RHB Asset Management

FUND FACTSHEET – JULY 2017

All data expressed as at 30 June 2017 unless otherwise stated

3-year Fund Volatility 38.7 very high Lipper Analytics 15 JUN 2017

RHB GOLD AND GENERAL FUND

This Fund aims to achieve returns on investment mainly in securities of corporations (whether or not listed on any stock exchange, and in any part of the world) whose business (in any part of the world) is or is substantially in the mining or extraction of gold, silver or precious metals (e.g. platinum, palladium, rhodium etc.), bulk commodities (e.g. coal, iron ore, steel etc.), base metals of all kinds (e.g. copper, aluminium, nickel, zinc, lead tin etc.), and other commodities (e.g. industrial minerals, titanium dioxide, borates etc.) and it includes the mining or extraction of oil, gas, coal and alternative energy or other commodities or other minerals.

INVESTOR PROFILE

This Fund is suitable for Investors who:

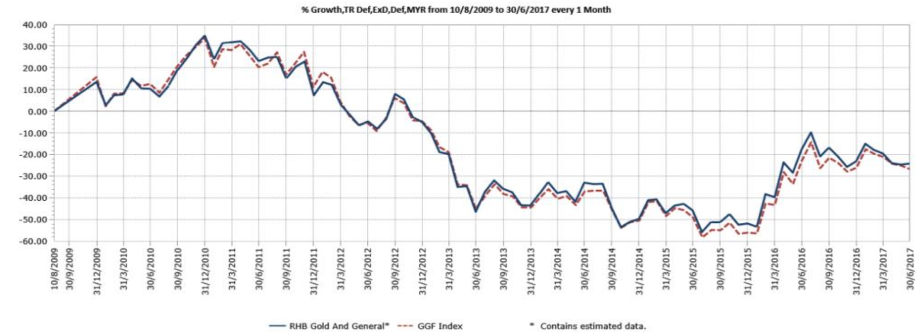
- wish to participate in the potential benefits derived from investment in companies involved in the mining and exploration of precious metals, energy or base metals;
- wish to diversify their investment portfolio from traditional asset classes; and
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Gold and General Fund.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**0.63**	**-5.77**	**-1.35**	**-1.35**
Benchmark	-2.20	-7.22	-1.05	-1.05

	1 Year	3 Years	5 Years	Since Launch
Fund	**-8.11**	**13.28**	**-20.37**	**-24.18**
Benchmark	-5.22	16.21	-22.53	-26.66

Calendar Year Performance (%)*

	2016	2015	2014	2013	2012
Fund	**59.38**	**-4.01**	**-10.92**	**-40.59**	**-11.50**
Benchmark	68.12	-11.34	-10.72	-41.64	-14.15

Source: Lipper IM

FUND DETAILS

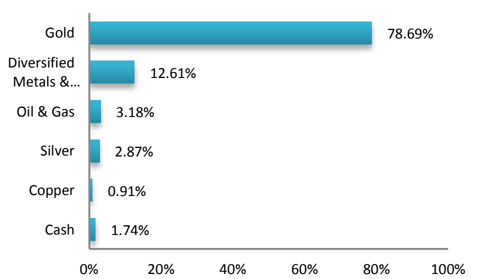
Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	21 July 2009
Unit NAV	RM0.2857
Fund Size (million)	RM203.10
Units In Circulation (million)	710.84
Financial Year End	30 June
MER (as at 30 June 2016)	0.52%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	70% FTSE Gold Mines Index (RM) + 30% HSBC Global Mining Index (RM)
Sales Charge	Up to 5.50% of investment amount
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Incidental

**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.*

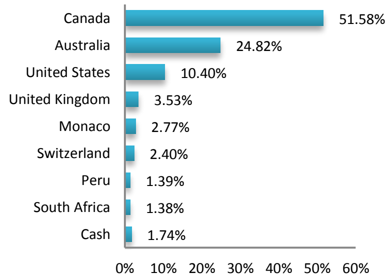
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

NEWMONT MINING CORP	8.63
BARRICK GOLD CORP	6.39
GOLDCORP INC	4.71
EVOLUTION MINING LTD	4.68
TECK RESOURCES LTD	4.17

**As percentage of NAV*

**Source: UOBAM, 30 June 2017. Exposure in United Gold & General Fund - 95.55%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.2961	0.3436	0.6393
Low	0.2775	0.2578	0.1622

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
30 Jun 2017	-	-
30 Jun 2016	-	-
30 Jun 2015	-	-
30 Jun 2014	-	-
30 Jun 2013	-	-

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

Physical gold started the month at US$1,269/oz and initially rose on weak US economic data to reach an intra-month high of US$1,294/oz on 6 June 2017. However, the gold price then ran into selling pressure ahead of the Federal Reserve Open Market Committee (FOMC) meeting on 14 June 2017, where the Federal Reserve (Fed) raised US policy rates by an additional 25 basis points, as expected. The gold price continued to weaken after the FOMC announcement and eventually finished the month at US$1,242/oz.

The increase in the Fed Funds rate to 1.25% (1.00% previously) came despite continuing mixed US economic data. There was no change to FOMC guidance of at least one further rate increase in 2017. While this guidance can be viewed as the FOMC trying to signal a transparent strategy to financial markets, it also appears to be a more hawkish strategy given the lack of accelerating inflation or GDP growth in the US economy. The Fund believes that financial markets are uncertain of a stronger US economy, as shown by the weakness in the US 10-year bond yield and USDollar index immediately after the FOMC announcement. Rising uncertainty over US economic growth prospects should be viewed as supportive of the gold price.

The FOMC statement also included additional details as to how the Fed plans to reduce the size of its balance sheet. This will involve a gradual phase-in of monthly disinvestment of securities from the Fed's portfolio, and raises the prospect that US monetary tightening may be delivered via a reduction in the Fed's balance sheet rather than a higher Fed Funds rate. Our view is that more the balance sheet is reduced, the fewer rate hikes are needed - and the higher the possibility of USDollar weakness. Again, this would be supportive for the gold price.

June 2017 saw COMEX gold long positions fall to 885 tonnes (-5.4% mom), with COMEX gold short positions gaining to 414 tonnes (+17.6% mom). This meant net long positions decreased to 471 tonnes (-19.3% mom). COMEX gold positioning remains in neutral territory. UBS data showed total aggregate Gold ETF holdings increased to 2,181 tonnes (+1.2% mom), the sixth consecutive monthly increase in Gold ETF holdings. IMF data on central bank gold purchases showed the Russian Central Bank bought 22 tonnes in May 2017, increasing its official gold reserves to 1,708 tonnes. The People's Bank of China (PBoC) made no addition to its current official gold reserves of 1,842 tonnes.

Gold equities performed in-line with physical gold in June 2017, with the ratio between physical gold and the HUI gold equity index remaining constant at 6.7x. The rebalancing of the Van Eck Junior gold miners ETF took place mid-month, with relatively little volatility in the share prices of affected companies. However, we note that certain listed Australian producers continue to have elevated short interest. The Fund believes that these companies could see a sharp rebound in their share prices if they can produce good 2Q17 results. The Australian reporting season should be good given that the Australian gold price averaged A$1,675/oz, compared to A$1,608/oz in the prior quarter

The Euromoney Global Mining Index declined in June 2017 despite improvement in Chinese economic data and continuing positive demand from Europe. This index weakness reflected concern that the Fed and other leading central banks may tighten monetary conditions prematurely, with a resulting negative effect on global commodity demand. Valuations for listed mining companies are now attractive based on current spot prices, with the upcoming 2Q17 reporting season likely to show strong profitability and free cash flow generation. The Fund has increased its exposure to benchmark weighting for general mining companies, but with a preference for base metal exposure over bulk commodity producers.

The West Texas Intermediate crude oil price started June at US$49.66/bbl and weakened to close the month at US$46.04/bbl (-7.3% mom). Brent crude oil prices closed lower at US$48.77/bbl (-4.5% mom). While continued production cuts in OPEC and select non-OPEC countries remain in place, oil traders were concerned that higher output from Libya may upset OPEC discipline. US shale production continued to increase, with higher rig activity. Although there was some reduction in US crude oil inventories, it was not sufficiently strong to support crude oil prices. However, the Fund believes US inventories will continue to decline over the next two months, which should produce a strengthening in crude oil prices into September 2017.

MARKET OUTLOOK AND STRATEGY

Financial markets continue to expect further interest rate increases by the US Federal Reserve. However, tightening US monetary policy contrasts with the Bank of Japan and the ECB, both of which continue with quantitative easing programs. This divergence is causing volatility in global currency markets and has contradictory implications for global inflation rates. Unconventional monetary policy and continuing negative real interest rates could result in higher inflation, which would be positive for gold and for general commodity prices. Conversely, disappointing economic growth and government spending cuts could result in deflation and systemic risk to the global banking system. The Fund expects to hold a neutral to overweight position in gold equities relative to the benchmark, with a preference for mid-tier and junior producers with good production growth profiles and low production costs. The Fund's preference for gold is based on our belief that gold-related assets can perform well in both inflationary and deflationary environments.