

### RHB-OSK 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:

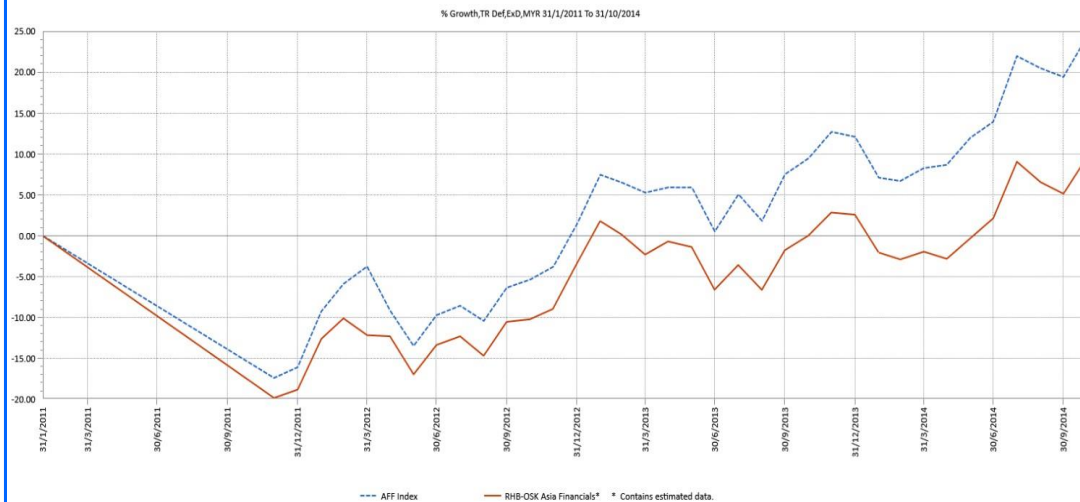
- wish to tap into the growth prospects of the Asian financial sector (excluding Japan);
- are willing to accept a higher risk in their investments to obtain potentially higher returns in the long term; and
- seek capital growth.

#### 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	4.26	0.51	12.80	6.88
Benchmark	4.13	1.95	14.43	10.94

	1 Year	3 Years	Since Launch
Fund	9.62	25.50	9.64
Benchmark	13.59	39.02	24.34

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

	2013	2012
Fund	6.28	18.87
Benchmark	10.56	20.80

\*Source: Lipper IM

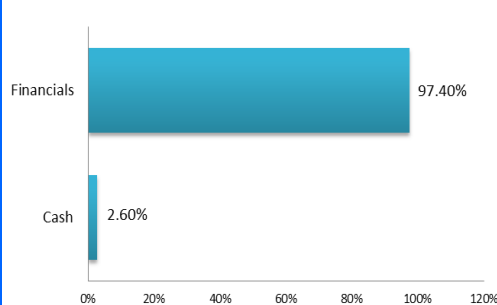
#### FUND DETAILS

<b>Investment Manager</b>	RHB Asset Management Sdn. Bhd.
<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>	RM0.5482
<b>Fund Size (million)</b>	RM11.09
<b>Units In Circulation (million)</b>	20.24
<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

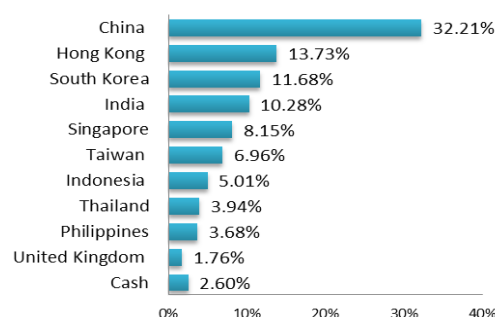
\*For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

AIA GROUP LTD	9.30
CHINA CONSTRUCTION BANK - H	8.29
INDUSTRIAL & COMMERCIAL BK OF CHINA - H	7.36
SHINHAN FINANCIAL GROUP	5.28
BANK OF CHINA	4.37

\*As percentage of NAV

\*Exposure in United Asia Financials Fund - 98.00%

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5482	0.5503	0.5503
Low	0.5197	0.4687	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.

**RHB-OSK ASIA FINANCIALS FUND**

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**MANAGER'S COMMENTS**
**MARKET REVIEW**

The Asia ex-Japan financial stocks gained in October, outperforming the broader Asia ex-Japan market. Within global equities, emerging markets outperformed developed markets. Within fixed income, market performance was mixed with high-yield and Asia credits outperforming investment-grade and G7 bonds. Investors' attention was focused on the significant global central bank actions at the end of October. The US Federal Reserve (Fed) ended quantitative easing as scheduled while the Bank of Japan (BoJ) surprised markets with its announcement to further ease monetary policy and the Japan government pension fund announced its plan to raise allocation to equities and foreign assets.

Across the Asia ex-Japan financial markets, India was the top performer, followed by China, Hong Kong and Indonesia. Malaysia underperformed as did the Philippines and Thailand. By sub-sectors, the insurance sector outperformed banks and diversified financials as a whole.

Global economic leading indicators all improved across the developed markets in October, though they were softer in emerging markets. The US PMI rose back to 59.0 from 56.6, Japan PMI rose to 52.8 from 51.7, the Eurozone inched up to 50.6 from 50.3 and the UK PMI rose to 53.2 from 51.5. China's official PMI softened to 50.8 in October from 51.1 in September, with the private sector HSBC PMI inching up to 50.4 from 50.2. Other latest activity indicator such as industrial production mostly dipped in August, though there was some improvement in September where data was available. Inflation remained largely stable across most markets although the Eurozone continued to slip. The South Korea Central Bank cut interest rates by 25 bps at its meeting in October.

The better-than-expected 3Q14 GDP data out of China allayed some concerns on further deterioration in the near-term economic outlook. China's central bank injected short-term liquidity into small banks and focused on lowering market interest rates, targeted quantitative easing and a shift in credit components to support the economy. The Hong Kong market's strong performance in October came despite the on-going pro-democracy protests which heightened social tension in the territory.

ASEAN underperformed the broader Asia ex-Japan market in October with individual markets all underperforming. Singapore's September industrial production fell by 1.2% year-on-year from a rise of 4.2% y/y in August and non-oil domestic exports fell 8.8% month-on-month in September from a gain of 7.6% m/m in August. The Philippines and Thailand underperformed with investors generally on risk-off mode. Foreigners were net-sellers in the Philippines. The Indonesian market fared relatively better as the rupiah gained and the new President Jokowi was sworn in and formed his Cabinet consisting of a mix of politicians and professionals.

**OUTLOOK & STRATEGY**

Globally, while the US Fed's ending of its asset purchase programme was widely anticipated by the market, the BoJ and Japan government pension investment fund's (GPIF)'s announcements came as a positive surprise to the market. The feared tightening of global liquidity following the end of QE by the US will now likely be off-set by monetary easing by the BoJ and the GPIF's target to raise its allocation in domestic equities and foreign assets. We expect the overall liquidity backdrop to remain supportive for risk assets, including Asia ex-Japan equities.

Asia remains one of the fastest growing regions in the world and a beneficiary of the global economic recovery. Despite markets being at a five-year high, valuations for the region are still attractive and we believe the region presents favourable investment opportunities.

In China, rising financial risks and a slowing property market remain some of the key macroeconomic challenges but gradually improving corporate profitability and reform in the state-owned enterprises provide positive tailwinds for the market. Selected policy easing and reform momentum could cushion downside risks on asset quality which has been the biggest overhang on the sector.

In Korea, we expect that the government's new pro-growth policy aimed at boosting household income growth will benefit domestic demand. A rate cut by the Bank of Korea could also improve liquidity although there could be some downward pressure on margins. This would be offset by higher loan growth from improved domestic demand.

We remain incrementally positive on India on the positive political sentiment and a stabilising macro environment. We continue to overweight key Asean markets as we turn incrementally more positive on Thailand with the stabilising political situation. We continue to favour Indonesia and the Philippines over the medium term where strong economic momentum and positive structural trends prevail continues.

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 October 2014, the Volatility Factor (VF) for this fund is 13.6 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.