

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

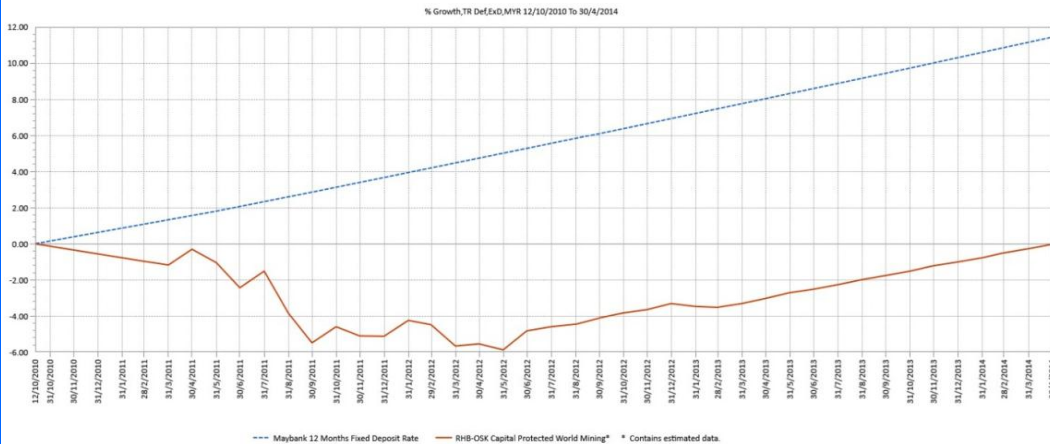
This Fund Is Suitable For Investors Who:

- 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

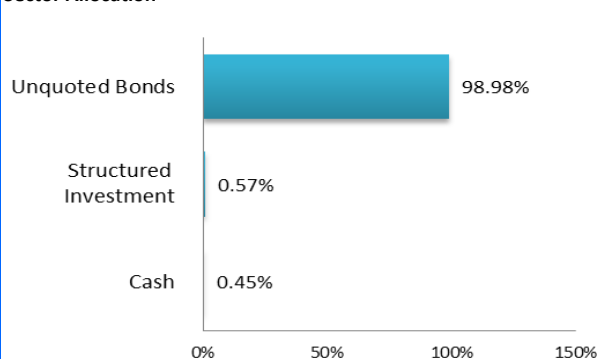
*Source: Lipper IM

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	<table border="0" style="width: 100%;"> <tr> <td>≤ 1 year</td> <td>1.00%</td> </tr> <tr> <td>≥ 1 year < 2</td> <td>0.75%</td> </tr> <tr> <td>≥ 2 years < 3</td> <td>0.50%</td> </tr> <tr> <td>≥ 3 years till Maturity</td> <td>Nil</td> </tr> </table>	≤ 1 year	1.00%	≥ 1 year < 2	0.75%	≥ 2 years < 3	0.50%	≥ 3 years till Maturity	Nil
≤ 1 year	1.00%								
≥ 1 year < 2	0.75%								
≥ 2 years < 3	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.)

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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.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 April 2014, the Volatility Factor (VF) for this fund is 2.6 and is classified as "Low". (source: Lipper) "Low" includes funds with VF that are above 1.3 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 31 December 2013 which is calculated once every six months and is valid until its next calculation date, i.e. 30 June 2014.

As this is a close-ended fund, units are no longer available for sale on the basis of the Prospectus dated 17 August 2010.

Investors are advised to read and understand the contents of the Prospectus dated 17 August 2010, which has been registered with the Securities Commission who takes no responsibility for its contents. Amongst others, investors should read the Prospectus for further details of the capital protection* structure and to consider the fees and charges involved before investing in the Fund. 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. The capital of the Fund is not guaranteed and is exposed to the credit/default risk of the issuer of the ZNIDs. The investment returns of the Fund are not guaranteed and are still subject to investment risks and are exposed to the credit/default risk of the issuer of the option. The capital protection* only applies to investors who hold their investments until the Fund's Maturity Date. Any redemption from the Commencement Date but before the Fund's Maturity Date will be based on the Net Asset Value of the Fund on the relevant Valuation Day and will be charged a repurchase charge, in which case the capital protection* does not apply. Further, if the fund is terminated earlier than the Maturity Date, the capital protection* will not apply to any investor. There may be dilution of performance due to the capital protection* structure being in place, as compared to a conventional fund without capital protection*. Units will only be issued upon receipt of an application form referred to in and accompanying the Prospectus. For more details, please call 1-800-88-3175 for a copy of the Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks for the Fund are credit/default risk, interest rate risk, risk of early termination, option risks, legal risk, liquidity risk, prepayment and commitment risk, currency risk, country risk, capital and returns are not guaranteed. These risks and other general risks are elaborated in the 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.

*Investors are advised that the Fund is not a guaranteed fund. This capital protected fund is provided through investments in ZNIDs and not by a guarantee. Consequently, the return of capital is SUBJECT TO the credit/default risk of the issuers of the ZNIDs and may result in losses.