

### 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.

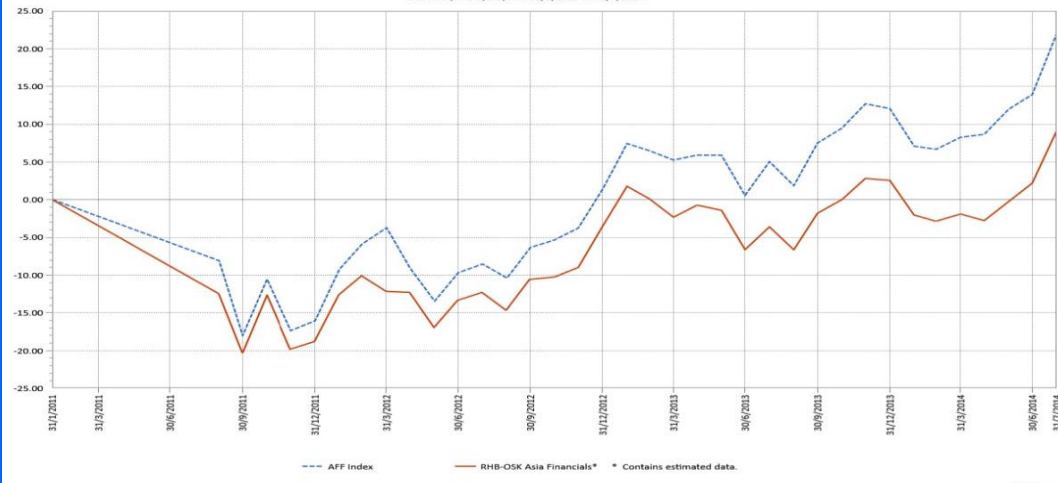
#### INVESTMENT STRATEGY

- 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\*

% Growth, TR Def, ExD, MYR 31/1/2011 To 31/7/2014



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	6.77	12.22	11.35	6.34
Benchmark	7.05	12.24	13.90	8.82

	1 Year	3 Years	Since Launch
Fund	13.13	8.47	9.08
Benchmark	16.10	19.19	21.96

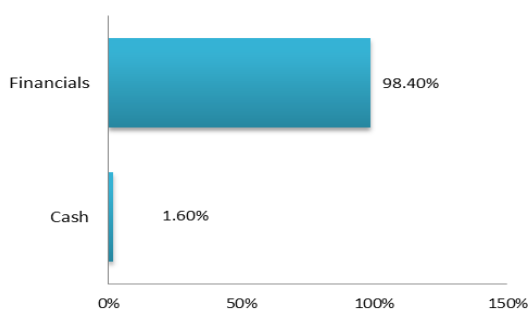
##### Calendar Year Performance (%)\*

	2013	2012
Fund	6.28	18.87
Benchmark	10.56	20.80

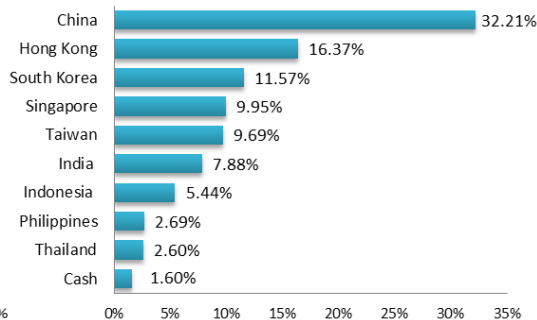
\*Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

CHINA CONSTRUCTION BANK - H	8.82
AIA GROUP LTD	8.65
INDUSTRIAL & COMMERCIAL BK OF CHINA - H	6.40
AGRICULTURAL BANK OF CHINA	4.92
CHINA LIFE INSURANCE CO LTD-H	4.71

\*As percentage of NAV

\*Exposure in United Asia Financials Fund - 97.96%

#### 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>	RM0.5454
<b>Fund Size (million)</b>	RM16.68
<b>Units In Circulation (million)</b>	30.59
<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 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 STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5454	0.5454	0.5454
Low	0.5099	0.4647	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 posted strong gains in July, in a month where global equities turned in a mixed performance with developed markets posting losses against gains in emerging markets (EM). Asia was the best-performing region within EM in July and is also now the best-performer year-to-date. The strength of the Asia markets came on the back of a recovery in China where a pick-up in data boosted hopes of a recovery in the economy.

The financials sector far outperformed the broader Asia ex-Japan market and was the best-performing sector in the region. Within the sector, the China market was the best-performing, followed by Korea and Indonesia. India was the worst performing, followed by the Philippines and Malaysia.

The global economic recovery remained intact with global leading indicators mostly remaining stable in July. In the developed markets, the US PMI improved to 57.1 in July from 55.3 in June. The PMI in Europe was stable at 51.8, while those in the UK and Japan dipped, though all stayed in expansion. China's official PMI continued to improve in July to 51.7 from 51.0, with the private sector HSBC PMI also improving to 51.7 from 50.7 in June. Most other latest activity indicators such as industrial production were stable across most markets. Inflation continued to remain stable across most markets though the Eurozone looked to be continuing its slide into deflation.

The China and Hong Kong markets were boosted by a strong-than-expected pick-up in activity indicators such as industrial production, fixed asset investment and exports. The recovery was in part helped by policy loosening such as the easing of some property measures, which lifted property transaction volumes. Monetary conditions have also become accommodative and the change in total social financing rose 90% y/y to RMB 1970 bn in June from RMB 1425 bn in May. Reforms also looked to be on track such as in the state-owned enterprises (SOEs) while the anti-corruption drive continued with a recent high profile case of a senior official being investigated.

Korea market index reached a near-3-year high as the government announced measures to support the economy and 2Q14 earnings beat expectations. Taiwan financials stocks benefited from a rotation into the sector from the technology sector, which saw profit-taking after a strong performance prompted some broker downgrades. The India market took a breather in July after the strong performance post-elections, with a reversal from cyclical into defensive sectors.

The ASEAN markets' performance was again diverse. Indonesia topped performance as Jokowi was officially declared the winner in the closely-fought Presidential election though uncertainty remains with his opponent Prabowo challenging the election results. Focus will now be on a decision on fuel subsidy reform and the appointment of ministers for the new government, which will take office in October. Singapore market gained, led by heavy-weight banks and property developer even as home prices – both private and public – continued to trend down. Both the Malaysia and Philippine central banks raised policy rates by 25 bps at their meetings in July.

**OUTLOOK & STRATEGY**

We believe that 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 these reforms as positive steps towards ensuring sustainable long-term growth. We expect selected policy easing to cushion downside risks but no large-scale stimulus. We favour reform beneficiaries and companies in the new economy sectors.

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 continue to favour the Asean markets and maintain our overweight in Indonesia and the Philippines on positive structural trends.

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:**

Based on the fund's portfolio returns as at 15 July 2014, the Volatility Factor (VF) for this fund is 16.2 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are above 13.0 (source: Lipper). The VF means there is a possibility for the fund in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified funds. VF is subject to monthly revision and VC will be revised every six months. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same VF or VC in the future. Presently, only funds launched in the market for at least 36 months will display the VF and its VC. The VC referred to was dated 30 June 2014 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2014.

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.