RHB ◆ OSK
RHB Asset Management

FUND FACTSHEET – DECEMBER 2014

All data expressed as at 30 November 2014
unless otherwise stated

3-year Fund Volatility 11.0 very high Lipper Analytics

RHB-OSK ASEAN FUND

This Fund aims to achieve medium to long term capital appreciation through investments in securities of companies with high growth potential.

INVESTOR PROFILE

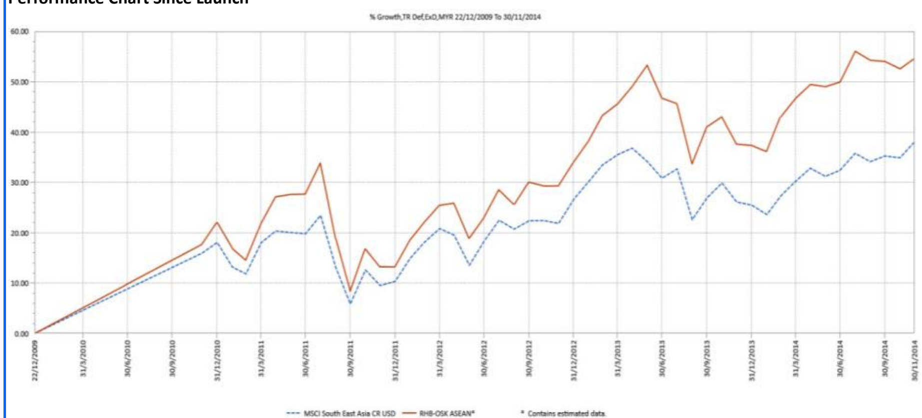
This Fund Is Suitable For Investors Who:
- wish to participate in the potential and investment opportunities of the fast growing ASEAN economies; and
- are willing to accept higher risk in their investments in order to achieve medium to long term capital growth.

INVESTMENT STRATEGY

- Up to 98% of NAV: Investments in equities and equity-linked securities issued by companies whose businesses are in ASEAN countries and are listed on the ASEAN markets and / or other markets.
- 2% - 5% 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	**1.38**	**0.25**	**3.80**	**12.59**
Benchmark	2.35	2.94	5.24	10.07

	1 Year	3 Years	Since Launch
Fund	**12.38**	**36.60**	**54.67**
Benchmark	9.51	26.11	38.09

Calendar Year Performance (%)*

	2013	2012	2011	2010
Fund	**2.48**	**18.43**	**-7.26**	**23.27**
Benchmark	-0.92	14.70	-6.59	14.99

**Source: Lipper IM*

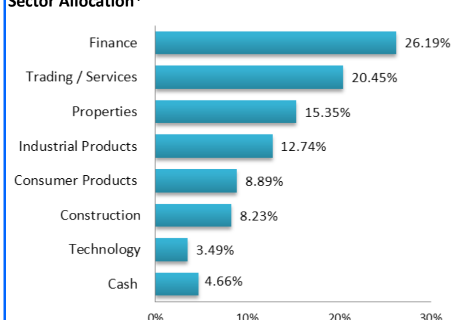
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Growth Fund
Launch Date	02 December 2009
Unit NAV	RM0.5955
Fund Size (million)	RM19.81
Units In Circulation (million)	33.27
Financial Year End	30 April
MER (as at 30 April 2014)	2.38%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI South East Asia Index (RM)
Sales Charge	Up to 5.50% of investment amount
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch
Redemption Period	Within 10 days after receipt the request to repurchase
Cooling-Off Period	Within 6 business days from the date of receipt of application
Distribution Policy	Incidental

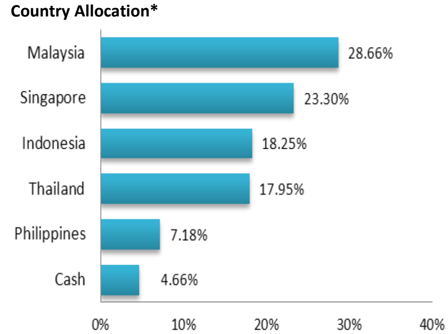
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

UNITED OVERSEAS BANK LTD	3.46
OVERSEA-CHINESE BANK CORP LIMITED	3.43
DBS GROUP HOLDINGS LTD	3.12
PT WASKITA KARYA PERSERO TBK	3.02
AYALA CORPORATION	1.96

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5957	0.6410	0.6743
Low	0.5800	0.5486	0.4562

Source: Lipper IM

Historical Distributions (Last 4 Years) (Net)

	Distribution (sen)	Yield (%)
30 Apr 2014	5.8000	9.54
30 Apr 2013	4.5000	7.44
30 Apr 2012	-	-
29 Apr 2011	3.8993	6.99
30 Apr 2010	-	-

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

Global equities recovered from sharp decline in October, as investors responded positively to the prospect of increased monetary policy easing in Europe and a surprise interest rate cut in China. A dovish set of remarks from European Central Bank ("ECB") President Mario Draghi stated that policy makers need to bring inflation to target without delay and that further monetary easing could help spur the euro zone's recovery. In China, the HSBC flash PMI slipped to a reading of 50 which indicated manufacturing activity flat in November with new export orders and employment weakening. In response to a slowing domestic and global economy, the People's Bank of China ("PBoC") unexpectedly cut the benchmark interest rates for the first time in two years. The 1 year deposit rate was cut by 25bps to 2.75% and the 1 year lending rate was cut by 40bps to 5.6%. The PBoC will not consider further rate cuts until fourth quarter macroeconomic data released. In the US, S&P 500 index climbed to record high due to encouraging domestic economic releases. The economy in the US expanded 3.9% annualized rate, more than estimated in the third quarter, reflecting bigger gains in consumer spending and business investment. More jobs and cheaper gasoline are giving households the means to boost spending even further going into the all important holiday shopping season, benefiting retailers. Businesses are investing in new equipment to meet that demand, even as markets cool overseas. In Japan, the economy tipped into technical recession as the GDP shrank an annualized 1.6% in third quarter. Japan Prime Minister Shinzo Abe called an early election and delayed a second planned sales tax increase for 18 months.

Within the Asia ex Japan equity markets, Hong Kong/China and India outperformed whilst Australia and Malaysia were the detractors. The best performing markets among the ASEAN countries were the Philippines and Singapore whilst Malaysia lagged (in MYR terms).

The Philippines equities up 3.78% in MYR terms, outperforming overall ASEAN market (+2.24%) driven by strong fund inflows as investors risk-on for Europe and China monetary easing. The Philippines posted a disappointing 5.3% third quarter GDP growth as government spending fell, countering gains in private consumption and industrial production. Singapore market jumped 3.46% as third quarter GDP posted 2.8% which was better than estimated. Ministry of Trade and Industry guided that global slowdown in the final months of 2014 will cap full year economic growth at about 3% before an uneven recovery in 2015. Externally oriented sectors such as the manufacturing and transportation and storage sectors are likely to slow. In Indonesia, implementation of the subsidized fuel price hike by President Jokowi and Bank Indonesia's surprised move to raise the benchmark rate to 7.75% was well received by investors. The increase in fuel prices will free 100 trillion to 140 trillion Rupiah of state spending and reduce the 2015 budget deficit from the current forecast of 2.2% of GDP. Some of the money will be allocated to infrastructure and some to strengthen the social security for poor and near poor families. In Thailand, third quarter GDP grew 0.6% which was less than estimated as improving consumption and investments failed to counter falling exports. Thailand government guided that it will accelerate spending on mass transit, railways and roads to counter falling exports and boost economic growth. Bank of Thailand ("BoT") guided that the economy should be able to grow based on its fundamentals in 2015 with growth expected at 4-5%. Malaysia market underperformed the region mainly due to the weak oil prices and its dependency on crude oil revenue. Third quarter GDP printed 5.6% which was in-line with expectations. State oil firm Petroliam Nasional ("Petronas") guided that it will cut capex for 2015 by 15-20% due to the falling oil prices.

OUTLOOK & STRATEGY

Leading indicators suggest that the global recovery is still taking place mainly driven by improvement in developed markets. However, in the short term basis, in particular second half of 2014, equity market might experience higher volatility and valuation adjustment once the Fed completely exit from its asset purchase program as that will trigger the investors to speculate the probability and timing of the interest rate hike. The US economy growth expectation has been revised up from 2.6% to 2.7% in 2014 with unemployment rate to improve to 6.5% in 2014 and 5.95% in 2015 as the business and manufacturing activities expand. Improvement in household wealth is expected to anchor consumer expenditure on real estate and automobiles. The European economy is showing signs of recovery with growth expectation of 1.1% by the ECB, supported by less austerity and continued strength in trade across the region. Nonetheless, the high unemployment rates, structural disparity between the core and peripheral European countries as well as the building deflationary forces remain a concern. The ECB will remain supportive with reflationary policies. Growth in emerging market and developing economies is expected to increase to 5.1% in 2014 and to 5.4% in 2015, according to IMF. Growth in China is expected to moderate to around 7.5% amid the economic transition and largely hinge on the execution of the reform blue print detailed in the Third Plenum.

Global portfolio adjustments continue from bonds to equities, despite equities being fully valued, mainly supported by confident on global economic growth outlook whilst offsetting rising bond yields. Equities in developed markets and North Asia in particular are likely to outperform on solid recovery whilst the Fed tapering will take a toll on emerging markets earnings growth due to higher borrowing costs and currency fluctuation. Emerging markets equities are likely to suffer from high volatility in the short term, however, as developed markets growth accelerate, Emerging markets should enjoy the spillover effect. ASEAN is in healthy shape with a superior debt position relative to many markets in the West and is, in our view, standing on the brink of a multi-year structural growth story. The OECD projects an average annual growth of 5.5% for ASEAN over the next five years. Over the last decade, ASEAN GDP growth was driven by the ex-Singapore renaissance. Strong GDP growth was the result of rising productivity, the burgeoning middle class, young demographics in a huge population, governments' pro-stimulus policies on large scale infrastructure projects and increasing intra-regional trade flows as FTA come to the force.

Furthermore, rising wages and labor shortage in China, the Renminbi's appreciation, Sino-Japan tension and trade barriers between China and rest of the world have prompted producers to consider diversification of production facilities and divert investments. ASEAN should see further FDI inflows from companies looking to capitalise on young population and low labour cost. Strong FDI flows create positive feedback loop in the economy, positively correlated with income growth and connecting the change in GNP (gross national product) and commercial expansion and domestic growth. Liberalization of Myanmar economy and further integration of Cambodia, Laos, and Vietnam into the bloc will be a new point of growth and provide more investment opportunities for ASEAN-5. Robust intra-regional trade is likely to sustain the economic growth and it will be a long lasting impact.

Shifting in the US strategic policy to rebalance its interests towards Asia, especially Southeast Asia to counter balance China's influence in the region also resulting in greater western interest and investment flows.We remained focus on investing in good quality companies with resilient earnings while we continue to hold on to our main thesis of investing on population growth, urbanization, and increasing intra-regional trade. The key strategy would be to be nimble at adding or initiating new positions in well-managed companies that demonstrate a sustainable business models and decent dividend payouts with competitive advantages.

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