FUND FACTSHEET – JUNE 2014

All data expressed as at 30 May 2014
unless otherwise stated

RHB-OSK CAPITAL PROTECTED ESSENTIALS FUND (formerly known as OSK-UOB CAPITAL PROTECTED ESSENTIALS FUND)

This Fund aims to provide income over the medium term whilst protecting investors' capital on its Maturity Date.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

- have a low risk tolerance;
- seek capital protection;
- seek potential returns from commodities essential to our daily lives;
- have a medium term horizon; and
- seek income.

INVESTMENT STRATEGY

- 89% - 92% of NAV (depending on prevailing interest rates): Investments in 4-year ZNIDs issued at a discount on the Commencement Date.
- Up to 10% of NAV: Investment in the Memory option.
- Up to 1% of NAV: Investments in liquid assets.

FUND PERFORMANCE ANALYSIS

There is no performance record as the Fund launched less than 1 year.

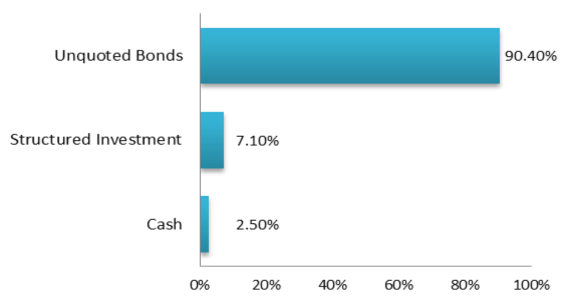
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Fixed Income Fund (Closed Ended)
Fund Type	Capital Protected Fund
Launch Date	12 June 2013
Maturity Date	04 August 2017
Unit NAV	RM0.9897
Fund Size (million)	RM1.98
Units In Circulation (million)	2.00
Financial Year End	31 August
MER	Not applicable
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM1,000.00
Benchmark	4-Years FD rate by Malayan Banking Bhd
Sales Charge	Up to 3.00% of investment amount
Redemption Charge	< 1 year 1.00% ≥ 1 year < 2 years 0.75% ≥ 2 years < 3 years 0.50% ≥ 3 years till Maturity Nil
Annual Management Fee	Up to 0.125% p.a.*
Annual Trustee Fee	Nil
Switching Fee	Not available
Distribution Policy	Annually, if any

**Based on the remaining liquid assets available after deducting the purchase of investments of the Fund.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Top Holdings (%)*

AMBANK (M) BHD ZNID-CP ESSENTIALS	16.11
HONG LEONG BANK ZNID-CP ESSENTIALS	16.05
CIMB BANK BHD ZNID-CP ESSENTIALS	15.99
RHB BANK BERHAD-CP ESSENTIALS	15.96
UOB (M) BHD ZNID-CP ESSENTIALS	15.57

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0047	N/A	1.0047
Low	0.9897	N/A	0.9777

Source: Lipper IM

Head Office: 19th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur. **General Line: 603-2164 3036** **Fax: 603-2164 4226** **Website: www.rhbgroup.com**

RHB-OSK CAPITAL PROTECTED ESSENTIALS FUND (formerly known as OSK-UOB CAPITAL PROTECTED ESSENTIALS FUND)

This Fund aims to provide income over the medium term whilst protecting investors' capital on its Maturity Date.

MANAGER'S COMMENTS

Brent prices remained range bound around $108/bbl in early May before rising by about 2% during the second week due to the lack of a resolution or clear path toward a resolution in Ukraine. Despite a relatively constructive set of DOE stats, Brent price rally seemed to stall amid rising inventories. GS Commodities Research's fundamental supply and demand outlook continues to suggest a modest weakening of the global oil balance and as a result a modest decline in prices.

Corn prices have declined in May due to pressure after reports of optimal planting conditions (warm temperatures and wet weather) and reports by the U.S. Department of Agriculture indicating that planting progress was on track. Reports confirmed that U.S. farmers had had planted 88% of the corn crop as of May 25th up from 73% the previous week to match the five year average. Combined with the USDA's significantly higher Chinese 2013/14 ending stocks and larger 2013/14 Brazil production forecast, GS Commodities Research expects bearish new-crop corn prices under average weather conditions this summer.

Despite sufficient supply, sugar prices experienced a rally in mid-May due to strong demand and an expected tightness in August supply. Given favorable weather conditions in Brazil and benign weather conditions in other major producing regions, GS Commodities Research forecast high inventories and lackluster import demand, pointing to lower prices. However, with rising expectations for an El Niño weather pattern developing, the risks to medium-term forecasts are skewed to the upside.

Cotton prices declined in May on the larger cotton production outlook in U.S., the world's biggest cotton exporter. According to USDA, cotton output in U.S. may rise 12% this year as farmers boost planting. Decline in prices were boosted by the slowdown in cotton demand from China, the top consumer and importer. The possibility of an El Niño weather pattern developing this summer possibly leading to higher US yields puts further downward pressure on cotton prices.

The hawkish tone from Bank Negara's Monetary Policy Committee ("MPC") meeting, as well as strong 1Q2014 GDP growth has caused the Malaysia Government Securities ("MGS") yield curve to underperform on the short end. The curve inched up by 10bps on the short end while tightened by 1 – 6bps on the long end, exhibiting a bearish flattening trend in May. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.48% (April: 3.38%), 3.72% (3.62%), 3.94% (3.94%), 4.03% (4.08%), 4.36% (4.42%), 4.59% (4.60%) and 4.89% (4.89%) respectively. Similar to the underperformance of MGS, Government Investment Issues ("GII") also bearish flatten with 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.67% (April: 3.42%), 3.85% (3.81%), 4.12% (4.08%), 4.21% (4.23%), 4.50% (4.54%) and 4.85% (4.85%) respectively.

The 3 auctions in May – reopening of 20-year MGS (MGS 04/33, RM2.0bil, average yield 4.639%), new issuance of 3-year GII (GII 11/17, RM4.0bil, 3.678%) and reopening of 10-year MGS (MGS 07/24, RM3bil, 4.021%) received moderate bid-to-cover ratio of 2.88x, 2.47x and 2.36x respectively.

On the domestic economic front, March trade surplus narrowed slightly as both exports and imports declined sequentially. Export growth slowed to 8.4% YoY (February: 12.3% YoY, consensus: 9.2% YoY) and imports slowed sharply to 0.5% YoY (February: 9.5% YoY, consensus: 5.7% YoY). The trade surplus thus narrowed slightly to RM9.6bil (February: RM10.4bil). BNM kept Overnight Policy Rate on hold at 3%, as widely expected. However, the Central Bank's assessment of the global economy appears to have turned optimistic, with no reference to the recovery being "uneven". Private consumption is now expected to be "underpinned by stable income growth and favorable labor market condition" which suggests that private consumption growth may well exceed the 6.60% threshold. With the MPC thus concluding that "the degree of monetary accommodation may need to be adjusted", market has brought forward the interest rate hike scenario to the next MPC meeting in July. This is further supported by a strong GDP growth of 6.2% YoY in 1Q2014 (4Q2013: 5.1% YoY, consensus: 5.7% YoY), which leaves little room to delay rate hikes.