

RHB-OSK ASIAN REAL ESTATE FUND (formerly known as OSK-UOB ASIAN REAL ESTATE FUND)

This Fund aims to achieve a long term capital appreciation through investments in the real estate market.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

- wish to participate in the opportunities offered by the Asian real estate markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

INVESTMENT STRATEGY

- Up to 98% of NAV (with at least 70% of NAV in equity): Investments in primarily Asian real estate securities and listed Real Estate Investment Trusts (REITs).
- 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	2.66	3.51	-4.58	-1.39
Benchmark	3.01	5.58	-1.10	1.84

	1 Year	3 Years	5 Years	Since Launch
Fund	-6.62	6.72	12.94	-22.16
Benchmark	-2.63	5.23	5.31	-23.24

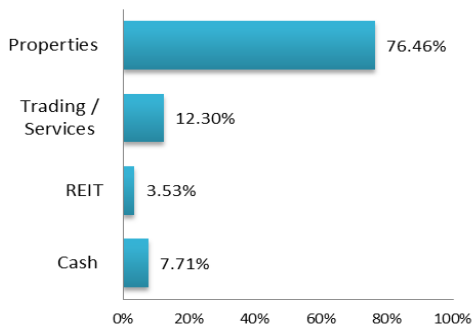
Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	-3.54	40.67	-23.39	-0.84	54.71
Benchmark	-5.65	39.48	-25.39	-3.58	65.84

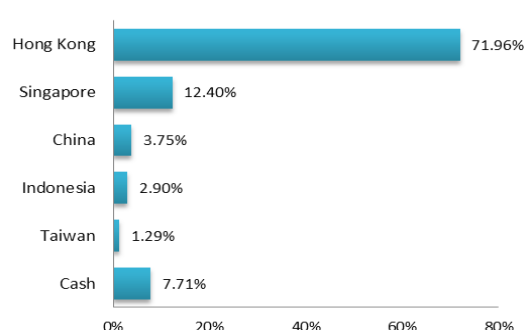
*Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SUN HUNG KAI PROPERTIES LIMITED	9.91
CHEUNG KONG HLDGS LTD	9.29
CHINA OVERSEAS LAND & INVESTMENT LT	8.71
HYSAN DEVELOPMENT COMPANY LTD	8.00
THE WHARF HOLDINGS LTD	6.78

*As percentage of NAV

FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	Maybank Trustees Bhd
Fund Category	Equity Fund
Fund Type	Growth Fund
Launch Date	22 August 2007
Unit NAV	RM0.3891
Fund Size (million)	RM17.31
Units In Circulation (million)	44.48
Financial Year End	31 March
MER (as at 31 Mar 2014)	2.09%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	MSCI AC Asia-ex-Japan Real Estate Index (RM)
Sales Charge	Up to 5.00% 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 of the request to repurchase
Cooling-Off Period	Within 6 business days from the date of receipt of application
Distribution Policy	Annually, 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 STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3892	0.4330	0.5146
Low	0.3663	0.3561	0.2187

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
31 Mar 2014	-	-
31 Mar 2013	-	-
31 Mar 2012	-	-
31 Mar 2011	-	-
31 Mar 2010	-	-

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

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MANAGER'S COMMENTS**MARKET REVIEW**

Our fund's benchmark MSCI AC Asia ex Japan Real Estate Index (in MYR) increased by 3.2% in May. China property counters, as a whole, continued to underperform due to weakness in property price and homebuying demand. On the other hand, HK property developers rebounded due to strong pick-up in transactions in primary market. What's more, India and Singapore property counters also outperformed the Index. During the month, appreciation of Malaysian Ringgit has negative impact on our benchmark performance as the index was up 4.7% in term of US dollar.

There is still no sign of recovery in China residential market. Policy easing in many local governments failed to cheer up homebuying sentiment in their respectively area. Projects located in prime locations can still manage to achieve good sell-through but majority of projects located in suburban areas still saw sell-through declining with 10-15% price cut. Mortgage tightness continued even through PBoC guided Chinese banks to approve more mortgages. On contrast, majority of homebuyers experienced delay in mortgage approval and increase in mortgage rates in recent. Based on latest operating figures released by listed China developers in April and May, in general they failed to achieve their contracted sales target for 2014 which implies high probability of earnings downgrade in the near future.

HK residential market, on the other hand, has some positive developments in May. Cheung Kong launched a big primary residential project with more than 1,000 units and was successfully sold out within two weeks. Good location, reasonable priced at slightly below secondary market and cumulated pent-up demand were key reasons behind this overwhelming results. Although it is hard to conclude whether it can help to boost up primary transactions in the long run, this successful market campaign does help to cheer up sentiment in the short run. On the other hand, retail commercial market was hampered by weak retail sales in May and government's discussion to potentially reduce mainland tourist arrivals.

Results announced by major property developers in Malaysia, like UEMS, IOIP and SP Setia were all below market expectation. In general, their property sales dropped over 30% YoY in 1Q14, with UEMS lead the fall with 90% YoY decline. Hence, we expect to see further earnings downgrade in the sector after their results. Behind all the bad news, there are some positive factors in Malaysia property market. First of all, specific region like Klang Valley continued to maintain good take up and pricing. Meanwhile, property price is in fact up 8% YoY in 1Q14 and is expected to remain in uptrend although the pace of price hike is slowing.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 May 2014, the Volatility Factor (VF) for this fund is 18.7 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are above 13.1 (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 31 December 2013 which is calculated once every six months and is valid until its next calculation date, i.e. 30 June 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 1 December 2013 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 real estate risk, foreign investment risks such as country risk and currency risk and equities investment risks such as market risk and particular security 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.