

# RHB MONEY MARKET FUND

## RESPONSIBILITY STATEMENT

This Product Highlights Sheet has been reviewed and approved by the directors of RHB Asset Management Sdn Bhd ("RHBAM") and they have collectively and individually accepted full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the Product Highlights Sheet false or misleading.

## STATEMENT OF DISCLAIMER

The Securities Commission Malaysia has authorised the issuance of RHB Money Market Fund and a copy of this Product Highlights Sheet has been lodged with the Securities Commission Malaysia.

The authorisation of the RHB Money Market Fund and lodgement of this Product Highlights Sheet, should not be taken to indicate that the Securities Commission Malaysia recommends the RHB Money Market Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this Product Highlights Sheet.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of RHBAM responsible for the RHB Money Market Fund and takes no responsibility for the contents of this Product Highlights Sheet. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this Product Highlights Sheet, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

## PRODUCT HIGHLIGHTS SHEET

**This Product Highlights Sheet only highlights the key features and risks of RHB Money Market Fund. Investors are advised to request, read and understand the Fund's prevailing prospectus and its supplementary(ies) (if any) before deciding to invest.**

|                     |                                 |                           |                    |
|---------------------|---------------------------------|---------------------------|--------------------|
| <b>Name of Fund</b> | RHB Money Market Fund ("Fund"). | <b>Fund Category</b>      | Money market fund. |
| <b>Manager</b>      | RHB Asset Management Sdn Bhd.   | <b>Launch Date</b>        | 20 January 2006.   |
| <b>Trustee</b>      | HSBC (Malaysia) Trustee Berhad. | <b>Financial Year End</b> | 31 December.       |

## PRODUCT SUITABILITY

This Fund is suitable for investors who:

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

## KEY PRODUCT FEATURES

### INVESTMENT OBJECTIVE

This Fund aims to provide investors with a high level of liquidity<sup>A</sup> whilst providing reasonable returns by investing in low risk investments.

<sup>A</sup>Note: Redemption monies of the Fund will generally be paid the day following the next business day (a working day when the Manager is open for business) after receipt by the Manager of request to repurchase.

### INVESTMENT STRATEGY

This Fund seeks to achieve its objective through investments in a portfolio of money market instruments and other short term debentures and placements of deposits with financial institutions. Investment in debentures issued by financial institutions or private entities must at the point of purchase, carry a credit rating of at least A/P3 by RAM Rating Services Berhad or its equivalent rating by any other rating establishment. Should the ratings thereafter be downgraded below the said minimum credit rating, such papers shall be disposed off within a reasonable time frame taking into

## KEY PRODUCT FEATURES

consideration prevailing market conditions and factors.

Thus, this Fund's portfolio will be structured as follows:

90% - 100% of Net Asset Value ("NAV") - Investments in debentures, money market instruments and placements of deposits ("Permitted Investments") with financial institutions which have a remaining maturity period of not more than 365 days.

0% - 10% of NAV - Investments in debentures, money market instruments and placements of deposits with financial institutions which have a remaining maturity period of more than 365 days but less than 732 days.

Although the Fund is actively managed, its fund management strategy will depend on the interest rate environment and the anticipated redemption requests by unit holders of the Fund ("Unit Holder(s)").

For investments in foreign markets, the Manager in managing the principal risks such as country risk and currency risk will always take into consideration its evaluation of the historical developments and its prior experience in such markets. Such practice will be managed through active management and constant review of the economic and political developments of the countries invested. Investments will ultimately be made based on risk-reward.

The risk management strategies and techniques employed by the Manager include diversification of the Fund's investments in terms of its exposure to various industries, sectors, countries and asset classes and/or type of investments (i.e. bonds and money market instruments). Financial derivatives may also be used for hedging purposes where appropriate. The Fund also complies with the permitted investments and restrictions imposed by the Securities Commission. Adherence to the permitted investments and restrictions also helps the Manager to risk-manage the Fund's portfolio in terms of diversification. Moreover, the Manager in making its investment decisions shall at all times comply with the investment restrictions of the Fund and requirements as set out in the deed of the Fund.

## BENCHMARK

Interbank Overnight Deposit Rates as published by Bank Negara Malaysia.

## DISTRIBUTION

**DISTRIBUTION POLICY** - Consistent with the Fund's objective to provide reasonable returns, the Fund will distribute a substantial portion of its returns to Unit Holders. Distributions, if any, after deduction of taxation, if any, and expenses, are generally declared annually and will be reinvested.

**DISTRIBUTION MODE** - Distribution, if any, after deduction of taxation and expenses (i.e. net distribution), will be reinvested to purchase additional units of the Fund based on the NAV per unit as at the first Business Day when units in the Fund are quoted ex-entitlement. Allotment of such units shall be within two (2) weeks thereafter.

## KEY RISKS

**INTEREST RATE RISK** - Interest rate risk is crucial in this Fund since debentures, money market instruments and deposits portfolio management depends on forecasting interest rate movements. Interest rate changes could affect the Fund's portfolio adversely if the strategy taken by the fund manager differs from the actual outlook of the interest rates market. With respect to debentures, prices of debentures generally move in opposite direction with interest rates. When interest rates rise, prices of debentures will generally fall. This rise in interest rate would cause the investor to face the risk of capital loss. But when interest rates fall, prices of debentures would generally increase, therefore, investors would see capital gains. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured debentures, money market instruments and deposits depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

**CREDIT / DEFAULT RISK** - This refers to the creditworthiness of the debenture issuer and its expected ability to make coupon payments and/or repay or pay the principal in a timely manner. Default happens when the issuer is not able to make timely coupon or profit payments and/or repay or pay the principal in a timely manner thus lowering the value of the Fund's investments and subsequently the value of Unit Holders' investments.

**INFLATION / PURCHASING POWER RISK** - Inflation can be defined as increases of the price level of goods and services and is commonly reported using the consumer price index as a measure.

## KEY RISKS

Inflation is one of the major risks to investors and results in uncertainty over the future value of the investments. Inflation reduces purchasing power of money. In an inflationary environment, fixed income securities are exposed to higher inflation risks than equities due to its fixed returns nature as compared to equities whose returns are variable.

## FUND PERFORMANCE

### AVERAGE TOTAL RETURNS OF THE FUND

Average total returns for the following periods ended 31 December 2021

|                           | 1 Year | 3 Years | 5 Years | 10 Years |
|---------------------------|--------|---------|---------|----------|
| RHB Money Market Fund (%) | 2.00   | 2.52    | 2.92    | 3.05     |
| Benchmark^ (%)            | 1.75   | 2.33    | 2.64    | 2.88     |

### ANNUAL TOTAL RETURNS OF THE FUND

Annual total returns for the following financial years ended 31 December

|                           | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|---------------------------|------|------|------|------|------|------|------|------|------|------|
| RHB Money Market Fund (%) | 2.00 | 2.18 | 3.39 | 3.67 | 3.38 | 3.43 | 3.38 | 3.25 | 2.91 | 2.96 |
| Benchmark^ (%)            | 1.75 | 2.13 | 3.12 | 3.23 | 3.01 | 3.12 | 3.25 | 3.15 | 2.99 | 2.99 |

For the latest financial year, the Fund registered a return of 2.00% outperforming its benchmark return of 1.75%.

Source: Lipper IM, 5 January 2022. ^ The benchmark of the Fund is Interbank Overnight Deposit Rates. The abovementioned Fund performance is computed on NAV to NAV basis and has been adjusted to reflect distributions and unit splits, if any.

### PORTFOLIO TURNOVER RATIO ("PTR")

| PTR (times) | Financial Year Ended 31 December |       |       |
|-------------|----------------------------------|-------|-------|
|             | 2021                             | 2020  | 2019  |
|             | 46.09                            | 64.49 | 40.86 |

The PTR for the latest financial year was lower compared with the previous financial year due to higher average net asset value for the latest financial year.

### DISTRIBUTION RECORD

|                                 | Financial Year Ended 31 December  |        |        |
|---------------------------------|-----------------------------------|--------|--------|
|                                 | 2021                              | 2020   | 2019   |
|                                 | Gross distribution per unit (sen) | 1.4000 | 2.3000 |
| Net distribution per unit (sen) | 1.4000                            | 2.3000 | 3.9500 |

For the latest financial year, the Fund has declared a total net distribution of 1.4000 sen per unit.

## PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.

## FEES & CHARGES

***This table describes the charges that you may directly incur when you buy or redeem units of this Fund:***

### Charges

|   |       |
|---|-------|
| Sales charge                            | None. |
| Repurchase charge                       | None. |
| Dilution fee or transaction cost factor | None. |

| <b>Other charges payable directly by the investors</b>   |   |
|--|---|
| Switching fee <sup>1</sup>   | RM25.00 per switch or the difference in sales charge which is deductible from the redemption amount of the units to be switched, where applicable.  |
| Transfer fee <sup>1</sup>  | RM5.00 per transfer.  |
| <b><i>This table describes the fees that you may indirectly incur when you invest in the Fund:</i></b> |   |
| <b>Fees and Expenses</b>   |   |
| Annual management fee <sup>1</sup>   | 0.50% per annum of NAV before deducting the Manager's and Trustee's fees for that particular day.   |
| Annual trustee fee <sup>1</sup>  | Up to 0.05% per annum of NAV before deducting the Manager's and Trustee's fees for that particular day.   |
| Expenses directly related to the Fund  | Auditors' fees, custodial charges, other relevant professional fees, cost of distribution of interim and annual reports, tax certificates, reinvestment statements and other notices to Unit Holders, commissions paid to brokers, other transaction costs and taxes. |
| Other fees payable indirectly by an investor (if any)  | None.   |

<sup>1</sup> All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the government from time to time.  
Note: The Manager may, for any reason at any time, waive or reduce the amount of its management fee only or other charges directly payable by the Unit Holder and/or investor in respect of the Fund, either generally (for all Unit Holders and/or investors) or specifically (for any particular Unit Holder and/or investor) and for any period or periods of time at its absolute discretion.

### **TRANSACTION INFORMATION**

|   |   |
|---|---|
| Minimum Initial Investment                    | RM10,000 or such other amounts as the Manager may from time to time accept.   |
| Minimum Additional Investment                 | RM5,000 or such other amounts as the Manager may from time to time accept.  |
| Minimum Repurchase Units                      | 5,000 units or such other lower quantity as the Manager may from time to time decide.   |
| Restriction on Frequency of Repurchase        | No restrictions.  |
| Switching Facility and Frequency of Switching | Available. There are no restrictions as to the number of switches a Unit Holder may perform or the frequency of switching.  |
| Minimum Investment Balance                    | 5,000 units or such other lower quantity as the Manager may from time to time decide.   |
| Transfer Facility                             | Available. In the event of a partial transfer, both the transferor and the transferee must each hold a minimum investment balance of five thousand (5,000) units after the transfer.  |
| Redemption Period                             | Redemption monies to be paid the day following the next business day <sup>#</sup> after receipt by the Manager of the request to repurchase. In the event of any technical difficulties beyond the Manager's control or should the redemption request result in the sale of assets which cannot be liquidated at an appropriate price or on adequate terms and is as such not in the interest of existing Unit Holders, redemption monies may be paid at any time not later than ten (10) days after receipt by the Manager of the request to repurchase Units or such other period as may be permitted by the relevant authorities from time to time.<br><sup>#</sup> <i>These are the working days when the Manager is open for business.</i> |
| Cooling-off Period                            | Unit Holders have the right to request for a refund of their investment within six (6) business days <sup>#</sup> which shall be effective from the date of receipt of the application by the Manager, subject to eligibility.<br><sup>#</sup> <i>These are the working days when the Manager is open for business.</i>   |

## TRANSACTION INFORMATION

|               |  |
|---------------|--|
| Business Day  | A day in which Bursa Malaysia is open for trading.   |
| Dealing Hours | 9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day or such later time as the Manager may determine provided always that complete applications for the Fund are received before the next valuation point. |

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST CONSULTANT OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST CONSULTANT.**

## VALUATIONS AND EXITING FROM INVESTMENT

### VALUATION OF ASSETS

The Fund must be valued at least once every Business Day. However, certain foreign markets in which the Fund may invest in have different time zones from that of Malaysia. The valuation of the Fund for a Business Day will be conducted before 5:00 p.m. on the following day in which the Manager is open for business, when the closing prices of the foreign markets for that Business Day would be available. As such, the daily price of the Fund for a particular Business Day will not be published in the major newspapers on the next day but will instead be published the next following day (i.e. price will be two (2) days old). This will be specifically indicated in the major newspapers. Investors may obtain the most current computed price by contacting the Manager directly or visiting our website, [www.rhbgroup.com](http://www.rhbgroup.com).

### EXITING FROM THIS INVESTMENT

Units of the Fund can be redeemed by forwarding the completed form of request to repurchase to the Manager's principal office or any of its branch offices, or to any of its authorised sales agents or participating Institutional Unit Trust Advisers before their respective cut-off times. The redemption monies will be paid the day following the next business day<sup>#</sup> after receipt by the Manager of request to repurchase. In the event of any technical difficulties beyond the Manager's control or should the redemption request result in the sale of assets which cannot be liquidated at an appropriate price or on adequate terms and is as such not in the interest of existing Unit Holders, redemption monies may be paid at any time not later than ten (10) days after receipt by the Manager of the request to repurchase units or such other period as may be permitted by the relevant authorities from time to time.

<sup>#</sup> *These are the working days when the Manager is open for business.*

Redemptions for the Fund should be of at least five thousand (5,000) units or such other lower quantity as the Manager may from time to time decide. There are no restrictions on the frequency of redemptions in a year. However, the Manager shall not be bound to comply with any request for redemption of units if the balance of units held after the redemption is less than five thousand (5,000) units or such other lower quantity as the Manager may from time to time decide (the minimum investment balance).

## CONTACT INFORMATION

To contact the Manager or to find out about the distribution channels of the Fund, you may call us at 1-800-88-3175 at any time during office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. or e-mail your enquiries to [rhbam@rhbgroup.com](mailto:rhbam@rhbgroup.com).

### HOW DO YOU LODGE A COMPLAINT?

1. For internal dispute resolution, you may contact:

|   |  |                                      |
|---|--|--------------------------------------|
| ❖ <b>via phone to:</b><br>03-9205 8000  | ❖ <b>via Unit Holders Services</b><br><b>Toll-Free Hotline at:</b> 1-800-88-3175 | ❖ <b>via fax to:</b><br>03-9205 8100 |
| ❖ <b>via e-mail to:</b> <a href="mailto:rhbam@rhbgroup.com">rhbam@rhbgroup.com</a>  | ❖ <b>via website to:</b> <a href="http://www.rhbgroup.com">www.rhbgroup.com</a>  |                                      |
| ❖ <b>via letter to:</b> RHB Asset Management Sdn Bhd, Level 8, Tower 2 & 3, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur |  |                                      |

2. If you are dissatisfied with the outcome of the internal dispute resolution process, please refer your dispute to the Securities Industry Dispute Resolution Center (SIDREC):

## CONTACT INFORMATION

❖ **via phone to:**

03-2282 2280

❖ **via fax to:**

03-2282 3855

❖ **via e-mail to:**

info@sidrec.com.my

❖ **via letter to:** Securities Industry Dispute Resolution Center (SIDREC), Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar, No. 5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur

3. You can also direct your complaint to the Securities Commission Malaysia even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the Securities Commission Malaysia's Consumer & Investor Office:

❖ **via phone to the Aduan**

**Hotline at:** 03-6204 8999

❖ **via fax to:**

03-6204 8991

❖ **via e-mail to:**

aduan@seccom.com.my

❖ **via online complaint form available at:** [www.sc.com.my](http://www.sc.com.my)

❖ **via letter to:** Consumer & Investor Office, Securities Commission Malaysia, No 3 Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur.

4. Federation of Investment Managers Malaysia (FIMM)'s Complaints Bureau:

❖ **via phone to:**

03-2092 3800

❖ **via fax to:**

03-2093 2700

❖ **via e-mail to:**

complaints@fimm.com.my

❖ **via online complaint form available at:** [www.fimm.com.my](http://www.fimm.com.my)

❖ **via letter to:** Legal, Secretarial & Regulatory Affairs, Federation of Investment Managers Malaysia, 19-06-1, 6<sup>th</sup> Floor Wisma Tune, No. 19 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.