

RHB-OSK ASIAN TOTAL RETURN FUND

This Fund aims to provide stable current income and capital appreciation by investing in debt securities issued by Asian corporations, financial institutions, governments and their agencies (including money market instruments).

INVESTOR PROFILE

This Fund is suitable for Investors who:

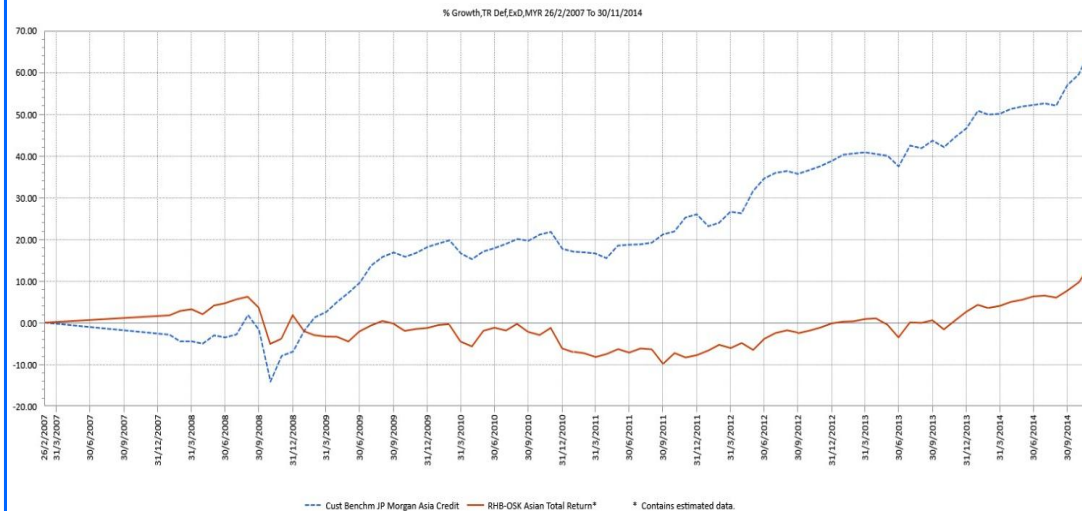
- have moderate risk profile.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in a target fund i.e. the United Asian Bond Fund.
- Up to 5% of NAV: Investments in liquid assets to provide for liquidity purpose.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	3.61	7.17	7.70	10.69
Benchmark	3.52	8.61	8.76	12.61

	1 Year	3 Years	5 Years	Since Launch
Fund	13.03	24.15	15.53	13.77
Benchmark	14.29	31.96	41.54	65.17

Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	2.81	8.40	-1.81	-4.86	-3.03
Benchmark	5.64	10.23	7.04	-0.39	26.95

*Source: Lipper IM

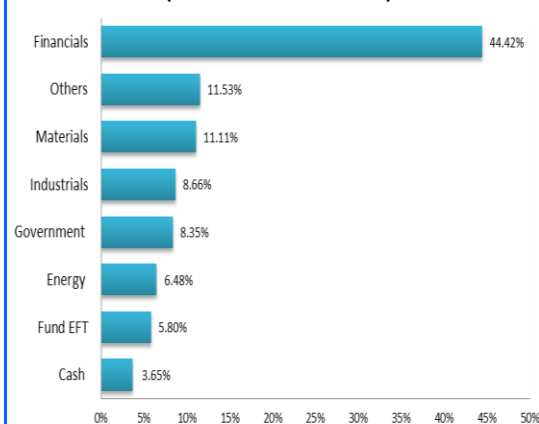
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Income and Growth Fund
Launch Date	26 February 2007
Unit NAV	RM0.5022
Fund Size (million)	RM33.31
Units In Circulation (million)	66.32
Financial Year End	31 December
MER (as at 31 Dec 2013)	0.35%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	JP Morgan Asia Credit Index Total Return Composite
Sales Charge	Up to 5.25% of NAV per unit
Redemption Charge	None
Annual Management Fee	Up to 1.25% p.a. of NAV*
Annual Trustee Fee	0.06% p.a. of NAV*
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 PORTFOLIO ANALYSIS

Sector Allocation (United Asian Bond Fund)*



Country Allocation (United Asian Bond Fund)*



Top Holdings

UNITED ASIAN HIGH YIELD BOND FD-SGD DIS
MONGOLIA
PT PERTAMINA PERSERO
INDO ENERGY FINANCE II
AGEAS CAPITAL ASIA LTD

*As percentage of NAV

*Exposure in UOB Asian Bond Fund - 99.57%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5022	0.5022	0.5022
Low	0.4847	0.4419	0.3948

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)
31 Dec 2013	-
31 Dec 2012	-
31 Dec 2011	-
31 Dec 2010	-
31 Dec 2009	-

Source: RHB Asset Management Sdn. Bhd.

RHB-OSK ASIAN TOTAL RETURN FUND

This Fund aims to provide stable current income and capital appreciation by investing in debt securities issued by Asian corporations, financial institutions, governments and their agencies (including money market instruments).

MANAGER'S COMMENTS

PERFORMANCE ATTRIBUTION

During the period under review, the Fund's slight under-performance was due to its allocation to non-USD credits. 19.78% of the Fund's NAV was allocated to Australian Dollar (AUD) bonds, Singapore Dollar (SGD) bonds, New Zealand Dollar (NZD) bonds, offshore Renminbi (CNH) bonds and Indonesian Rupiah (IDR) bonds. In November, only NZD bonds appreciated against the USD, while AUD, CNH and IDR bonds weakened. The performance of the Fund was also hurt by its overweight position in high yield (HY) credits and underweight position in high grade(HG) credits.

The Fund retained an overweight position in non-investment grade credits and an underweight position in investment -grade credits. HY credits rose 1.74% while HG credits rose 2.34%. For the first 11 months of 2014, non-investment grade credits returned 11.08% while investment grade credits returned 12.08%.

The Fund started October with 47.96% in HY and unrated credits and 47.96% in HG credits. Holdings in unit trusts stood at 5.65% at the beginning of November. During the month, the Fund increased its holdings in HY and unrated credits to 50.22% while weights in HG credits fell to 40.33%. Holdings in unit trusts stood at 5.80% and cash at 3.65% at end November.

OUTLOOK AND STRATEGY

The Asian credit market recovered slightly in November, after selling off for the past 3 months. Asian credit spreads narrowed slightly by 3.15 bps to 252.20 bps at end November after a widening of 6.32 bps in October. However, Asian credit spreads remained tighter compared to end 2013, with spreads 11.22 bps tighter. Meanwhile, Asian credit yields fell 7.6 bps to 4.6086% after having dropped 14.7 bps in October.

The spread between Asian HY and Asian HG, stood at 310.1 bps at end November from 312 bps at end October.

This difference is around 1.33 standard deviation away from the mean of 213.5 bps. This placed the current HY -HG spread of 310.1 bps at the 84.0 percentile i.e. the current HY-HG spread is excessively wide. Hence, we believe that HY credits will outperform HG credits over the next 3-6 months.

While valuations for Asian HY appear to be more favourable than valuations for Asian HG, we are cognizant that the Chinese economy appeared to have slowed down again in July to October after recovering in the second quarter. Hence, we may look to trim our weights in Asian HY over the next few months. We will maintain our overweight on Chinese BB rated HY Credits and stay significantly underweight on Chinese B rated property credits. Overall we will be slightly underweight on the Chinese property sector.

We will also continue to overweight Chinese state-owned enterprises (SOEs) and Indonesian HY property credits due to their stable credit fundamentals. We will also continue to be overweight on Sri Lankan quasi-sovereigns as well as Mongolian sovereigns and quasi-sovereigns as these are relatively resilient to higher US interest rates and also offers decent yields. We will be underweight on other sovereign and quasi-sovereign credits given that their valuations are relatively unattractive.

US Treasuries (UST) have rallied significantly over the past few months. The 10-year UST yield fell 17.13 bps in November to 2.1640% after having fallen 15.3 bps in October. On a year-to-date basis, 10-year UST yield has fallen by 86.4 bps. While the US economy is recovering steadily, instability in the Middle East, slowing growth in Europe, the risk of a hard landing in China and tumbling energy prices has helped to spur a rally in UST. We expect UST yield to rise 2.50-2.75% over the next 12 months as the US Fed will likely normalise its monetary policy over the next 12-24 months. Consequently, the Fund will continue to be underweight on duration.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 November 2014, the Volatility Factor (VF) for this fund is 4.8 and is classified as "Low". (source: Lipper) "Low" includes funds with VF that are above 1.1 but not more than 7.9 (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 9 September 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 currency risk, country risk, liquidity risk, income distribution risk, risk of substantial redemptions and suspension of NAV calculation / limitation of redemption payments. 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.