

RHB-OSK ASIAN INCOME FUND

The Fund aims to provide income and capital growth over the medium to long term by investing in one target fund, i.e. the Schroder Asian Income.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

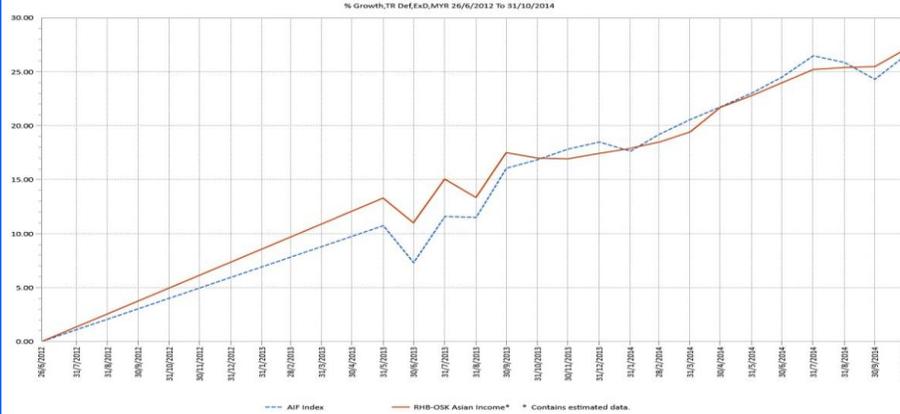
- seek income and capital growth over the medium to long term;
- have moderate risk appetite; and
- seek investment opportunities in the Asian region.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of Schroder AI.
- 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	1.31	1.53	4.45	8.25
Benchmark	1.80	0.05	3.94	6.80

	1 Year	Since Launch
Fund	8.65	27.12
Benchmark	8.29	26.54

	2013
Fund	6.44
Benchmark	11.47

*Source: Lipper IM

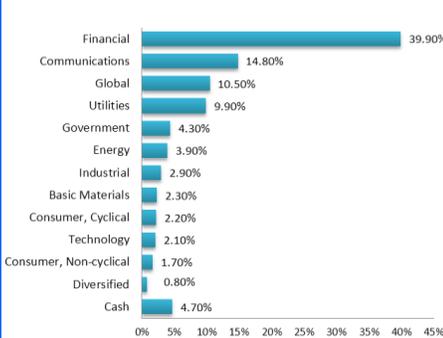
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Income Fund
Launch Date	05 June 2012
Unit NAV	RM0.5554
Fund Size (million)	RM494.89
Units In Circulation (million)	891.03
Financial Year End	31 July
MER (as at 31 July 2014)	0.64%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% MSCI AC Asia Pacific ex Japan Net (RM) + 50% JP Morgan Asia Credit Index (SGD Hedged) (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	Up to 0.08% p.a. of NAV*
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	Quarterly, if any

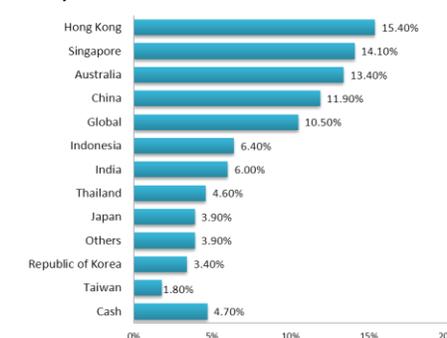
*For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SK TELECOM	2.50
TELSTRA CORP LTD	2.10
HKT TRUST AND HKT LIMITED	2.00
MAPLETREE COMMERCIAL TRUST	1.90
FORTUNE REAL ESTATE INVESTMENT	1.90

*As percentage of NAV

*Exposure in Schroder Asian Income - 97.01%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5621	0.5623	0.5668
Low	0.5529	0.5294	0.5000

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

	Distribution (sen)	Yield (%)
21 Jul 2014	1.0868	1.93
28 Apr 2014	0.6800	1.22
28 Jan 2014	0.6800	1.25
30 Oct 2013	0.5852	1.07

Source: RHB Asset Management Sdn. Bhd.

RHB-OSK ASIAN INCOME FUND

The Fund aims to provide income and capital growth over the medium to long term by investing in one target fund, i.e. the Schroder Asian Income.

MANAGER'S COMMENTS**MARKET OVERVIEW**

Asia ex Japan equities delivered positive returns in October, on the continued strength of the US economy and further possible stimulus measures in China. Chinese equities posted strong gains over the month despite slowing GDP growth of 7.3% year-on-year in the third quarter. September exports and imports gained, with both coming in ahead of expectations. Meanwhile, government efforts to support liquidity have started to have an effect. Total social financing, a broad measure of lending by both the official and shadow banking sectors, in September reached a three-month high of RMB 1.05 trillion, while inflation fell to a near five-year low. Hong Kong equities bounced back strongly in October following September's losses and Taiwan finished flat as its key technology sector stabilised over the month. Korean equities fell as the weak Japanese yen continued to hurt Korean exporter competitiveness. In ASEAN, Thailand stocks ended the period only marginally down while Indonesia's market finished flat as the month saw President Jokowi's official inauguration following his presidential election victory in July. Indian stocks posted gains after Prime Minister Modi continued to slowly push reform, with moves to end government-controlled diesel subsidies and raise natural gas prices.

Asian bonds bounced back from losses in September, with all countries in the region posting gains in October. This was mainly due to the fall in base yields fell especially during the first two weeks of October as the US Federal Reserve announced its intention to keep any future rate rise linked solely to positive economic data, allaying concerns on an early US rate hike (US government 10-year index: -15bps). Asian credit spreads widened slightly over the month (JACI Composite Blended Spread: +5bps).

PERFORMANCE CONTRIBUTION AND COMMENTARY

The fund was up 2.0% in October, bringing the year-to-date performance to 10.5%. Equities were the main driver for the fund performance. Our holdings in Australian financials and consumer stocks contributed the most in October. Australian banks had a strong run of about 5% during the month, turning around from September's drag. Our positions in Korea were the main detractor despite the fund's low allocation.

For the fixed income portfolio, both investment grade and high yield bonds delivered positive returns in October. Most trades during the month were security selection driven, rather than country or sector allocation. Among all countries, our holdings in Indonesian bonds posted the strongest gain.

Our global allocation added value for the month, and continued to bring to the portfolio a stable and diversified source of income. The Australian dollar and Japanese yen hedges continued to protect the fund in the volatile markets.

ASSET ALLOCATION STRATEGY AND OUTLOOK

The asset allocation strategy remains unchanged. The fund's allocation is 51% in Asian equities, with 34% in Asian bonds, 11% in global assets and 4% in cash.

October was an eventful month, with the announcement of the end of asset purchase program by the US Federal Reserve, the published outcome of the comprehensive assessment of European banks by the European Central Bank, an unexpected QE by Bank of Japan and a closely watched presidential election in Brazil. These events led to increased financial market volatility, with market pullbacks seen during the middle of the month and subsequent stabilisation of risk sentiment. We will continue to have duration and currency hedges as our key tools to effectively manage the portfolio volatility as interest rates trend up and the USD strengthens further.

We believe that global economic growth is likely to remain moderate into the new year. Despite slightly better economic trajectory in the US, weakness in Europe, Japan and a slowdown in China remain a key concern. Given the muted economic outlook, earnings growth may face headwinds and requires careful monitoring of corporate profitability. Given this uncertainty in market outlook in the quarters ahead, we advise investors to focus on the flexibility in asset allocation, and at the same time, tightly control the risks of their portfolio. We believe our diversified multi-asset approach with risk management should help our clients to capture both income and potential growth opportunities in volatile Asia markets.

EQUITY STRATEGY AND OUTLOOK

We turned slightly more defensive in our Asian equity portfolio in October, given a moderately cautious view on global economic growth. For this reason, we continued to add exposure in the telecom sector in Korea, Singapore, and New Zealand. We also added positions in the utility sector in Australia, Hong Kong and Thailand.

We initiated a new position in Taiwanese telecom sector. After the entry of new players during 4G auction last year, we now witness consolidation. Weaker and smaller players are joining hands with the incumbents and the competitive environment remains benign.

We are selectively adding back positions in Singapore REITs sector. The Monetary Authority of Singapore (MAS) issued a consultation paper aimed at improving governance standards and enhancing operating flexibility for the REITs. Some of the proposals, if implemented, will be a positive for the unit-holders. We consider this a potential catalyst to rerate the sector.

FIXED INCOME STRATEGY AND OUTLOOK

In October, we continued to maintain a conservative interest rate duration stance with interest rate hedges. We rotated from our Indonesian and cash holdings to Chinese and Korean new bond issues, especially in the financial sector.

Looking ahead we expect heavy issuance in USD and CNH bonds. We believe the investment sentiment towards Asian credits and spread products to remain firm after the unexpected quantitative easing announced by the Bank of Japan.

We will evaluate new deals which are attractively priced to add in order to diversify our fixed income portfolio. We will also continue to reduce positions that could come under relatively higher earning pressure in the challenging operating environment, such as the commodity sector.

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, liquidity risk and foreign investment risks such as currency risk and country risk and the specific risks of the target fund are market risk in Asia, credit risk, investment grade, below investment grade and unrated debt securities risk, risks relating to distributions, emerging markets and frontier risk and derivatives 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.