: 2.5%). Continued moderation in fuel inflationary pressures consequently reducing the contribution of the transport component to the headline inflation, transport CPI (July: 7.7%, Jun: 10.5%). Moderation also seen in food & non-alcoholic beverages, recreation services and miscellaneous items. In contrast, healthcare and restaurants & hotels inflation accelerated slightly. However, with the upturn in global oil prices and higher Malaysia’s retail pump prices throughout the month of August compared to July, we are in the view that there is an upward bias towards August headline inflation. The highlight in August was a strong GDP print of Malaysia’s 2Q17 which unexpectedly accelerates to 5.8% YoY (consensus: 5.2%. 1Q17: 5.6%). This higher than expected GDP was led by turnaround in net exports and inventory re-stocking and consumption. Private consumption recorded 7.1%, above its historical average of 6.7%. Going forward, export and re-stocking boost may moderate on base effects, but consumption should be supported by pre-election spending while infrastructure spending should lift investments.

DISCLAIMER:

Based on the fund’s portfolio returns as at 15 August 2017, 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 2017 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2017.

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 3 August 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 credit/default risk, inflation/purchasing power risk and interest rate 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.