FUND FACTSHEET – JULY 2014

All data expressed as at 30 June 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.

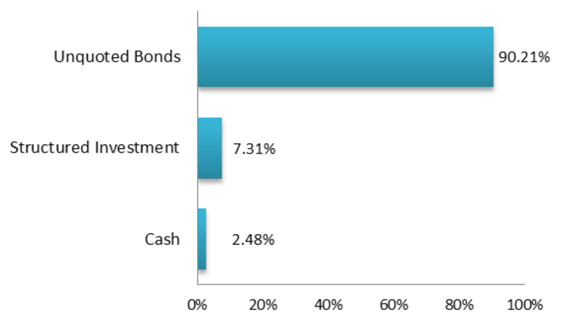
FUND DETAILS

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	RM0.9939	
Fund Size (million)	RM1.99	
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	16.06
HONG LEONG BANK ZNID-CP ESSENTIALS	16.00
CIMB BANK BHD ZNID-CP ESSENTIALS	15.96
RHB BANK BERHAD-CP ESSENTIALS	15.94
UOB (M) BHD ZNID-CP ESSENTIALS	15.55

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9975	N/A	1.0047
Low	0.9860	N/A	0.9777

Source: Lipper IM

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RHB OSK
RHB Asset Management

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

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MANAGER'S COMMENTS

Brent prices rallied over 4% during the first half of June, nearby contract reaching $115/bbl amid escalation of violence in Iraq, the second-largest OPEC producer. Although immediate impact on Iraq's crude oil export had been limited as the conflict in Northern and Western Iraq was far from the Southern and Shiite controlled oil fields and export terminals, concerns that lower Iraqi exports would further reduce already low OPEC spare capacity (due to the collapse in Libyan production) supported crude oil prices. Brent prices lost some of their gains by the end of the month as ISIS progress in Iraq remained stalled, with expectations that Iraqi production will remain strong.

After nearby contract dropping 9.4% in May, corn prices continued to fall in June as favorable weather conditions were expected to continue for producers. Yields are estimated to reach a record 167.5 bu/acre this year. Prices gained slightly in mid-June due to heavy rainfall in Midwest raising concerns that flooding has damaged corn fields. However, corn prices fell across the board, nearby contract reaching almost 6 month low, as rain failed to hamper U.S. Department of Agriculture's expectations for a record 13.9bn bushel new crop.

Sugar prices were kept range bound during the first half of June before rallying due to continuing dry weather in top grower Brazil. Speculation on Brazil, who uses sugarcane to make ethanol, increasing the amount of ethanol it uses in fuel for automobiles further put concerns over tightening sugar supplies. According to the USDA, Brazil accounts for nearly 20% of global production and 39% of global sugar exports. However, prices fell sharply during the last week of June after weak demand for sugar. July contract expired at 16.62 cents/lb after declining for 7 consecutive trading days and the July/October spread was widened to a discount of 1.60 cents/lb, the biggest spread since December 2009.

Cotton prices declined to their lowest price since December 2012 by the end of June after disappointing U.S. government export data sparked heavy selling of cotton futures. The benchmark December cotton contract on ICE Futures U.S. finished down 5.11 percent since the beginning of the month. USDA raised its outlook for domestic cotton plantings, heightening expectation for a big boost in supplies in the world's top exporter in the 2014/15 crop year. The USDA planting report on the last day of the month added to the bearish expectations where the agency estimated 2014 plantings at 11.37 million acres, up more than anticipated from a March forecast of 11.10 million acres.

The local bond market bullish flattened in June with strengthening Ringgit and low market volatility prompted for yield pick-up trades. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.51% (May: 3.48%), 3.72% (3.72%), 3.91% (3.94%), 4.03% (4.03%), 4.33% (4.36%), 4.40% (4.59%) and 4.74% (4.89%) respectively. Similar to the strong performance of MGS, Government Investment Issues ("GII") also bullish flattened with 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.65% (May: 3.67%), 3.88% (3.85%), 4.10% (4.12%), 4.24% (4.21%), 4.53% (4.50%) and 4.70% (4.85%) respectively.

The 3 auctions in June – reopening of 7-year GII (GII 03/21, RM3.0bil, average yield 4.112%), reopening of 3-year MGS (MGS 03/17, RM3.0bil, 3.486%) and reopening of 20-year GII (GII 08/33, RM1.5bil, 4.675%) received strong to moderate bid-to-cover ratio of 2.345x, 1.389x and 3.227x respectively.

On the domestic economic front, April trade surplus narrowed only slightly as exports outpaced imports. April exports surged 18.9% YoY (Mar: 8.3% YoY) partly on base effects, above consensus of 9.7% YoY. Imports also rose 5.0% YoY (Mar: 0.5% YoY) above consensus of -0.5% YoY. With April seasonally adjusted export levels 4% above 1Q2014 levels, the continued resilience of exports is in line with improving external demand. Also, April IP up sequentially to 4.2% YoY (Mar: 4.3% YoY), in line with market consensus. Combining the positive trade surplus with strong IP reported in April, accelerating growth momentum points to a strong start to 2Q2014 GDP. May CPI inflation edged down to 3.2% YoY (April: 3.4%). Lower YoY inflation was led by F&B, Utilities and Communication. Despite the weaker CPI level, MPC's concern is still on financial imbalances, which is likely to see the Central Bank to take interest rate action in the coming meeting.

DISCLAIMER:

As this is a close-ended fund, units are no longer available for sale on the basis of the Prospectus and its supplementary prospectus both dated 12 June 2013.
Investors are advised to read and understand the contents of the Prospectus and its supplementary prospectus both dated 12 June 2013 (collectively, the "Prospectus") 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, 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.*