FUND FACTSHEET – MAY 2014

All data expressed as at 30 April 2014
unless otherwise stated

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

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

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

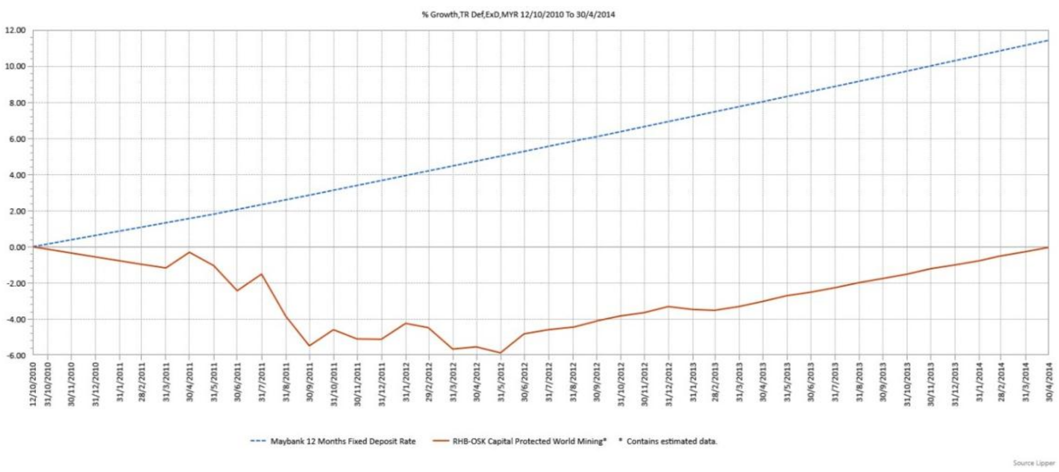
- have a low risk tolerance;
- seek capital protection;
- seek potential returns from the exposure to the hard commodities sector; and
- have a medium term horizon.

INVESTMENT STRATEGY

- 85% - 89% 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 an option.
- Up to 5% of NAV: Investments in liquid assets.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**0.24**	**0.76**	**1.51**	**0.99**
Benchmark	0.26	0.77	1.56	1.04

	1 Year	3 Years	Since Launch
Fund	**3.09**	**0.27**	**-0.03**
Benchmark	3.15	9.72	11.44

Calendar Year Performance (%)*

	2013	2012	2011
Fund	**2.38**	**1.91**	**-5.47**
Benchmark	3.15	3.15	3.05

**Source: Lipper IM*

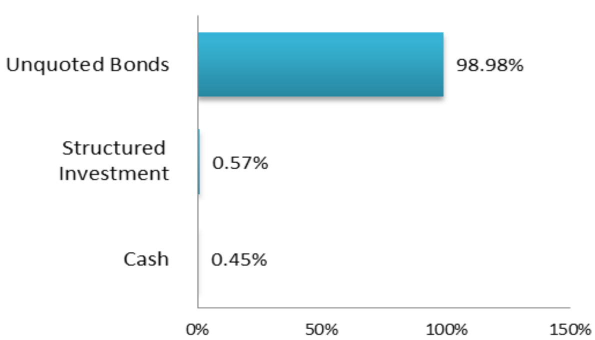
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.(formerly known as RHB Investment Management Sdn. Bhd.)	
Trustee	HSBC (Malaysia) Trustee Bhd	
Fund Category	Fixed Income Fund (Closed Ended)	
Fund Type	Capital Protected Fund	
Launch Date	17 August 2010	
Maturity Date	10 October 2014	
Unit NAV	RM0.9997	
Fund Size (million)	RM15.95	
Units In Circulation (million)	15.96	
Financial Year End	31 October	
MER (as at 31 Oct 2013)	0.63%	
Min. Initial Investment	RM1,000.00	
Min. Additional Investment	RM1,000.00	
Benchmark	12-month FD rate by Malayan Banking Bhd	
Sales Charge	Up to 2.50% of investment amount	
Redemption Charge	≤ 1 year	1.00%
	≥ 1 year < 2	0.75%
	≥ 2 years < 3 years	0.50%
	≥ 3 years till Maturity	Nil
Annual Management Fee	Up to 0.625% p.a.*	
Annual Trustee Fee	Nil	
Switching Fee	Not available	
Distribution Policy	None	

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

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Top Holdings (%)*

CIMB BANK BHD ZNID-CP WORLD MINING	20.03
HLEONG BANK BHD ZNID-CPWORLD MINING	19.74
OCBC BANK(M)BHD ZNID-CPWORLD MINING	19.74
UOB (M) BHD ZNID-CP WORLD MINING	19.74
AMBANK (M) BHD ZNID-CP WORLD MINING	19.73

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9997	0.9997	1.0066
Low	0.9973	0.9697	0.9397

Source: Lipper IM

Historical Distributions (Last 3 Years) (Net)

	Distribution (sen)	Yield (%)
31 Aug 2013	-	-
31 Aug 2012	-	-
31 Aug 2011	-	-

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

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
RHB Asset Management

FUND FACTSHEET – MAY 2014

All data expressed as at 30 April 2014 unless otherwise stated

3-year Fund Volatility 2.6 LOW Lipper Analytics 15 APRIL 2014

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

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

MANAGER'S COMMENTS

MARKET & PORTFOLIO PERFORMANCE

The BGF World Mining Fund returned +1.4% in April, underperforming its benchmark, the Euromoney Global Mining Index (previously the HSBC Global Mining Index) which returned +2.1%.

April was a supportive month for the mining sector, buoyed by renewed strength in the US economy and reduced risk aversion across the markets. April was in fact the best month for the base metal complex out of the last 8, copper, zinc and nickel increased 0.1%, 3.6% and 15.4% respectively. The nickel price has trended upwards since the Indonesian ban on exports came in to play earlier in the year. The iron ore price continued to fall during April, putting pressure on producers of the commodity. The primary driver of this price weakness was renewed concern around tightening liquidity in China, particularly following the Chinese banking regulator's announcement that it is cracking down on iron ore financing deals.

Many of the miners reported Q1 production results during the month and for the most part, all were in line with market expectations. It would appear that the guidance misses that we have seen in the past are abating. The potential acquisition of Osisko Mining took another turn, following a number of months of conjecture. Yamana and Agnico announced their intentions to jointly (50:50) acquire Osisko, an offer that surpassed the hostile offer Goldcorp had put forward. Yamana's share price fell on the back of the announcement and the Fund's underweight was a contributor to relative performance.
Iluka Resources, the mineral sands producer, was the largest detractor during the month, as the company announced Q1 production results which were below market expectation. This was primarily a result of subdued zircon market conditions in Europe and Asia. Despite showing signs of demand recovery, including downstream inventory erosion, these markets have yet to see this reflected in their order books.

Iron ore producers also featured heavily among the detractors from relative performance. Our conviction around producers of the commodity has always acknowledged the potential for price downside, but disagrees with consensus on the extent of that downside. Fortescue Metals, African Minerals and Kumba Iron Ore all felt the effect of the falling iron ore price and the rhetoric around tightening liquidity in China; however we see this as a short-term impact and our conviction remains.

The Fund's nickel exposure performed well during the month, with holdings in Eramet, First Quantum and Lundin Mining among the greatest contributors to relative performance.

TRANSACTIONS & PORTFOLIO ACTIVITY

During the month we continued to grow our nickel exposure and also initiated a position in a zinc processor.

MARKET OUTLOOK

The mining sector has significantly lagged the general equity market in recent years. However, a number of the downside risks for this sector have reduced (albeit not disappeared). The industry has made good progress in refocusing its strategy: operating costs have been aggressively targeted and investment in projects reassessed. Many commodities are trading close to or below their marginal cost of production, implying that price downside should be limited, in the absence of a collapse in demand.

The global economic backdrop is showing signs of synchronous growth and this has typically been supportive of commodity prices. Mining companies are trading on an undemanding valuation and an attractive dividend yield. With capital expenditure rolling off, management are guiding investors towards rising free cash flows.

FIXED INCOME REVIEW & OUTLOOK

US Treasuries ("UST") rebounded in April, as the 1Q2014 GDP was even weaker than market estimation, edging up just 0.1% YoY (consensus: 1.1% YoY). At close, the 2-, 5-, 10- and 30-year UST were traded at 0.41% (March: 0.42%), 1.68% (1.72%), 2.65% (2.72%) and 3.46% (3.56%) respectively.

Strong UST performance spurred buying interest on Ringgit government bonds. Malaysia Government Securities ("MGS") mostly bullish flattened in April, with the long term yields compressed more than the short term yields. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.38% (March: 3.40%), 3.62% (3.57%), 3.94% (4.02%), 4.08% (4.12%), 4.42% (4.49%), 4.60% (4.59%) and 4.89% (4.87%) respectively. Similar to the strong performance of MGS, Government Investment Issues ("GII") also bullish flatten with 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.42% (March: 3.37%), 3.81% (3.85%), 4.08% (4.13%), 4.23% (4.28%), 4.54% (4.65%) and 4.85% (4.85%) respectively.

We anticipate a snap back in growth for US in the 2Q and 3Q2014 as recent data have hinted at a rebound in both demand and output. Economic fundamentals actually have improved, especially as fiscal drag is dissipating and financial conditions are providing a significant tailwind for growth. With inflation stubbornly low at below 2% target, Fed is likely to keep Fed Fund Target Rate on hold for a prolonged period (mid to end-2015) even after the tapering is over. Whereas on the Euro Area, the large output gap and strong Euro are imparting a significant disinflationary bias, highlighting the need for ECB to adopt a more stimulative monetary policy stance. While economic activity is accelerating a little, we believe that the Central Bank will likely cut its key interest rates in the coming meetings (June), and will likely launch a large-scale asset purchase programme in 2H2014. In Asia, barring a strong export rebound, we believe GDP growth to remain disappointing in China which could trigger more supportive policies to pull down borrowing costs and boost investment in targeted areas. The CNY might continue to weaken against USD in the near term before any encouraging economic data is released. Lastly for Japan, the outlook for Bank of Japan ("BoJ") is quite uncertain as the officials have been reiterating a bullish view on the economy, especially inflation. We still believe that the BoJ will take additional easing action this year but timing might delay into 3Q2014 as the Central Bank reassesses the impact of consumption tax hike to be temporary or lasting.