

RHB-OSK CAPITAL PROTECTED ASIA GAMING & HOSPITALITY FUND (formerly known as OSK-UOB CAPITAL PROTECTED ASIA GAMING & HOSPITALITY FUND)

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

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

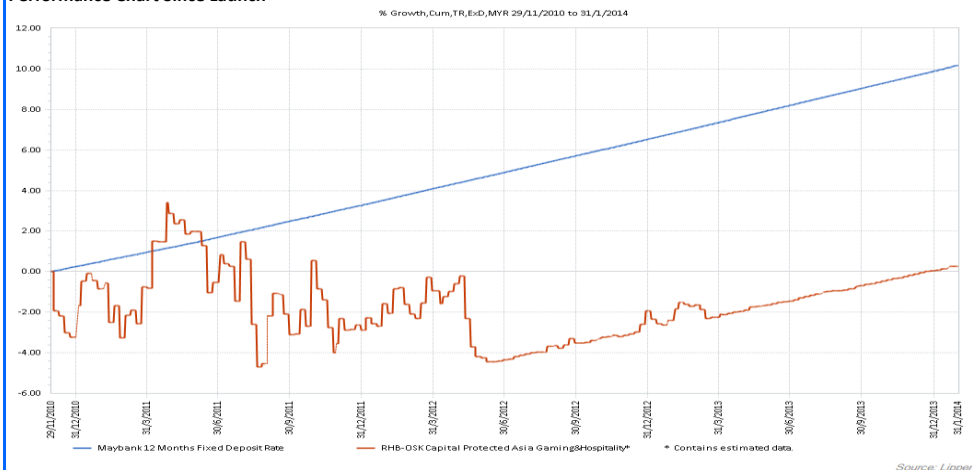
- have a low risk tolerance;
- seek capital protection;
- share our view on the growth potential of the Asian gaming and hospitality sector during the run up to the world economic recovery;
- have a medium term horizon; and
- seek regular income.

INVESTMENT STRATEGY

- 87% - 90% 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 3% 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	0.74	1.47	0.24
Benchmark	0.27	0.80	1.59	0.27

	1 Year	3 Years	Since Launch
Fund	2.76	1.13	0.28
Benchmark	3.16	9.65	10.18

Calendar Year Performance (%)*

	2013	2012	2011
Fund	2.02	0.96	0.36
Benchmark	3.15	3.15	3.05

*Source: Lipper IM

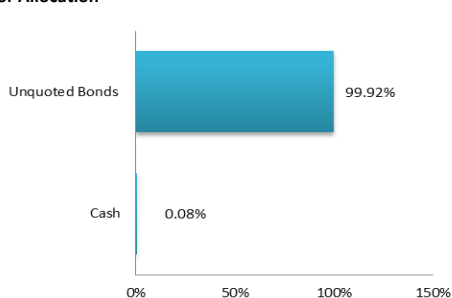
FUND DETAILS

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	05 October 2010								
Maturity Date	28 November 2014								
Unit NAV	RM1.0028								
Fund Size (million)	RM30.78								
Units In Circulation (million)	30.70								
Financial Year End	30 November								
MER (as at 30 Nov 2012)	0.50%								
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="1"> <tr> <td>≤ 1 year</td> <td>1.00%</td> </tr> <tr> <td>≥ 1 year < 2 years</td> <td>0.75%</td> </tr> <tr> <td>≥ 2 years < 3 years</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 years	0.75%	≥ 2 years < 3 years	0.50%	≥ 3 years till Maturity	Nil
≤ 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 0.50% p.a. of NAV*								
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 (%)*

HONG LEONG BANK BHD ZNID-CP GAME	20.04
OCBC BANK(M)BHD ZNID-CP GAME	20.03
AMBANK (M) BHD ZNID-CP GAME	20.02
UOB (M) BHD ZNID-CP GAME	20.01
CIMB BANK BHD ZNID-CP GAME	19.81

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)	1 Month	12 Months	Since Launch
High	1.0028	1.0028	1.0340
Low	1.0004	0.9759	0.9530

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

January gaming revenue was MOP28.7bn, up 7% yoy (JPM 10%, street's 15%). JP Morgan believes the low number is a combination of lower VIP win rate and the timing of Chinese New Year (Jan 31, 2014 vs Feb 10, 2013). Looking at the weekly trend, gaming revenue was averaging MOP1bn/day till Jan 26 and it slowed to MOP550mn over the past few days. Historically, gaming revenue always slows ahead of major holiday (affecting Jan revenue). Also, the fact that 27th to 30th are week days (no weekend) led to slower average revenue. In fact, based on JP Morgan's channel checks, revenue for Chinese New Year holiday has been healthy, tracking only slightly lower than last October Golden Week (the record gaming revenue).

Wynn Resorts hit an all-time high on 6th January in the wake of a bullish report on Macau gaming stocks. However, after that stock dips sharply, following the industry trend. On Jan 30, Wynn reported fourth-quarter operating earnings of \$2.27 per share, up from \$1.17 in the prior-year period and above the consensus estimate of \$1.74, which led to the surge in its share price by 8% just next to the release date of earnings.

SJM Holdings (880 HK) overall market share decreased to 23.4% in January as compared to 25% last month. Its revenue also decreased by 14% to 28739MOPm, from December. It has raised the pay of all its employees by 5 percent, with effect from New Year's Day. SJM has renewed a master agreement to purchase products and services from its controlling shareholder, Sociedade de Turismo e Diversões de Macau SA (STDM). STDM will provide hotel rooms, entertainment and staff canteens, transport, hotel management, and maintenance services to SJM Holdings until the end of 2016.

Sands China Ltd posted a 40 percent gain in fourth-quarter profit as its resorts drew more bettors in the world's biggest gaming market. The EDITDA which rose about 35% to USD 836mn was a slight miss from the JPMorgan expectation of USD 850mn, mainly due to the result of lower than normal VIP luck. On January 24, Sands China announced a total dividend of HK\$1.64 /share (HK\$0.87 interim & HK\$0.77 special). It has also started construction on the St. Regis hotel tower (the last tower of SCC), with 700 hotel suites targeted to finish by 4Q15. Sands China was raised to 'Outperform' from 'Neutral' at Macquarie research.

Genting Singapore drops as much as 2.8%, most since Nov. 7, to four-month low after Las Vegas Sands reported 4Q Singapore sales down 8% Y/y to \$659.8m. VIP rolling chips volume was the lowest since the surge in 4Q12. Mass revenue was down 1.8% qoq and flat yoy. EBITDA margin declined to 39% mainly due to lower VIP luck factor and increased promotional cost and Complimentary room given to attract foreign premium mass players. Going forward, management sees the Singapore VIP market as flattish at around USD60bn rolling chips annually. Management is optimistic about progress and believes that the second phase of legislation in Japan could be passed in June.

FIXED INCOME REVIEW & OUTLOOK

Despite the second round of tapering in January 2014, US Treasuries ("UST") bull flattened with long term yield compressed more than short term yield. Renewed Chinese economic and financial stability concerns as well as growing deficits among the Emerging Market ("EM") countries have triggered another wobble among the investment community. At close, the 2-, 5-, 10- and 30-year UST printed at 0.35% (December 2013: 0.38%), 1.54% (1.74%), 2.69% (3.03%) and 3.63% (3.97%) respectively.

Malaysia Government Securities ("MGS") performance in January gave us a taste of how investors perceive the local interest rate market in 2014. Buying interests were mostly skewed towards the short end of the curve, and the month end with a bearish steepening trend. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were priced at 3.26% (December 2012: 3.33%), 3.75% (3.69%), 4.08% (3.98%), 4.24% (4.08%), 4.54% (4.50%), 4.58% (4.55%) and 4.90% (4.92%) respectively. Similarly, the Government Investment Issues ("GII") yields also traded higher with 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields crossed at 3.37% (December 2013: 3.38%), 3.96% (3.95%), 4.13% (4.06%), 4.26% (4.41%), 4.70% (4.66%) and 4.80% (4.79%).

We envisage volatility should persist into 1H2014 and overall yields are expected to rise. Re-pricing risk is also expected to be biggest challenge for investors amid still low liquidity in the market. We remain tactically overweight in PDS over MGS/GII for better yield pick-up. Trading opportunity could also arise as market tends to overreact in downwards price adjustment.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 January 2014, the Volatility Factor (VF) for this fund is 6.7 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 05 October 2010.

Investors are advised to read and understand the contents of the Prospectus dated 05 October 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, and country risk. 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.*