

## RHB-OSK ASIA FINANCIALS FUND (formerly known as OSK-UOB ASIA FINANCIALS FUND)

The Fund aims to achieve long term capital growth by investing primarily in equities or equity-related securities of corporations in, or corporations listed or to be listed on stock exchanges in, or corporations (wherever located), which derive significant revenue or profits from or have significant assets or business interests in, the financial sector in the Asian region (excluding Japan).

### INVESTOR PROFILE

#### This Fund Is Suitable For Investors Who:

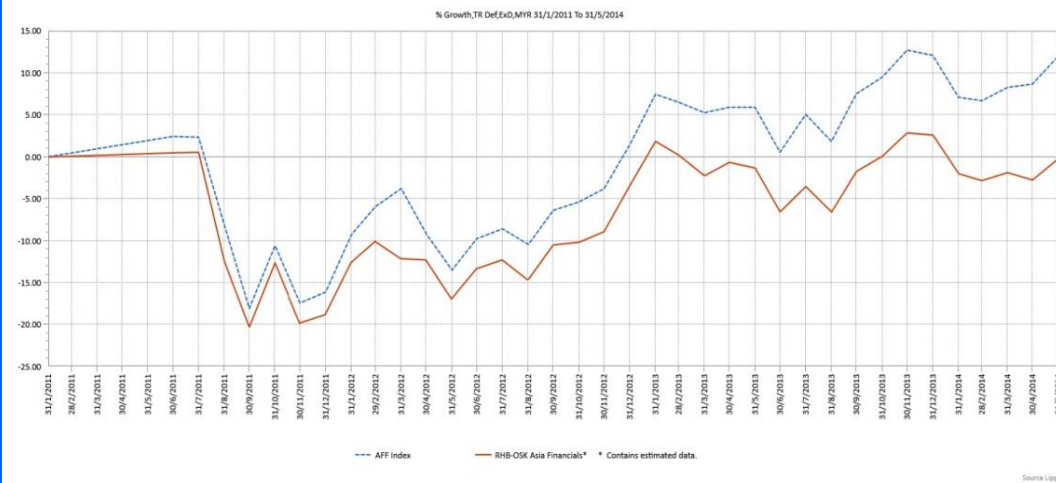
- wish to tap into the growth prospects of the Asian financial sector (excluding Japan);
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term; and
- seek capital growth.

### INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Asia Financials 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	2.59	2.68	-3.03	-2.79
Benchmark	3.05	4.97	-0.64	-0.09

	1 Year	3 Years	Since Launch
Fund	1.12	-2.86	-0.28
Benchmark	5.74	7.98	11.97

#### Calendar Year Performance (%)\*

	2013	2012
Fund	6.28	18.87
Benchmark	10.56	20.80

\*Source: Lipper IM

### FUND DETAILS

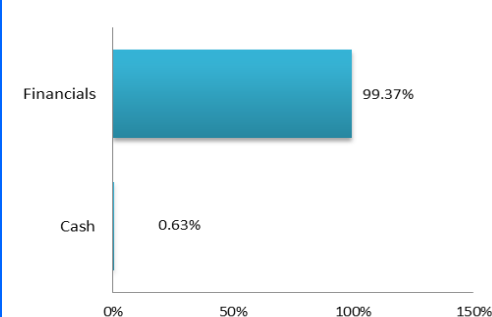
<b>Investment Manager</b>	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
<b>Trustee</b>	TMF Trustees Malaysia Bhd
<b>Fund Category</b>	Feeder Fund
<b>Fund Type</b>	Growth Fund
<b>Launch Date</b>	11 January 2011
<b>Unit NAV</b>	RM0.4986
<b>Fund Size (million)</b>	RM20.46
<b>Units In Circulation (million)</b>	41.02
<b>Financial Year End</b>	30 November
<b>MER (as at 30 Nov 2013)</b>	0.40%
<b>Min. Initial Investment</b>	RM1,000.00
<b>Min. Additional Investment</b>	RM100.00
<b>Benchmark</b>	MSCI Asia ex Japan Financials ex Real Estate (RM)

<b>Sales Charge</b>	Up to 5.50% of investment amount
<b>Redemption Charge</b>	None
<b>Annual Management Fee</b>	1.80% p.a. of NAV*
<b>Annual Trustee Fee</b>	0.08% p.a. of NAV, subject to a minimum of RM18,000 p.a.*
<b>Switching Fee</b>	RM25.00 per switch
<b>Redemption Period</b>	Within 10 days after receipt of the request to repurchase
<b>Cooling-Off Period</b>	Within 6 business days from the date of receipt of application
<b>Distribution Policy</b>	Incidental

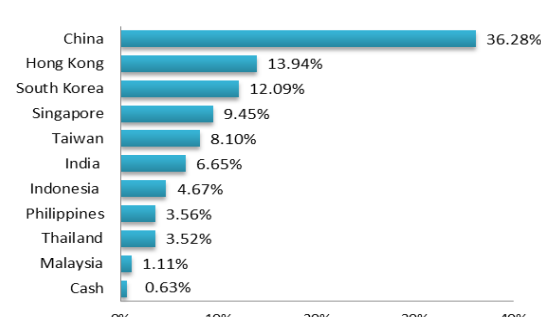
\*For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

### FUND PORTFOLIO ANALYSIS

#### Sector Allocation\*



#### Country Allocation\*



#### Top Holdings (%)\*

AIA GROUP LTD	8.30
CHINA CONSTRUCTION BANK - H	7.65
INDUSTRIAL & COMMERCIAL BK OF CHINA - H	5.51
CHINA LIFE INSURANCE CO LTD-H	4.63
DBS GROUP HOLDINGS LIMITED	4.36

\*As percentage of NAV

\*Exposure in United Asia Financials Fund - 98.71%

### FUND STATISTICS

#### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5003	0.5157	0.5308
Low	0.4801	0.4468	0.3692

Source: Lipper IM

#### Historical Distributions (Last 2 Years) (Net)

	Distribution (sen)	Yield (%)
30 Nov 2013	-	-
30 Nov 2012	-	-

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

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**MANAGER'S COMMENTS**

**MARKET REVIEW**

Asia ex-Japan financial stocks gained in May, mirroring performance across the global equity markets, where emerging markets outperformed developed markets. The broader Asia equity market outperformed, driven by strong performance from India on positive election results and Greater China markets on hopes for policy stimulus from China and improving data.

Within the Asia ex-Japan financials sector, India was the best performing market by far, as the opposition BJP Party won a landslide victory, followed by Taiwan, where the financial stocks which had lagged the broader market played catch-up on strong earnings momentum. Thailand was the worst performing on a negative turn of events on the political front, followed by Indonesia.

In terms of economic data, global leading indicators were mostly stable. US PMI continued to improve to 55.4 in May from 54.9 in April. Japan improved to 49.9 from 49.4 while the Eurozone and UK dipped slightly. China's official PMI continued to improve to 50.8 from 50.4, marking a 3rd month of improvement. The private sector HSBC PMI similarly improved to 49.7 from 48.1, though still staying in contraction. Most other latest activity indicators such as industrial production dipped slightly across the developed markets of US, Japan, the UK, Eurozone, as well as in China. Inflation crept up slightly across most markets except in China.

In India, the BJP's historic win renewed hopes that the new government will implement structural reforms such as removing supply-side bottlenecks, reducing fiscal deficit, incentivising infrastructure investment, focusing on labour-intensive manufacturing and improving governance. An improving economy and strengthening rupee as well as increased market volume also pushed the market higher.

Hopes for policy stimulus in China buoyed both the China and Hong Kong markets. The State Council announced new pro-growth measures to stabilise the economy, which include reducing the tax/fee burden for the corporate sector, ensuring financial sector support for the real economy, ensuring implementation of previously-announced pro-growth measures and increasing reforms in the areas of environmental protection.

ASEAN markets underperformed the broader Asia ex-Japan market in May with Thailand worst-performing posting negative returns. The Thai military's declaration of martial law after the Senate's failure to end a six month-long political deadlock prompted selling by foreign fund managers in particular. Indonesia underperformed in May as presidential nominations were announced with the PDIP-led coalition of Jokowi-Jusuf Kalla pitting themselves against the Gerindra-led coalition of Prabowo-Hatta in the 9th July elections. Malaysia market was flat as 1Q14 real GDP growth came in at a better-than-expected 6.2% y/y, supported by domestic demand and exports. Singapore outperformed the other markets with 1Q14 GDP growth of 4.9% y/y, better than expected and led by manufacturing. The Philippines market saw a sovereign rating upgrade from S&P, though 1Q14 GDP disappointed due to Typhoon Haiyan's impact on production and tourism.

**OUTLOOK & STRATEGY**

Asia markets continue to offer opportunities for growth with the region trading at attractive valuations. Despite the short-term risks from a slowing China, Asia remains the fastest growing region in the world and a beneficiary of global economic recovery.

The economic reforms taking place in China present short-term challenges to growth but we view them as positive steps towards ensuring sustainable growth. The rising financial risks from the shadow banking industry and the slowing property market present headwinds, but we view these as a cyclical slowdown rather than structural. We expect selected policy easing to cushion downside risks but no large-scale stimulus as the government keeps its resolve to reform the economy.

We turn incrementally positive on India on the positive political sentiment and a stabilising macro environment. We view that the new government has a strong mandate to push through pro-growth reforms. The market continues to face problems of a high fiscal deficit and inflation, but we view that the macro backdrop is improving. The reforms will take time, but the positive momentum towards reform could accelerate an economic recovery. We are positive on domestic sectors especially the banks.

We continue to favour ASEAN and maintain our overweight in Indonesia and the Philippines on positive long-term structural trends. However, domestic politics could cause uncertainty in Indonesia with the upcoming July Presidential election and in Thailand where there has been a military coup.

Asian banks are well capitalised and very liquid due to their strong deposit base, and are in good shape to weather slower growth in the region. In general, Asian financial institutions have also strengthened their domestic and regional presence in recent years during the global financial crisis. We continue to adopt a quality growth style approach in our stock selection, favouring companies with strong balance sheet and leading franchises.

**DISCLAIMER:**

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the Fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Master Prospectus dated 15 March 2014 and its supplementary(ies) (if any) ("the Master Prospectus") before investing. The Master Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. Investors should also note that the price of units and distributions payable, if any, may go down as well as up. Where a distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from cum-distribution NAV to ex-distribution NAV. Any issue of units to which the Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Master Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are management risk and foreign investment risks such as currency risk and country risk and the specific risks of the target fund are market risk, financial institution risk, equity risk, fixed income securities risk, distressed securities risk, risk of investing in ETF's, risks associated with indices, interest rate risk, foreign exchange / currency risk, derivatives risk, counterparty risk, political risk, regulatory risk, liquidity risk, repatriation risk, risk of exceptional market conditions, single sector and regional risk, risk of use of rating agencies and other third parties, actions of institutional investors and broker risk. These risks and other general risks are elaborated in the Master Prospectus.

This factsheet is prepared for information purposes only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Past performance is not necessarily a guide to future performance. Returns may vary from year to year.