RHB-OSK ASIA CONSUMER FUND

FUND FACTSHEET – DECEMBER 2014

All data expressed as at 30 November 2014 unless otherwise stated

This Fund aims to achieve capital appreciation through investment in equities or equity-related securities of Asian (excluding Japanese) companies whose businesses are likely to benefit from or are related to growth in consumer spending in Asia.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

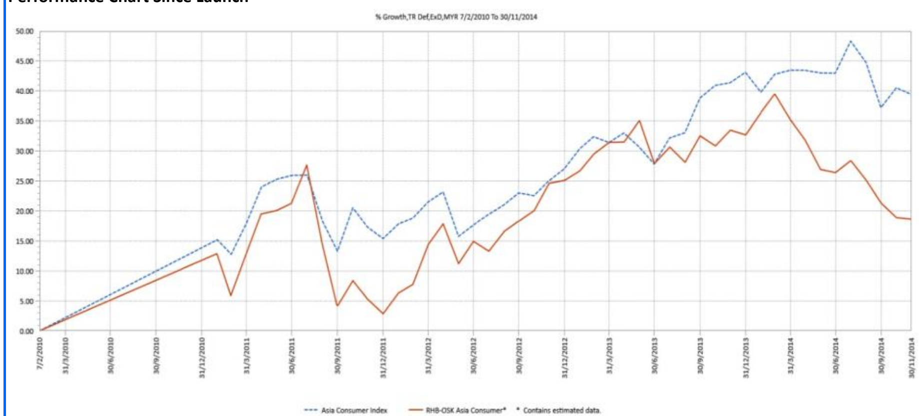
- seek investment opportunities in companies whose businesses are likely to benefit from or related to growth in consumer spending in Asia;
- seek capital appreciation rather than income; and
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Asia Consumer Fund.
- 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	**-0.21**	**-5.19**	**-6.53**	**-10.61**
Benchmark	-0.77	-3.67	-2.50	-2.56

	1 Year	3 Years	Since Launch
Fund	**-11.13**	**12.72**	**18.67**
Benchmark	-1.37	18.93	39.47

Calendar Year Performance (%)*

	2013	2012	2011
Fund	**6.05**	**21.67**	**-12.53**
Benchmark	12.66	10.12	-3.05

**Source: Lipper IM*

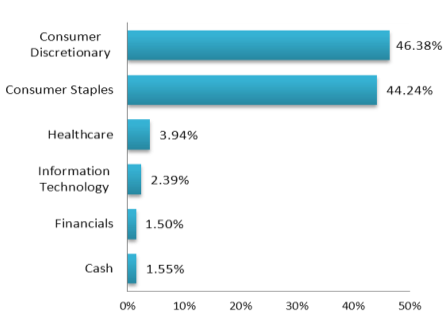
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	TMF Trustees Malaysia Bhd
Fund Category	Feeder Fund
Fund Type	Growth Fund
Launch Date	18 January 2010
Unit NAV	RM0.4825
Fund Size (million)	RM50.25
Units In Circulation (million)	104.16
Financial Year End	31 July
MER (as at 31 July 2014)	0.41%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% MSCI AC Asia ex Japan Consumer Discretionary Index (RM) + 50% MSCI AC Asia ex Japan Consumer Staples 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	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	Incidental

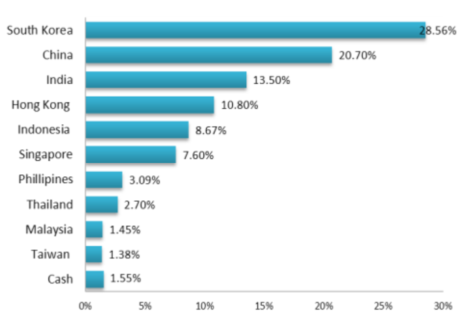
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

ITC LTD	6.73
HYUNDAI MOTOR COMPANY	5.79
WANT WANT CHINA HOLDINGS LIMITED	3.69
HINDUSTAN UNILEVER LTD	3.54
HENGAN INTERNATIONAL GROUP CO LTD	3.38

**As percentage of NAV*

**Exposure in United Asia Consumer Fund - 98.02%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4835	0.6430	0.6451
Low	0.4707	0.4698	0.4543

Source: Lipper IM

Historical Distributions (Last 3 Years) (Net)

	Distribution (sen)	Yield (%)
31 Jul 2014	6.5000	10.78
31 Jul 2013	-	-
31 Jul 2012	4.4684	8.07

Source: RHB Asset Management Sdn. Bhd.

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RHB OSK
RHB Asset Management

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3-year Fund Volatility 9.8 high Lipper Analytics 15 NOVEMBER 2014

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MANAGER'S COMMENTS

MARKET REVIEW

The Asia ex-Japan consumer stocks lost ground in November, underperforming the broad Asia ex-Japan equities market, which eked out slight positive returns in November. The emerging markets as a whole posted losses against gains in developed markets. Fixed income market performance was similarly mixed in November with slight gains in JACI while the rest of the G7, Investment Grade and High Yield bonds posted losses. Energy was the worst performer, posting double-digit losses in November and is now the worst-performer year-to-date, while Gold gained in November. The decline in energy prices impacted performance in certain markets, while China's surprise interest rate cut buoyed markets.

The consumer staples and discretionary sub-sectors posted a similar magnitude of decline. Within the consumer staples sector, the Hong Kong market was the worst performer, while Thailand, Singapore and Malaysia also underperformed. The Philippines and India outperformed. Within consumer discretionary, Malaysia was the worst performing market with Hong Kong and Korea also underperforming. The Philippines, Thailand and Taiwan outperformed.

In terms of macroeconomic data, global leading indicators slipped in most markets in November. The US PMI stayed high at 58.7, though this was a slight dip from 59.0 in October. Japan slipped to 52.0 from 52.4 while the Eurozone dipped to 50.1 from 50.6. China's official PMI softened again to an eight-month low of 50.3 from 50.8 in October with the private sector HSBC PMI falling to 50.0 from 50.4. Other latest activity indicators dipped across most markets. Industrial production and retail sales in the US, Japan and China dipped in October. Inflation was stable across the various regions. The Indonesia Central Bank raised interest rates by 25 bps at its meeting in November.

The China market was led by financials as the central bank surprisingly cut interest rates on 21 November, marking the first rate reduction in more than two years. One-year benchmark lending rate was cut by 40 basis points (bps) to 5.6%, while the deposit rate was cut by 25 bps to 2.75%. The central bank's easing is expected to relax financial conditions for the broad economy and reduce the interest burden on the corporate sector, particularly the small-and-medium enterprises, highly-leveraged industrial and property sectors. However, the asymmetric nature of the rate cut is expected to hurt banks' net interest margins.

Within the Asean markets, Malaysia was the worst-performer as the steep fall in oil prices impacted the oil and gas companies, while the ringgit weakness added to market woes. Corporate earnings also disappointed across the board. Indonesia cut fuel subsidies, in a move expected to save the government Rp110-140 trillion and was viewed positively by foreign investors as they net bought $0.4bn. The Philippines GDP growth disappointed at 5.3% in 3Q14 with weak government spending, though this was offset by robust corporate earnings and declining oil prices.

MARKET OUTLOOK AND STRATEGY

The Fund underperformed the index in the month of November. Most of the underperformance came from South Korea and Singapore. In South Korea, the expected pickup in domestic consumption after the ferry incident in 2H14 did not happen. This led to a correction of domestic consumption stocks including homeshopping names and department stores. Despite the recent weakness in the consumption, we think that the eventual improvement in the housing prices in Korea might boost consumer confidence in the medium term and help to spur consumption.

In Singapore, the detractors from performance were coming from our holdings in a palm oil company and a company that is in the feed business in Indonesia. Palm oil companies have been hit in general by weaker global demand this year as major developed economies such as Europe and Japan are seeing slower growth. Lower oil prices have also affected demand of palm oil as biofuel feedstock. We are underweight the palm oil sector but our little exposure to this segment has still been affected. Feed business in Indonesia this year has seen a bit of a disruption and we have seen a slight oversupply situation, leading to worse than expected pricing and hence margin pressure. The problem has been compounded by the weakening Rupiah this year.

Otherwise, our holdings in China contributed positively to performance this month. We recently reintroduced an auto stock that specialises in SUVs in China. The stock did very well this month as the company saw very strong momentum for new product launch in the month of November. We expect the positive sales momentum to continue going into the end of the year and into 2015.

Overall, the consumer sector in Asia has undergone a pretty tough period this year because of the high base enjoyed by some of these companies in the past few years. The slowdown in consumer spending has been apparently from China to Singapore to many Asean countries with the exception of a few companies. Some companies have therefore reported weaker than expected results especially in 2H14 which led to weaker share prices. However, we think that most of these companies are still financially very sound and still generate good profits. It is inevitable for any business to face a few bumpy quarters now and again – this is the nature of most businesses. However, we remain confident in many cases that this would probably only last a couple of quarters and after the adjustment, we believe that the share price should continue to do well over the mid to longer term. As always, it does require an amount of patience from investors.