

RHB-OSK BOND FUND (formerly known as RHB BOND FUND)

This Fund aims to provide investors with higher than average income returns compared to fixed deposits over the medium to long term through investments in bonds and other fixed income securities with minimum risk to capital invested.

INVESTOR PROFILE

This Fund is suitable for Investors who:

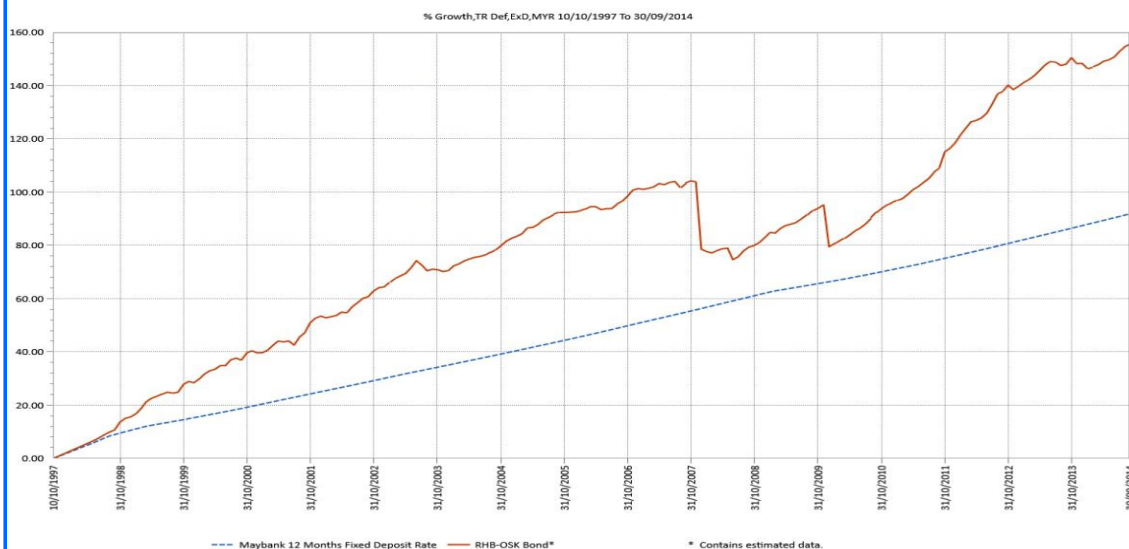
- are risk averse;
- want to protect the purchasing power of their wealth against inflation;
- want to enjoy a relatively more predictable income on a yearly basis; and
- want to diversify their overall investment portfolio by including bonds as an asset class.

INVESTMENT STRATEGY

- Up to 95% of NAV: Investments in fixed income securities.
- Minimum of 5% of NAV: Investments in liquid assets.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.35	1.97	3.15	2.93
Benchmark	0.26	0.80	1.59	2.36

	1 Year	3 Years	5 Years	Since Launch
Fund	3.05	22.25	32.37	155.57
Benchmark	3.16	9.76	16.00	91.79

Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	3.56	9.71	11.44	9.21	-1.81
Benchmark	3.15	3.15	3.03	2.74	2.62

*Source: Lipper IM

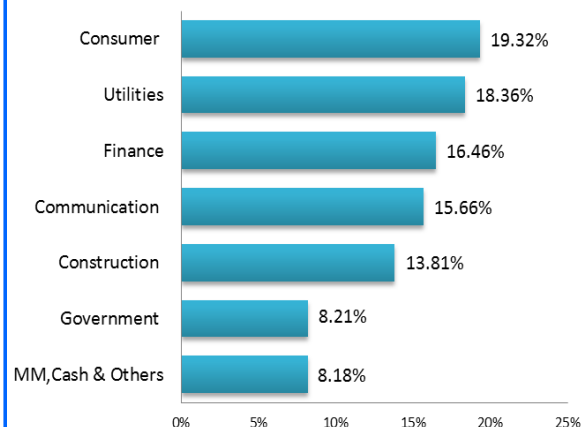
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn Bhd)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Bond Fund
Fund Type	Income Fund
Launch Date	10 October 1997
Unit NAV	RM0.9703
Fund Size (million)	RM36.57
Units In Circulation (million)	37.68
Financial Year End	30 September
MER (as at 30 Sep 2013)	1.15%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	Maybank's 12 mths FD Rate
Sales Charge	None
Redemption Charge	Up to 1% of NAV per unit on or before 1st year of investment
Annual Management Fee	Up to 1.00% p.a. of NAV*
Annual Trustee Fee	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	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*



Top Holdings (%)*

WESTSTAR CAPITAL SDN BHD (AA-)	19.32
SPECIAL POWER VEHICLE BHD (A1)	16.46
TANJUNG BIN ENERGY ISSUER BERHAD (AA3)	15.84
BGSM MANAGEMENT SDN BHD (AA3)	15.66
BRIGHT FOCUS BHD IMTN (AA2)	13.81

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0369	1.0369	1.1454
Low	0.9700	0.9700	0.8682

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)
25 Sep 2014	6.6000
30 Sep 2013	6.5000
28 Sep 2012	6.5000
30 Sep 2011	3.0000
29 Oct 2010	2.0000

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

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MANAGER'S COMMENTS

MARKET REVIEW

The pause in Overnight Policy Rate ("OPR") spurred buying interest on the short-end of the curve. As a result, the local government bond market bullish steepened with short-end yields compressed more than long-end yields. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.47% (August: 3.50%), 3.67% (3.68%), 3.80% (3.81%), 3.89% (3.91%), 4.21% (4.21%), 4.31% (4.30%) and 4.71% (4.64%) respectively. On the other hand, performance of the Government Investment Issues ("GII") were rather range bound with the 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.66% (July: 3.61%), 3.80% (3.79%), 4.00% (4.00%), 4.14% (4.14%), 4.42% (4.39%) and 4.62% (4.61%) respectively.

The 3 auctions in September – reopening of 3-year MGS (MGS 03/17, RM3.5bil, average yield 3.583%), reopening of 30-year MGS (MGS 09/43, RM2.0bil, 4.715%) and reopening of 5-year GII (GII 04/19, RM3.5bil, 3.793%) received moderate bid-to-cover ratio of 1.73x and 1.37x and 2.38x respectively.

On the domestic economic front, July trade surplus narrowed less than expected to RM3.64bil from RM3.97bil reported a month ago, on lower imports. Exports to US, Japan and China continue to slump while mild expansion was seen in Europe and Singapore. July Industrial Production ("IP") rose just 0.5% YoY (June: 7.0% YoY), significantly below consensus of 4.3%. The slowdown in IP was broad base, and is likely exaggerated by moving holiday effects as Ramadan fell almost entirely in Jul 2014. Lastly, BNM held OPR unchanged at 3.25% in the September Monetary Policy Committee ("MPC"), as the central bank's assessment of domestic growth somewhat less upbeat versus in July. The MPC noted that the global economy "continues to expand at a moderate pace", similar to the July assessment, though "growth performance has been uneven" among advanced economies. On the domestic economy, while the MPC continues to expect the economy to remain on a "steady growth path", the omission of the word "firmly" suggests somewhat less conviction.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 September 2014, the Volatility Factor (VF) for this fund is 2.4 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 interest rate risk, credit / default risk, liquidity risk and issuer 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.