

RHB-OSK ASIA ACTIVE ALLOCATION FUND (formerly known as OSK-UOB ASIA ACTIVE ALLOCATION FUND)

This Fund aims to maximise total returns through a combination of long term growth of capital and current income.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

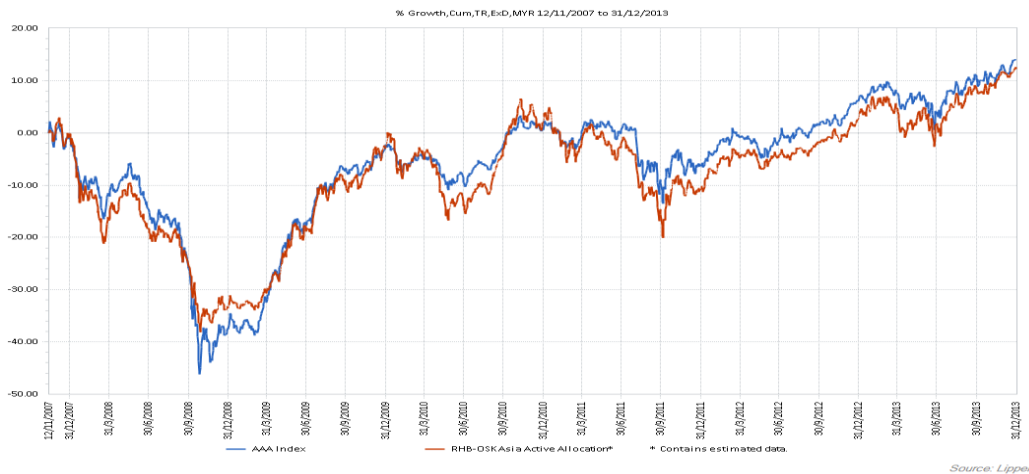
- wish to participate in the fast growing Asian markets;
- seek a flexible investment mandate capable of capitalising and adapting to prevailing market conditions; and
- are willing to accept moderate risk in their investments in order to achieve long term capital growth and income.

INVESTMENT STRATEGY

- 20% - 60% of NAV: Investments in securities of and securities relating to Asian core/large companies.
- Up to 40% of NAV: Investments in securities of and securities relating to Asian small companies.
- 20% - 60% of NAV: Investments in Asian fixed income securities and money market instruments including cash and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.47	3.29	10.62	9.44
Benchmark	0.81	2.78	9.43	7.56

	1 Year	3 Years	5 Years	Since Launch
Fund	9.44	10.06	68.81	12.26
Benchmark	7.56	13.40	82.16	14.01

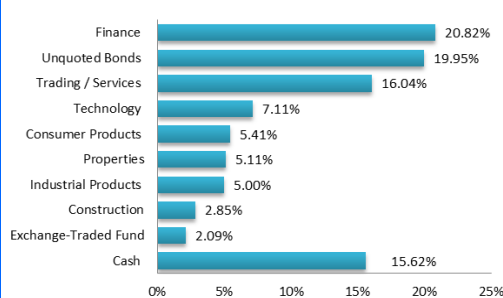
Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	9.44	15.05	-12.59	5.22	45.77
Benchmark	7.56	12.97	-7.03	3.24	56.20

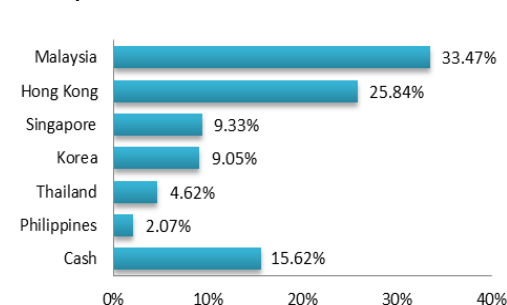
*Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

PUBLIC BANK BHD-6.840%(22/8/36)	6.73
PETRONAS SUKUK 4.25% (12/8/14)	6.64
AMBB CAPITAL LTD-6.77% (27/1/16)	6.59
TENCENT HOLDINGS LIMITED	4.57
IND & COMM BANK OF CHINA-H	3.70

*As percentage of NAV

FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity / Bond Fund
Fund Type	Growth and Income Fund
Launch Date	23 October 2007
Unit NAV	RM0.5613
Fund Size (million)	RM25.20
Units In Circulation (million)	44.89
Financial Year End	31 March
MER (as at 31 Mar 2013)	2.00%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	40% MSCI AC Far East Ex Japan Index (RM) + 20% MSCI AC Asia Pacific ex Japan Mid Cap Index (RM) + 40% JP Morgan Asia Credit Index Total Return (RM)
Sales Charge	Up to 5.00% of investment amount
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a minimum of RM18,000 p.a.*
Switching Fee	RM25.00 per switch
Redemption Period	Within 10 days after receipt of the request to repurchase
Cooling-Off Period	Within 6 business days from the date of receipt of application
Distribution Policy	Annually, if any

*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 STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5629	0.5629	0.5629
Low	0.5528	0.4868	0.3095

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
31 Mar 2013	-	-
31 Mar 2012	-	-
31 Mar 2011	-	-
31 Mar 2010	-	-
31 Mar 2009	-	-

Source: RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)

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MANAGER'S COMMENTS**FUND REVIEW**

The RHB-OSK AAA Fund up 0.47% in Dec 2013, while benchmark of 40% MSCI AC Far East Ex Japan Index, 20% MSCI Asia Pacific Ex Japan Mid Cap Index and 40% JACI Total Return Composite Index advance 0.81% for the same period.

MARKET REVIEW

KLCI ended the year 2013 in positive node +10.5% while regional markets performance were mixed with Japan Nikkei 225 leading the peers, +56.7% as investors optimism on Abenomics and improve corporate earnings drive Japan equity rally and stocks rerating. Korea Kospi and Hang Seng closed the year marginally higher, +0.7% and 2.9% respectively.

In the meantime, ASEAN markets performance were negatively affected by foreign fund outflow as Fed tapering starting Jan 2014, weaker macro outlook and relative outperformance of ASEAN markets vs. Developed markets since Global Financial Crisis compel investors to take profit thus driving markets to closed lower. SET led the decline, fell 6.7% on the back of political impasse while PCOMP shed 6.3% for the year end 2013.

FIXED INCOME OUTLOOK

The Federal Open Market Committee ("FOMC") decided to reduce the pace of monthly asset purchase by USD10 bln, to USD75 bln, in January 2014. Market reaction to this announcement was somewhat muted, as "tapering talk" has been a common conversation since late May 2013. At close, the 2-, 5-, 10- and 30-year UST printed at 0.38% (November: 0.29%), 1.74% (1.38%), 3.03% (2.75%) and 3.97% (3.83%) respectively. Malaysia Government Securities ("MGS") performance in December was mostly bearish bias as investors took profit for the year. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.33% (November: 3.09%), 3.69% (3.61%), 3.98% (4.04%), 4.08% (4.07%), 4.50% (4.27%), 4.55% (4.45%) and 4.92% (4.75%) respectively. Similarly, the Government Investment Issues ("GII") yields also traded higher with 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields crossed at 3.38% (November: 3.32%), 3.95% (3.88%), 4.06% (4.18%), 4.41% (4.40%), 4.66% (4.52%) and 4.79% (4.61%). Average daily trading volume for December was RM946 mln, notably lower than RM1.95 bln reported in November.

Most of the economic data released in December was positive. Real GDP growth for 3Q2013 came in stronger than consensus at 4.1% annualized (2Q2013 annualized 2.5%), mainly due to higher inventory growth. ISM Manufacturing Index for November also came in stronger at 57.3 (56.4 in October), suggesting that growth momentum is likely to sustain to 2014. Employment situation continues to show gain in November with unemployment rate further eased to 7.0%, a commendable drop from 7.3% reported a month ago. On the other hand, Consumer Price Index ("CPI") in November posted a flat reading MoM after dipping 0.1% in October, mainly due to the softening energy price in the North America.

MARKET OUTLOOK AND STRATEGY

We maintain positive view on global equity market, particularly on North Asia markets and expect the local bourse to navigate 2014 through multi-speed global recovery. We foresee the U.S to lead the global economy recovery with more signs of positive macro front – improving jobs data, GDP growth and ISM manufacturing Index. Malaysia economy is expected to grow at 5.0% to 5.5% in 2014 despite higher inflation target of 3% to 3.5% due to fuel subsidy cut.

On the domestic front, we continue to favour oil & gas, healthcare, consumer and telco while selectively bullish bias on infra related construction stocks. We envisage govt to rollout targeted infra projects such as WCE, HSR and MRT Circle Line to spearhead the economy and continue its reform agenda including subsidy rationalization which augur well for the economy.

Portfolio exposure ended Dec with 64.43% equity exposure and 19.95% fixed income exposure. The portfolios at this stage have a blended cyclical and defensive stocks and may gravitate towards growth orientation if macro data continue to improve. We are looking to rotate positions in cyclical stocks while maintaining defensive core holdings.

Our key investment themes are – Industrials, Oil & Gas, Consumer, Utilities and Telcos.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 December 2013, the Volatility Factor (VF) for this fund is 10.0 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 10.9 but not more than 13.4 (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 2013 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2013.

Investors are advised to obtain, read and understand the Product Highlights Sheet ("PHS") and the contents of the Master Prospectus dated 1 December 2013 and its supplementary(ies)(if any) ("the Master Prospectus"), which has been registered with the Securities Commission who takes no responsibility for its contents, before investing. 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 liquidity risk, small capitalisation companies risk, equities investment risks such as market risk and particular security risk, interest rate risk, credit / default risk and foreign investment risks such as country risk and currency risk. These risks and other general risks are elaborated in the Prospectuses.

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.