FUND FACTSHEET – JANUARY 2014

All data expressed as at 31 December 2013 unless otherwise stated

RHB-OSK FOCUS BOND FUND – SERIES 7 (formerly known as OSK-UOB FOCUS BOND FUND – SERIES 7)

The Fund aims to maximise returns at its maturity date from a concentrated portfolio of global debt instruments.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

- have a moderate to conservative risk appetite;
- seek returns from the income accumulated and/or capital appreciation from a global debt instruments portfolio; and
- have a medium term (i.e. 3 years) investment horizon.

INVESTMENT STRATEGY

- 95% - 100% of NAV: Investments in global debt instruments.
- Up to 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

There is no performance record as the Fund launched less than 1 year.

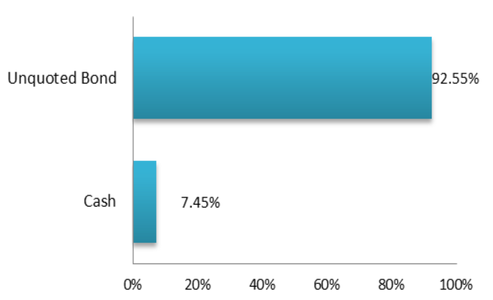
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)	
Trustee	HSBC (Malaysia) Trustee Bhd	
Fund Category	Bond Fund (Closed Ended)	
Fund Type	Income Fund	
Launch Date	25 March 2013	
Maturity Date	10 May 2016	
Unit NAV	RM1.0367	
Fund Size (million)	RM212.65	
Units In Circulation (million)	205.65	
Financial Year End	31 May	
MER	Not applicable	
Min. Initial Investment	RM1,000.00	
Min. Additional Investment	RM1,000.00	
Benchmark	3-years FD rate by Malayan Banking Bhd	
Sales Charge	Up to 3.00% of investment amount	
Redemption Charge	< 3 years	1.00%
	Maturity	Nil
Annual Management Fee	None	
Annual Trustee Fee	0.08% p.a. of NAV*	
Switching Fee	Not available	
Distribution Policy	Annually, if any	

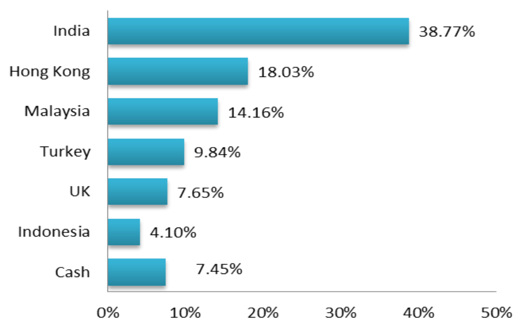
**For the purpose of computing the annual trustee fee, the NAV of the Fund is exclusive of the trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

AXIS BANK-5.125% (05/09/2017)	10.38
BAHRAIN MUMTALAKAT-5.50%(3/10/17)	9.48
ICICI BANK LTD/ DUB-4.7%(21/2/2018)	9.44
AGILE PROPERTY - 9.875% (20/3/2017)	9.39
AE ROTOR HLG-4.969% (28/3/2018)	9.19

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0309	N/A	1.0309
Low	1.0262	N/A	0.9854

Source: Lipper IM

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MANAGER'S COMMENTS

MARKET REVIEW

As widely expected by the investment community, the Federal Open Market Committee ("FOMC") has decided to reduce the pace of monthly asset purchase by USD10b, to USD75b, 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.

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.

The FOMC is trying to maintain policy accommodation even as it cuts back on QE. While monthly asset purchases will be cut back by USD10b, new forward guidance now indicates a lower expected Fed funds rate in 2015 and 2016. FOMC signaled a strengthening in its commitment to hold down Fed Funds rate as long as inflation is soft. Further cuts in QE are "likely" at future meetings as long as economic data on employment and inflation meet FOMC expectations. Fed Chairman Ben Bernanke indicated that a "measured reduction" would be roughly a USD10b cut in the pace of purchases at each FOMC meeting. We think a reasonable expectation is that the total QE program will end by 2014 and Fed will keep the front end of the yield curve anchored for longer than previously anticipated.

Meanwhile, Asian USD denominated credit were also firmer in December, with both the Investment Grade and High Yield spreads compressing by about 5-10 bps and 10-15 bps respectively.

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