3-year Fund Volatility 0.1 very low Lipper Analytics 15 JUN 2017

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

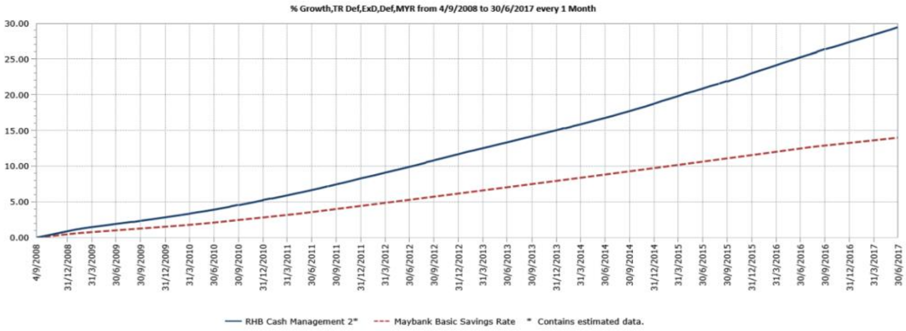
This Fund is suitable for Investors who:
- require a high level of liquidity;
- are conservative and seek capital preservation;
- seek reasonable returns that commensurate with the low risks investments; and
- prefer a short term investment horizon.

INVESTMENT STRATEGY

- Up to 100% of NAV: Investments in deposits with financial institutions which have a remaining maturity period of not more than 365 days.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**0.29**	**0.83**	**1.66**	**1.66**
Benchmark	0.11	0.32	0.64	0.64

	1 Year	3 Years	5 Years	Since Launch
Fund	**3.37**	**10.93**	**17.76**	**29.49**
Benchmark	1.35	4.74	8.25	13.99

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 DETAILS

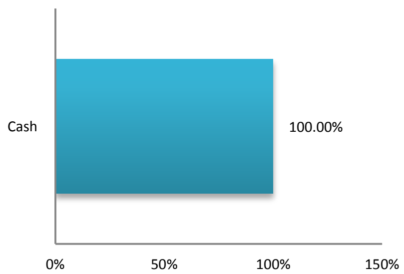
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Money Market Fund
Fund Type	Income Fund
Launch Date	04 September 2008
Unit NAV	RM1.2949
Fund Size (million)	RM238.58
Units In Circulation (million)	184.24
Financial Year End	31 March
MER (as at 31 Mar 2017)	0.43%
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.*

FUND PORTFOLIO ANALYSIS

Asset Allocation*



**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.2949	1.2949	1.2949
Low	1.2911	1.2527	1.0000

Source: Lipper IM

3-year Fund Volatility 0.1 very low Lipper Analytics 15 JUN 2017

RHB CASH MANAGEMENT FUND 2

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MANAGER'S COMMENTS

MARKET REVIEW

Mirroring higher U.S Treasury rates, Emerging Market ("EM") local currency government bonds also bearish flattened, Malaysia Government Securities ("MGS") included. The front to belly of the yield curve shifted almost parallel, by 8 – 10bps average. At month-end close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were reported at 3.360% (May-2017: 3.274%), 3.643% (3.549%), 3.899% (3.830%), 3.934% (3.875%), 4.254% (4.166%), 4.561% (4.554%) and 4.759% (4.744%) respectively. The Government Investment Issues ("GII") – Shariah compliant version of MGS – also saw similar movement with belly of the yield curve moved up circa 9 – 10bps. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year GII were reported at 3.624% (May-2017: 3.632%), 3.843% (3.739%), 3.988% (3.932%), 4.102% (4.003%), 4.566% (4.526%), 4.660% (4.614%) and 4.906% (4.905%) respectively. There were 2 government bond auctions in June, re-opening of 20-year MGS (MGS 04/37, RM2.5bil issuance size, 4.558% average yield) and re-opening of 10-year GII (GII 07/27, RM3bil, 4.013%) which recorded moderate bid-to-cover ratio of 1.704x and 2.541x respectively. In Ringgit credit space, due to festive holiday season, daily turnover has reduced substantially to RM438mil from RM650mil a month ago.

On the local economic front, April 17 trade surplus widens more than expected on import slowdown. In MYR terms, April imports slowed more than expected to 24.7% YoY (March 2017: 39.4%, consensus: 31.3%), while exports moderated in line with consensus at 20.6% YoY (March 2017: 24.1%). Sequential decline in exports was led mainly by machinery, appliances and parts, crude petroleum, petroleum products and optical/scientific equipment while sequential drop in imports was led by a 29.6% MoM plunge in capital goods, but after a 43.7% rise in March 2017. However, both consumption and intermediate goods also fell in April 2017. April 2017 IP rise lower than expected by 4.2% YoY (March 2017: 4.6%, consensus: 4.8%) as mining and electricity fall offset manufacturing acceleration. Despite underperforming market expectations, the sequential uptick in manufacturing led by food and E&E suggest that manufacturing and net exports may be key growth drivers in 2Q2017, though restocking lift may wane. Lastly, May 2017 CPI moderated to 3.9% YoY (April 2017: 4.4%, consensus: 4.1%) and was led mainly by pump price-related moderation in transport CPI, with moderation also seen in clothing and footwear, recreation services, restaurant and hotels and miscellaneous items. The data confirms that headline CPI likely peaked in March 2017 at 5.1%. Going forward, with RON95 prices in the first three weeks of June 2017 averaging 2.6% lower than in May, headline inflation could moderate in June 2017. This could lower the upside risks to BNM's 2017 headline forecast range of 3-4%, though much depends on the trajectory of oil and pump prices, which remains highly uncertain.

With regards to outlook in Malaysia, upside risks to growth leaves open possibility of rate adjustment in late 2H2017 or 2018 on stronger demand-pull inflation. For now, the MPC's assessment of "only" a modest increase in core inflation clearly suggests the MPC is not ready to hike in Jul on inflation concerns – which is also consistent with the fact that there was no hint of imminent hikes. Still, if full year growth tests or breaches the upper end of BNM's 4.3-4.8% forecast range, the MPC's benign view of demand-pull inflation could be eventually challenged. Even if demand-pull inflation remains benign, the option to hike on financial stability grounds (to counter negative real policy rates) remains, provided growth surprises positively. On portfolio strategy, we continue to advocate for tactical over weight duration (moderately) to capture the return of foreign flows. However, investors should stay vigilant on any upside risks on inflation and growth as it might very well change BNM's tone in accommodative interest rates outlook. As for fixed income instruments allocation, we overweight credit over government bonds for yield pick-up and might increase cash a tad for primary participation.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 June 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 1.8 (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 31 December 2016 which is calculated once every six months and is valid until its next calculation date, i.e. 30 June 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 2016 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 returns are not guaranteed 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.

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