FUND FACTSHEET – OCTOBER 2014

All data expressed as at 30 September 2014 unless otherwise stated

3-year Fund Volatility 5.4 Low Lipper Analytics 15 SEPTEMBER 2014

RHB Asset Management

RHB-OSK ASIAN TOTAL RETURN FUND (formerly known as RHB 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.

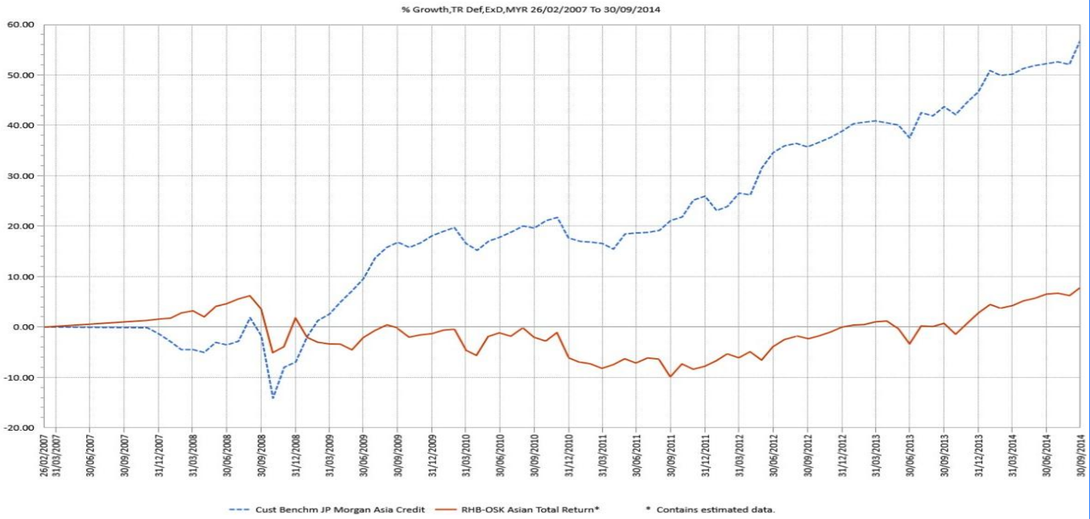
INVESTMENT STRATEGY

• 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	**1.58**	**1.30**	**3.52**	**4.92**
Benchmark	3.22	3.13	4.56	7.03

	1 Year	3 Years	5 Years	Since Launch
Fund	**7.06**	**19.63**	**8.08**	**7.84**
Benchmark	9.24	29.61	34.40	56.98

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*

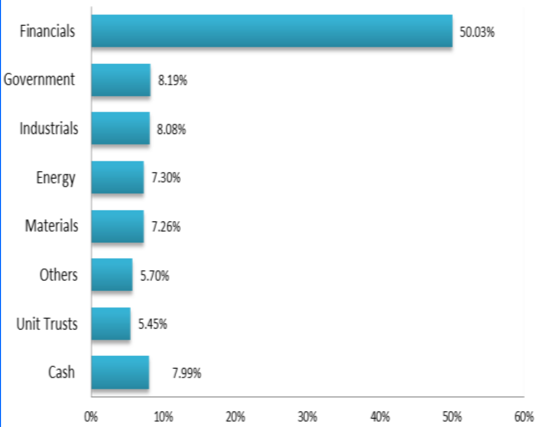
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment 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	RM0.4760
Fund Size (million)	RM34.79
Units In Circulation (million)	73.09
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 the request to repurchase
Cooling-Off Period	Within 6 business days from the date of receipt of application
Distribution Policy	Annually, if any

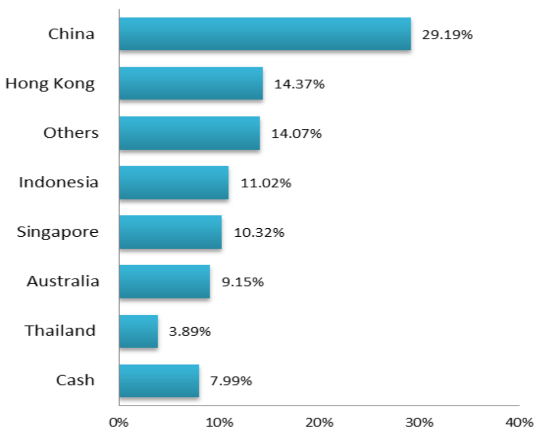
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

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
WANDA PROPERTIES INTI CO
MONGOLIA
AGEAS CAPITAL ASIA LTD
INDO ENERGY FINANCE LI

**As percentage of NAV*
**Exposure in UOB Asian Bond Fund - 96.58%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4763	0.4763	0.4971
Low	0.4686	0.4314	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. (Formerly known as RHB Investment Management Sdn. Bhd.)

3-year Fund Volatility 5.4 Low Lipper Analytics 15 SEPTEMBER 2014

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This Fund aims to provide stable current income and capital appreciation by inveting 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 under-performance was due to its allocation to non-USD credits. The Fund has 24.23% weights in non-USD bonds as at end September. During the month, USD appreciated 1.44% against Asian currencies and 3.85% against G10 currencies.

The Fund retained an overweight position in non-investment credits and an underweight position in investment-grade credits. Non-investment credits returned 1.25% in SGD terms in September compared to a return of 1.30% for investment grade credits. For the first 9 months of 2014, non-investment grade credits returned 7.94% while investment grade credits returned 8.13%.

The Fund started September with 48.94% in high yield and unrated credits and 40.42% in high grade credits, with cash of 5.25%. Holdings of unit trust stand at 5.50% at the beginning of September. During the month, we decreased our holdings in high yield and unrated credits to 44.13% while weights in high grade credits rose to 42.43%. Holdings in unit trust stand at 5.45% at end September while cash rose to 7.99% at end September.

OUTLOOK AND STRATEGY

Asian credit market sold off for the second consecutive month. Asia credit spreads widened by 3.67 basis points (bps) to 249.03 bps at end September, after a widening of 9.1 bps in August. However, Asia credit spreads remained tighter compared to end 2013, with spreads still 14.4 bps tighter. Meanwhile, Asia credit yield rose 21.2 bps in September to 4.82%, after having dropped 12.1 bps in August.

The spread between Asia High Yield and Asia High Grade stood at 335 bps at end September from 293.5 bps at end August. This difference is around 2.07 standard deviation away from the mean of 158.4 bps. This placed the current Asia High Yield and Asia High Grade spread of 293.5 bps at the 98.67 percentile i.e. the current Asia High Yield and Asia High Grade spread is excessively wide. Hence, we believe that high yield credits will outperform high grade credits over the next three to six months.

While valuations for Asia High Yield appears to be more favorable that valuations for Asia High Grade, we are cognisant that the Chinese economy appeared to have slowed again in July and August after recovering in April, May and June. Hence, we may look to trim our weights in Asia High Yield over the next few months. We will maintain our overweight on Chinese BB rated high yield 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 overweighting on Chinese state-owned enterprises (SOEs) and Indonesia high yield property credits due to their stable credit fundamentals as well as Sri Lanka quasi sovereigns and Mongolia sovereigns and quasi sovereigns as these are relatively resilient to higher US interest rates and also offers decent yield. We will underweight other sovereign and quasi-sovereign credits given their relatively unattractive valuations.

US Treasuries (UST) have been very choppy over the past several months. The 10-year UST yield rose 14.57 bps in September after having dropped 21.5 bps in August. On a year-to-date basis, the 10-year UST yield has fallen by 53.9 bps. While the US economy is recovering steadily, instability in Middle-east, slowing growth in Europe and the risk of a hard landing China has helped to spur a rally in UST. We continue to expect UST yield to rise to 2.75% over the next six months as the US Federal Reserve will likely normalise its monetary policy over the next twelve to twenty - four months. Consequently, the Fund will continue to underweight duration.