

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:

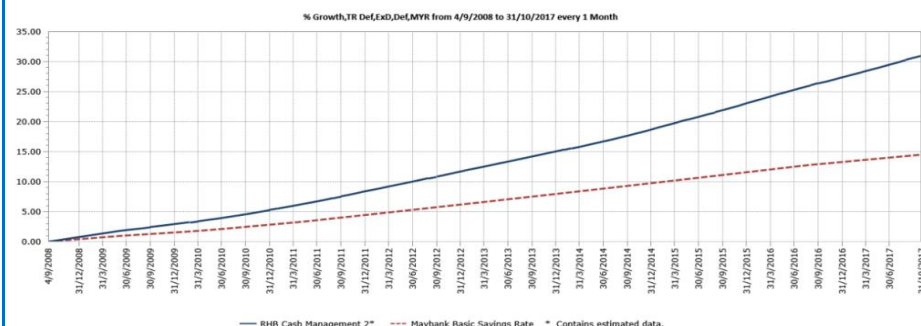
- require a high level of liquidity;
- are conservative and seek capital preservation;
- seek reasonable returns that commensurate with the low risks investments; and
- prefer a short term investment horizon.

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	0.27	0.84	1.69	2.79
Benchmark	0.11	0.33	0.65	1.08

	1 Year	3 Years	5 Years	Since Launch
Fund	3.36	10.93	17.88	30.93
Benchmark	1.30	4.62	8.12	14.49

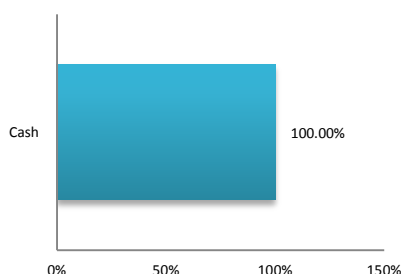
Calendar Year Performance (%)*

	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	1.3093	1.3093	1.3093
Low	1.3058	1.2667	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	RM1.3093
Fund Size (million)	RM205.11
Units In Circulation (million)	156.65
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

Reflecting UST rates movements, Malaysia Government Securities (“MGS”) started the month with yields a bit flat at the beginning of the month before edging higher following the UST, but seeing interest later on the final day of the month. The Malaysia Government Securities (“MGS”) curve has shifted 2-19 bps higher along the curve. At month-end close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were reported at 3.456% (September-2017: 3.327%), 3.668% (3.645%), 3.934% (3.844%), 3.911% (3.910%), 4.495% (4.307%), 4.705% (4.600%) and 4.967% (4.887%) respectively. Similar yield movement also observed in the Government Investment Issues (“GII”) – Shariah compliant version of MGS, which saw the curve shifted higher by 2 – 15 bps. The 3-, 5-, 7-, 10-, 15-, 20- and 30-year GII were reported at 3.491% (September-2017: 3.575%), 3.795% (3.817%), 4.036% (4.035%), 4.144% (4.125%), 4.717% (4.541%), 4.941% (4.797%) and 5.057% (4.950%) respectively. There were 3 government bond auctions in October, the re-opening of 7-year MGS (MGS 09/24, RM3.0bil issuance size, 3.889% average yield), re-opening of 20-year GII (GII 08/37, RM1.5bil, 4.785%) and the re-opening of 30-year MGS (MGS 03/46, RM2.0bil issuance size, 4.957%) which only garnered weak-to-moderate bid-to-cover (“BTC”) ratio of 1.604, 2.147 and 1.553 respectively.

On the local economic front, headline Consumer Price Index (“CPI”) rises but core was unchanged during the month. September headline CPI picks up to 4.3% YoY, (Consensus: 4.3%, August: 3.7%), and core unchanged at 2.4%. Firmer Sep CPI was led by pump-price related pick-up in transport CPI (Sep: 15.8%; Aug: 11.7%). Most of the other components were largely stable. Sequentially, CPI expanded for the second straight month by 0.3% MoM (Aug: 0.9%). In contrast to rising headline, official core CPI stayed at 2.4% (Aug: 2.4%; Jul: 2.6%). Going forward, with RON 95 prices in the first three weeks of October averaging 0.7% lower than in September, headline inflation could moderate to below 4% in October. Assuming relatively stable pump prices for the rest of the year, headline could moderating to 3 – 3.5% in Nov-Dec, such that full year average headline CPI inflation remains at near the upper bound of BNM’s 3%-4% forecast. The fall in inflation pervasiveness and core inflation staying within the BNM’s comfort threshold of 2.3%-2.5% are notable and perhaps justifying BNM’s decision to maintain Overnight Policy Rate (“OPR”) at 3.00% in their last Monetary Policy Committee (“MPC”) meeting in September amid expectations for core inflation to remain contained. However, BNM had previously acknowledged higher perceived inflation cannot be overlooked as it may lead to second round effects and the recent news on likely minimum wage increase next year could potentially leading to a wage growth in rubber and manufacturing sectors. Historically, the headline inflation did see a pick-up and to some extent core inflation was also precede higher in the previous two event of minimum wage increase in 2013 and July 2016, even if the correlation does not imply causation. As such, we need to watch the next CPI prints and importantly, actions and comments by other major central banks to the extent they influenced global monetary policy.

DISCLAIMER:

Based on the fund’s portfolio returns as at 15 October 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.