RHB OSK
RHB Asset Management

FUND FACTSHEET – JANUARY 2014

All data expressed as at 31 December 2013 unless otherwise stated

RHB-OSK CAPITAL PROTECTED WORLD MINING FUND (formerly known as OSK-UOB CAPITAL PROTECTED WORLD MINING FUND)

This Fund aims to provide capital appreciation over the medium term whilst protecting investors' capital on the Maturity Date.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

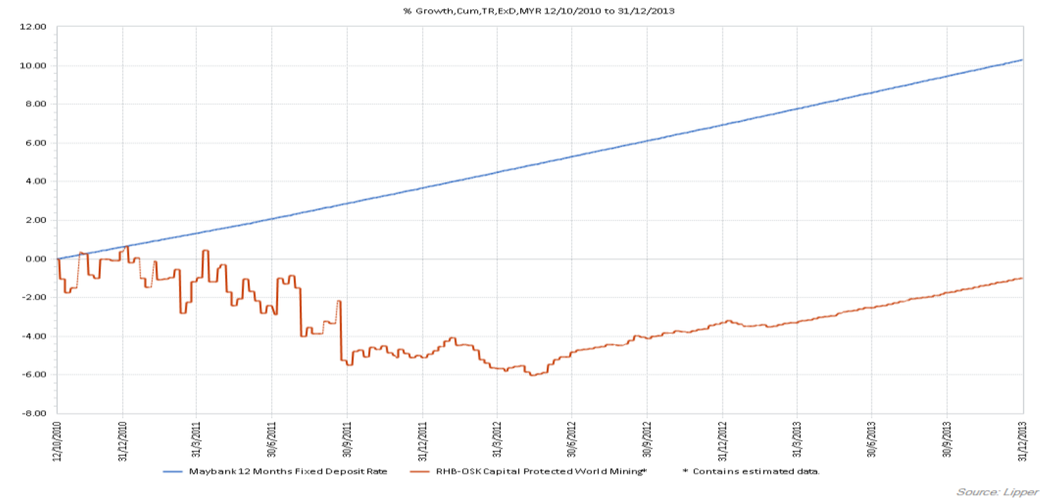
- have a low risk tolerance;
- seek capital protection;
- seek potential returns from the exposure to the hard commodities sector; and
- have a medium term horizon.

INVESTMENT STRATEGY

- 85% - 89% of NAV (depending on prevailing interest rates): Investments in 4-year ZNIDs issued at a discount on the Commencement Date.
- Up to 10% of NAV: Investment in an option.
- Up to 5% of NAV: Investments in liquid assets.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**0.21**	**0.76**	**1.55**	**2.38**
Benchmark	0.27	0.79	1.59	3.15

	1 Year	3 Years	Since Launch
Fund	**2.38**	**-1.37**	**-1.01**
Benchmark	3.15	9.62	10.30

Calendar Year Performance (%)*

	2013	2012	2011
Fund	**2.38**	**1.91**	**-5.47**
Benchmark	3.15	3.15	3.05

**Source: Lipper IM*

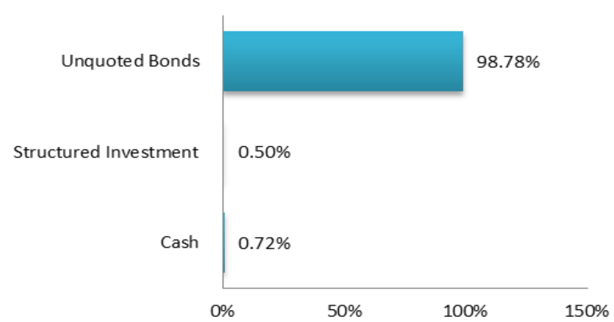
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.(formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Fixed Income Fund (Closed Ended)
Fund Type	Capital Protected Fund
Launch Date	17 August 2010
Maturity Date	10 October 2014
Unit NAV	RM0.9899
Fund Size (million)	RM17.73
Units In Circulation (million)	17.91
Financial Year End	31 October
MER (as at 31 Oct 2012)	0.63%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM1,000.00
Benchmark	12-month FD rate by Malayan Banking Bhd
Sales Charge	Up to 2.50% of investment amount
Redemption Charge	≤ 1 year 1.00% ≥ 1 year < 2 0.75% ≥ 2 years < 3 years 0.50% ≥ 3 years till Maturity Nil
Annual Management Fee	Up to 0.625% p.a.*
Annual Trustee Fee	Nil
Switching Fee	Not available
Distribution Policy	None

**Based on the remaining liquid assets available after deducting the purchase of investments of the Fund.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Top Holdings (%)*

AMBANK (M) BHD ZNID-CP WORLD MINING	20.03
CIMB BANK BHD ZNID-CP WORLD MINING	20.02
HLEONG BANK BHD ZNID-CPWORLD MINING	19.77
UOB (M) BHD ZNID-CP WORLD MINING	19.75
OCBC BANK(M)BHD ZNID-CPWORLD MINING	19.21

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9899	0.9899	1.0066
Low	0.9878	0.9648	0.9397

Source: Lipper IM

Historical Distributions (Last 3 Years) (Net)

	Distribution (sen)	Yield (%)
31 Aug 2013	-	-
31 Aug 2012	-	-
31 Aug 2011	-	-

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

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MANAGER'S COMMENTS

MARKET & PORTFOLIO PERFORMANCE

The BGF World Mining Fund returned +1.7% in December, outperforming its benchmark, the Euromoney Global Mining Index (previously the HSBC Global Mining Index) which returned +1.3%.

The majority of the base metals had a positive month, helped by some encouraging economic data in the first half of December. Copper finished the month up +4.6%, aluminium rose +2.6% and lead ended +6.6% higher than it started the month. Zinc led the way, returning 10.0%. The news that Minmetal's Century mine has reached its point of exhaustion brought the metal's tightening supply outlook into focus. The Century mine is Australia's largest open pit zinc mine and has been in operation since 1997, final production from the mine is expected in mid-2015.

The U.S. Federal Reserve announced the beginning of the highly anticipated tapering program. The program, set to begin in January 2014, will commence with an initial reduction of $10 billion of bond buying per month by the Fed. The market response to this initial announcement was rather muted, as we believe much of the market moves had already happened on the back of 'taper-talk' during the year.

Many of the major mining companies held their investor days during December. Vale removed one the impediments to its share price as the company announced it had reached a settlement on its tax issues. The company then declared a force majeure on December 27, as a result of heavy rain and unfavourable weather impacting operations and their iron ore shipments. This has since been lifted.

On the back of an unexciting update at their analyst day, our underweight to BHP Billiton contributed to positive performance. Our overweight to copper producers, including Freeport-McMoRan and First Quantum Minerals, also aided performance as their share price benefitted from positive copper prices. The Fund's overweight to Randgold was a drag on performance as the share price reacted negatively to concerns over political risk in the Democratic Republic of Congo and a weak gold price.

TRANSACTIONS & PORTFOLIO ACTVITY

We adjusted our gold exposure by increasing our weighting to gold royalty companies and reducing holdings in some of the higher cost gold producers. We also rotated some of our copper exposure on valuation and risk grounds.

MARKET OUTLOOK

The mining sector has significantly lagged the general equity market in recent years. However, at the beginning of 2014 a number of the downside risks for this sector have reduced (albeit not disappeared). The industry has made good progress in refocusing its strategy: operating costs have been aggressively targeted and investment in projects reassessed. Many commodities are trading close to or below their marginal cost of production, implying that price downside should be limited, in the absence of a collapse in demand.

The global economic backdrop is showing signs of synchronous growth and this has typically been supportive of commodity prices. The companies are trading on an undemanding valuation, as well as being at a dividend yield premium to the broader equity market, and with capital expenditure rolling off, management are guiding investors towards rising free cashflows.

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.