RHB◆OSK
RHB Asset Management

FUND FACTSHEET – JANUARY 2014

All data expressed as at 31 December 2013
unless otherwise stated

RHB-OSK MULTI ASSET REGULAR INCOME FUND (formerly known as OSK-UOB MULTI ASSET REGULAR INCOME FUND)

The Fund aims to provide regular income and medium to long term capital growth through a multi asset strategy.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

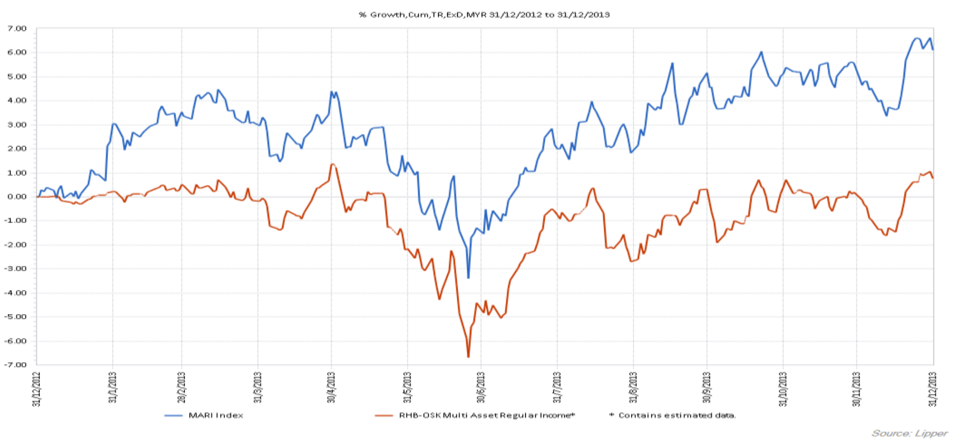
• seek regular income and capital growth over the medium to long term;
• are willing to accept moderate risk in their investments; and
• wish to benefit from investment exposure in the Asia and Asia Pacific (ex Japan) region.

INVESTMENT STRATEGY

• 65% - 98% of NAV: Investments in Asian (ex Japan) debt instruments / bonds, Asia Pacific (ex Japan) dividend equities and Asia Pacific (ex Japan) REITs.
• 2% - 35% 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	**0.57**	**0.45**	**5.40**	**0.77**
Benchmark	0.51	0.90	7.51	6.12

	1 Year	Since Launch
Fund	**0.77**	**0.77**
Benchmark	6.12	6.12

Calendar Year Performance (%)*

	2013
Fund	**0.77**
Benchmark	6.12

**Source: Lipper IM*

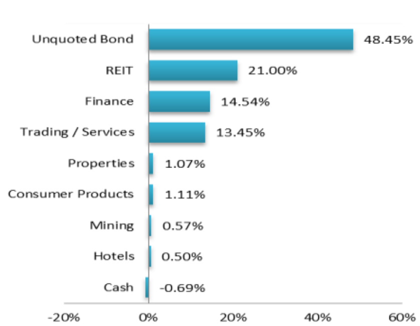
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.(formerly known as RHB Investment Management Sdn Bhd)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Mixed Asset Fund
Fund Type	Income and Growth Fund
Launch Date	07 December 2012
Unit NAV	RM0.4951
Fund Size (million)	RM195.05
Units In Circulation (million)	393.93
Financial Year End	31 January
MER	Not applicable
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% JP Morgan Asia Credit Index TR Composite (RM) + 30% MSCI AC Asia Pacific ex Japan Index (RM) + 20% MSCI AC Asia Pacific ex Japan REITS Index (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 the request to repurchase
Distribution Policy	Quarterly, if any

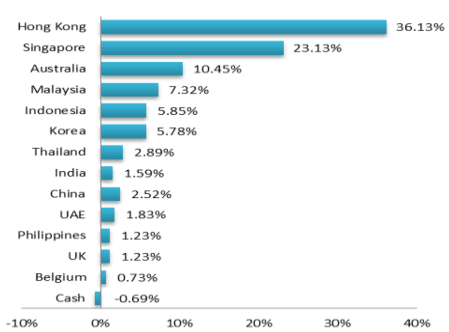
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

MAXIS BERHAD	2.80
KOREA SOUTHERN PWR-1.875%(5/2/2018)	2.60
MALAYAN BANKING BHD	2.55
SJM HOLDINGS LIMITED	2.54
YUEXIU PROPERTY-4.5% (24/01/2023)	2.34

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4965	0.5036	0.5036
Low	0.4834	0.4636	0.4636

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

	Distribution (sen)	Yield (%)
30 Oct 2013	0.0700	0.14
26 Jul 2013	0.3630	0.75
26 Apr 2013	0.2700	0.54

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

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MANAGER'S COMMENTS

MARKET REVIEW

Global equity markets ended mixed in December with a dichotomy in performance across regions. Developed markets gained, outperforming emerging markets which declined in December, continuing the trend seen in much of 2013. Asia led among emerging markets, eking out positive returns for 2013 while the rest of emerging markets declined. The focus was on the US Federal Reserve's earlier-than-expected announcement to taper its purchases of long-term debt securities as US economic conditions improved.

Performance across sectors in Asia ex-Japan was mixed in December with most sectors declining, except utilities, materials, healthcare and information technology. Across regions performance was diverse, with Thailand, the Philippines and China faring the worst with negative returns, while India, Taiwan and Malaysia gained.

Global economic leading indicators continued to show expansion with developed markets showing particular strength. US PMI stayed at 57.0 in December from 57.3 in November, while Eurozone rose to 52.6 from 51.6 and Japan remained at 55.2 from 55.1. Emerging market PMIs mostly showed expansion, though declining from November levels. China PMI continued to expand at 51.0, though lower than 51.4 in November and disappointing expectations. India PMI at 50.7 was lower than November's 51.3. Activity indicators were mixed with industrial production mostly coming off while retail sales generally picked up.

India gained on the back of state election results with the Nifty hitting all-time highs in the month, before coming off on profit-taking. The Reserve Bank of India (RBI) kept repo rates unchanged, surprising markets which were expecting a continued rate hike, as it cited food inflation as a major reason for November inflation's rise to 11.24% versus expectation of 10%.

The China market retreated in December as the economic momentum slowed partly due to a high base in 2012. The announcement at the end of the month by the National Auditing Office that China's local government debt jumped 67% to RMB17.89 trillion by end-June 2013 in 2.5 years renewed investors' concerns. The annual Central Economic Working Conference concluded in the month with the government keeping a modestly-easing fiscal policy and neutral monetary policy in 2014.

The Southeast Asian (ASEAN) markets underperformed the broader Asia ex-Japan index with Thailand and the Philippines dragging performance, while Malaysia held up particularly well, followed by Indonesia and Singapore. Fresh political protests in Thailand raised concerns that government spending and infrastructure investment plans would be delayed. The sell-off in the Philippines came after the US Fed announced the tapering of its asset purchase programme with the market particularly susceptible due to its high valuation. Malaysia was resilient as October exports exceeded expectations to grow at 9.6% from 5.6% y/y in September on increased shipments of petroleum products, electronics and liquefied natural gas. Indonesia's positive local currency return in December came on the back of November's trade surplus of $777m, which marked a second straight surplus for the first time in over a year, while the rupiah weakened to beyond Rp12,000/USD. Singapore market traded on thin volumes as industrial production growth fell to 4.0% from an 8% increase in November.

ASIA FIXED INCOME OUTLOOK

Finally, the US FED has officially confirmed it will start to taper its purchase program of buying US Treasuries. Fixed income markets have been nervous about this event since April 2013, but now that it is announced, there has been surprisingly little volatility in fixed income markets. The benchmark 10yr UST increased slightly from 2.8% to 2.9% in December but then moderated back down to pre-tapering announcement levels. This is partly a result of the initial modest amount of tapering ($10bn), but rates will probably adjust modestly more by mid 2014 as asset purchases decline more significantly.

Asia fixed income yields are more attractive now, with average duration bond portfolios able to earn yields of 5% or more. We think the interest rate adjustment will be much less in 2014 compared to 2013. While we expect some drag in performance in 2014 from rising rates, we expect total returns to remain positive in the low single digit range.

Better signs of global growth are creating significant fund flows toward equities, but if leading indicators moderate or if growth estimates are missed than we think there is room for fixed income performance to positively surprise.

MARKET OUTLOOK AND STRATEGY

The growth outlook for Asia ex-Japan seems to have stabilised, thanks to a broadening out of the global economic recovery, which should bode well for Asian exports. However, the region remains susceptible to capital outflows following the US Fed's earlier-than-expected tapering of its asset purchase programme, keeping markets volatile in the near term. In particular, some ASEAN markets and India are more vulnerable to capital outflows and currency depreciation putting upward pressure on local interest rates.

In China, we see signs of growth stability and this is another bright spot for the region. Following the Third Plenary session in November, China's senior leadership announced its aim to achieve wide ranging economic and social reforms by 2020. The key points of focus include fiscal reform, factor price and market reforms, as well as social safety net and government administration reforms. While these proposed reforms will take time to play out fundamentally and the implementation progress will be gradual, positive reform momentum should boost market confidence and sentiment. The challenges presented by a rebalancing of China's economy remain. However, the market looks to have largely discounted this and there is room for the valuation gap to narrow on the prospect of reform and improving economic efficiency.

The long-term growth opportunities in Asia remain underpinned by favourable demographic trends and rising incomes. Our strategy is to remain focused on these structural opportunities by investing in companies that have sound business models, are positioned in segments offering attractive growth and have demonstrated operational and financial discipline in the way they manage their businesses.