FUND FACTSHEET – AUGUST 2014

All data expressed as at 31 July 2014 unless otherwise stated

3-year Fund Volatility 9.4 moderate Lipper Analytics 15 JULY 2014

RHB Asset Management

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:

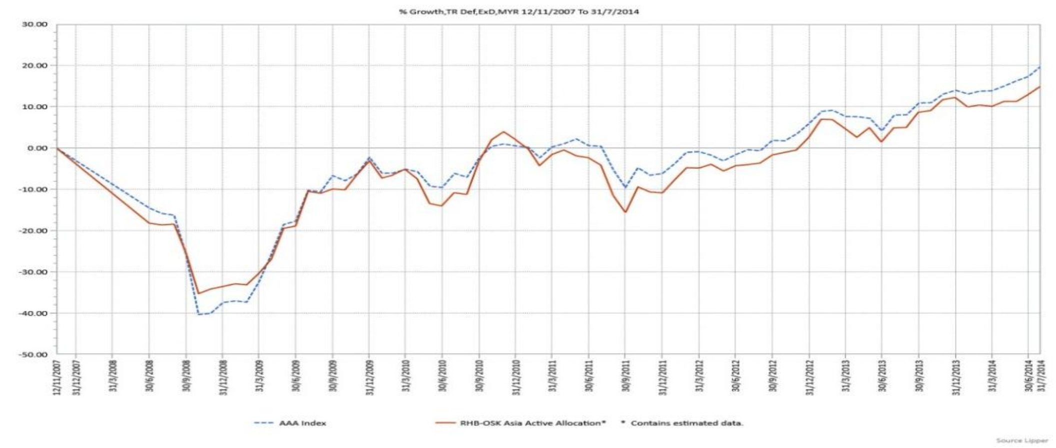
- wish to participate in the fast growing Asian markets;
- seek a flexible investment mandate capable of capitalising and adapting to prevailing market conditions; and
- are willing to accept moderate risk in their investments in order to achieve long term capital growth and income.

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	**1.80**	**3.38**	**4.64**	**2.49**
Benchmark	2.12	4.20	5.93	5.10

	1 Year	3 Years	5 Years	Since Launch
Fund	**9.66**	**20.05**	**28.53**	**15.06**
Benchmark	10.95	19.28	33.46	19.82

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*

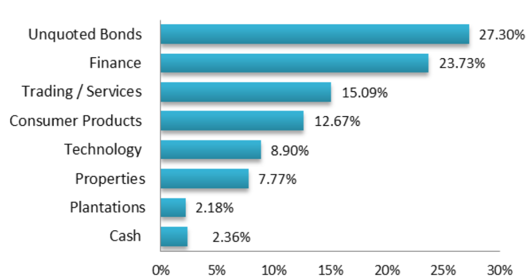
FUND DETAILS

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	RM0.5753
Fund Size (million)	RM18.06
Units In Circulation (million)	31.38
Financial Year End	31 March
MER (as at 31 Mar 2014)	2.05%
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 the request to repurchase
Cooling-Off Period	Within 6 business days from the date of receipt of application
Distribution Policy	Annually, if any

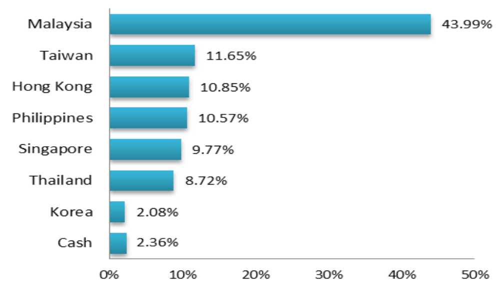
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

PUBLIC BANK BHD-6.840%(22/8/36)	9.32
AMBB CAPITAL LTD-6.77% (27/1/16)	9.08
PETRONAS SUKUK 4.25% (12/8/14)	8.90
TAIWAN SEMICONDUCTOR MANU CO LTD	3.15
HON HAI PRECISION INDUSTRY CO LTD	3.00

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5763	0.5763	0.5763
Low	0.5651	0.5234	0.3095

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
31 Mar 2014	-	-
31 Mar 2013	-	-
31 Mar 2012	-	-
31 Mar 2011	-	-
31 Mar 2010	-	-

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

Head Office: 19th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur. **General Line: 603-2164 3036** **Fax: 603-2164 4226** **Website: www.rhbgroup.com**

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MANAGER'S COMMENTS

MARKET REVIEW

In June, FBM KLCI edged up marginally, +0.5% mom to 1882pt while YTD still recorded flattish return, +1.06%. In the meantime, Small Cap Index outperform in June, +2.75% and +14.96% YTD, KLCI Fledgling Index +4.13% mom and +22.16% YTD. The KLCI lacklustre trend underperformed ASEAN regional markets but outperformed some of the North Asia peers. Within Asia region, India, Philippines and Thailand were best performers, advanced circa +22%, +16% and 14% YTD respectively while CSI 300, Japan Nikkei 225 and HSCEI were worst performers, fell circa 6%, 5% and 3% YTD. Market sentiment and investors expectation remain high in India after Narendra Modi led BJP victory India general election with clear majority. On ASEAN front, calm after Thailand military coup has restored peace and confidence while decisive action by the military govt via rollout of infra projects and BOI approval of pending investment projects has spurred market rally and lifted SET Index. Despite lofty valuation in PCOMP Index, Philippines continue to offer compelling macro investing landscape within ASEAN.

FIXED INCOME REVIEW & OUTLOOK

US Treasuries (“UST”) bearish flattened in June, as consumer price inflation was warmer than expected in May. However, geopolitical tension in the Middle East kept the 10-year UST firmly at 2.53%, as investors sought for safe heaven protection. At close, the 2-, 5-, 10- and 30-year UST were traded at 0.46% (May: 0.38%), 1.63% (1.54%), 2.53% (2.48%) and 3.36% (3.33%) respectively.

The local bond market bullish flattened in June with strengthening Ringgit and low market volatility prompted for yield pick-up trades. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.51% (May: 3.48%), 3.72% (3.72%), 3.91% (3.94%), 4.03% (4.03%), 4.33% (4.36%), 4.40% (4.59%) and 4.74% (4.89%) respectively. Similar to the strong performance of MGS, Government Investment Issues (“GII”) also bullish flattened with 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.65% (May: 3.67%), 3.88% (3.85%), 4.10% (4.12%), 4.24% (4.21%), 4.53% (4.50%) and 4.70% (4.85%) respectively.

Despite the sharp downward revision of 1Q2014 GDP to -2.9% YoY in June (from -1.0% YoY last month), most of the economic data released in June was pointing to a modest recovery. Both ISM Manufacturing Index as well as Industrial Production (“IP”) came in stronger than expected in May, with the former reporting at 55.4 (Apr: 54.9, consensus: 55.5) and the latter at 0.6% MoM (Apr: -0.3% MoM, consensus: 0.5% MoM). The manufacturing sector appears to be making a comeback. Employment situation was largely unchanged with unemployment rate held steady at 6.3%.

On the domestic economic front, April trade surplus narrowed only slightly as exports outpaced imports. April exports surged 18.9% YoY (Mar: 8.3% YoY) partly on base effects, above consensus of 9.7% YoY. Imports also rose 5.0% YoY (Mar: 0.5% YoY) above consensus of -0.5% YoY. With April seasonally adjusted export levels 4% above 1Q2014 levels, the continued resilience of exports is in line with improving external demand. Also, April IP up sequentially to 4.2% YoY (Mar: 4.3% YoY), in line with market consensus. Combining the positive trade surplus with strong IP reported in April, accelerating growth momentum points to a strong start to 2Q2014 GDP. May CPI inflation edged down to 3.2% YoY (April: 3.4%). Lower YoY inflation was led by F&B, Utilities and Communication. Despite the weaker CPI level, MPC’s concern is still on financial imbalances, which is likely to see the Central Bank to take interest rate action in the coming meeting.

MARKET OUTLOOK AND STRATEGY

Despite lacklustre June performance on KLCI due to lack of positive catalyst, we maintain our positive view on equity market and envisage bottoming of corporate earnings downgrade and expect gradual recovery in 2H 2014. Nevertheless, Malaysia economy is expected to remain resilient. 1Q14 GDP +6.2% yoy, better than consensus of 5.8% and 4Q13 +5.1%. The key growth come from net export +7.9% yoy while govt consumption +11.2% yoy vs +5.2% in previous quarter. From valuation perspective, KLCI currently trade at 16x P/E vs FBM SmallCap Index at 12x P/E, both trade above 10-year historical average P/E but below +1SD.

On regional front, latest China official manufacturing PMI came in improve to 51 in June vs 50.8 in May, a 6-month high PMI reading. We envisage China macro data continue to be mixed with soft patch due to Chinese govt determination to rebalance the economy. We expect the Chinese govt will react with selective/targeted easing should cyclical weakness threaten GDP growth and unemployment. EM reliance on China growth for commodities export may face headwinds in 2014. We envisage commodity producing countries equities performance to continue lag the Developed Market equities.

On sector basis, we continue to favour consumer, tech, healthcare, industrial and telco while selectively bullish bias on infra related construction stocks. We foresee 2014 to be a reform year for regional economies and Malaysia govt to rollout targeted infra projects to spearhead the economy and continue its reform agenda including subsidy rationalization which augur well for the economy. Increase market volatility globally will create capital misallocation and outflow of funds from emerging markets, thus misprice securities from fundamental. We remain cognizant of prevalent risks but look into adding bombed-out good fundamental stocks to enhance alpha.