

RHB-OSK EMERGING MARKETS BOND FUND (formerly known as OSK-UOB EMERGING MARKETS BOND FUND)

The Fund aims to provide investors with income and potential capital appreciation by investing in one target fund, i.e. the United Emerging Markets Bond Fund.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

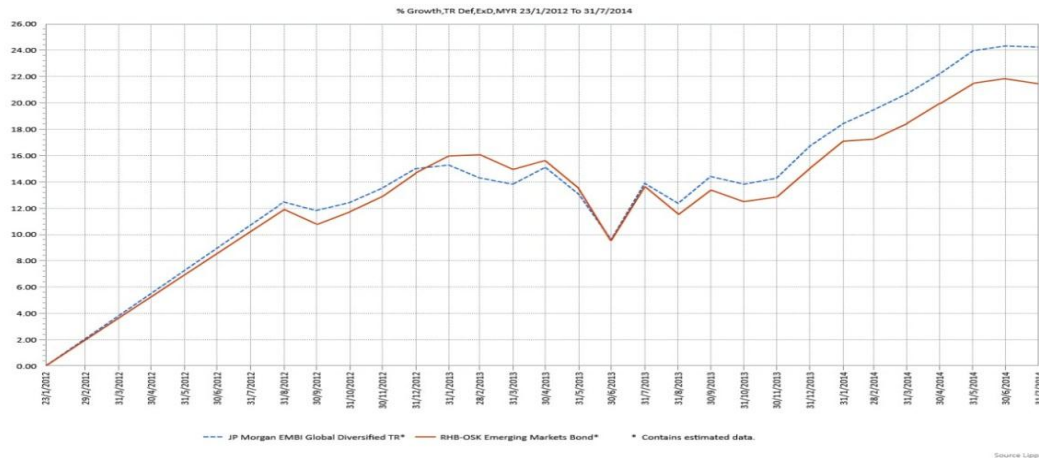
- seek income and potential capital appreciation over the longer term;
- have medium to high risk appetite; and
- seek returns in emerging markets debt investments and products.

INVESTMENT STRATEGY

- At least 95% of NAV: Investments in the units of United Emerging Markets Bond Fund.
- 2% - 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	-0.31	1.27	3.73	5.60
Benchmark	-0.07	1.67	4.90	6.45

	1 Year	Since Launch
Fund	6.91	21.47
Benchmark	9.10	24.24

Calendar Year Performance (%)*

	2013
Fund	0.31
Benchmark	1.84

*Source: Lipper IM

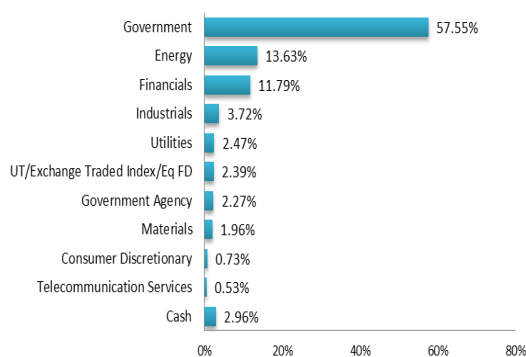
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Feeder Fund
Fund Type	Income Fund
Launch Date	03 January 2012
Unit NAV	RM0.5408
Fund Size (million)	RM71.41
Units In Circulation (million)	132.06
Financial Year End	28 February
MER (as at 28 Feb 2014)	1.57%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	JP Morgan Emerging Market Bond Index Global Diversified Index (RM)
Sales Charge	Up to 2.50% of investment amount
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a minimum of RM18,000 p.a.*
Switching Fee	RM25.00 per switch
Redemption Period	Within 10 days after receipt the request to repurchase
Cooling-Off Period	Within 6 business days from the date of receipt of application
Distribution Policy	Quarterly, if any

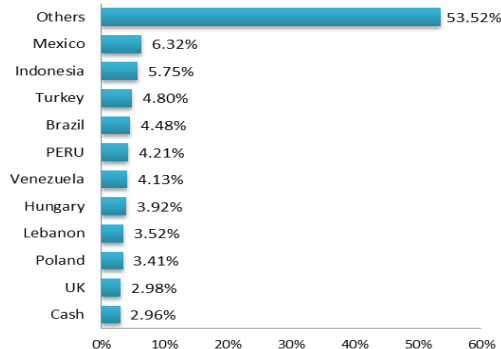
*For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

REPUBLIC OF POLAND	6.375%	15/07/2019	1.93
REPUBLIC OF PERU	8.75%	21/11/2033	1.80
UOB UNITED RENMINBI BOND FUND (SGD)			1.21
UNITED EMERGING MKT LC BD FD-SGD ACC			1.18
REPUBLIC OF PHILIPPINES	5.5%	30/03/2026	1.15

*As percentage of NAV

*Exposure in United Emerging Markets Bond Fund - 98.21%

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5425	0.5442	0.5499
Low	0.5362	0.4975	0.4959

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

	Distribution (sen)	Yield (%)
28 May 2014	0.2400	0.44
26 Feb 2014	0.1300	0.25
27 Nov 2013	0.3400	0.67
27 Aug 2013	0.6533	1.26

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

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MANAGER'S COMMENTS

MARKET REVIEW

US treasury rates remained in a trading range of 2.45% to 2.65% for most of July, supporting credit spreads. The low volatility environment largely persisted despite geopolitical tremors. The conflict between Russia and Ukraine remains on the radar screen as violence continued and the European Union (EU) and the United States (US) increased their sanctions against Russia, with the downing of a Malaysian passenger jet having galvanised the international community into action. Argentina was in default on 30 July as no agreement with holdout investors in US courts was reached. The fund does not hold any Argentine bonds. Conversely, China emerged as a bright spot as on-going policy stimulus is supporting the government's 7.5% growth target.

Against this backdrop, Emerging Markets (EM) assets continued to grind higher with the fund returning 0.27%¹ in July and 6.97%³ year-to-date.

POSITIONING

In Latin America we remain optimistic about high beta countries on a fundamental basis due to an improving policy environment. We are still overweight on Venezuela as pragmatists consolidate power. We exited our Argentina position at a profit in June. This took place prior to the country entering a technical default due to a US court case stemming from its restructuring almost 15 years ago. In Eastern Europe, Middle East, and Africa (EEMEA), we are more cautious due to geopolitical tensions and tougher Russia sanctions. We balanced out our overweight on Ukraine, on what we believe are attractive valuations, with an underweight in Russia. In Asia, we remain underweight on the Philippines due to tight spreads and overweight on Indonesia due to market expectations for reforms under president-elect Jokowi.

STRATEGY

We view EM valuations as attractive, particularly within the fixed income space. The interest rate on EM high yield credits (as measured by the EMBIG Diversified High Yield Index) is 6.8%⁴, which is close to 1%⁵ higher compared to the interest rate on US High Yield credits. Considering yields, EM also compares favourably to US high grade credits. The EMBIG yield of 5.1% is 140 basis points (bps) wider⁶ than the US Domestic High Grade index yield (as measured by the JPM US Liquid Index "JULI"), which is almost 5% wider (cheaper) than the five year average of the yield difference⁷.

Since EM debt is priced off US interest rates and US interest rates remain at low levels, we are generally constructive on EM debt. US recovery has not yet regained full momentum and EM countries have improved their current accounts. Further, continued inflows from institutional investors will likely continue to provide support for the asset class.

¹ Source: Lipper, Performance from 30 June 2014 to 31 July 2014 in SGD terms, on a NAV (Net Asset Value) basis, with dividends and distributions reinvested (if any).

³ Source: Lipper, Performance from 31 December 2013 to 31 July 2014 in SGD terms, on a NAV (Net Asset Value) basis, with dividends and distributions reinvested (if any).

⁴ Source: JPMorgan and Bloomberg, 31 July 2014.

⁵ Source: JPMorgan and Bloomberg, 30 June 2014

⁶ Source: JPMorgan Dataquery, 30 June 2014. JPM Domestic High Yield index yield-to-worst = 5.21%.

⁷ Source: JPMorgan Dataquery, 30 June 2014. EMBIG yield of 5.10% minus JULI ex EM index portfolio yield of 3.67% = 143 bps.

All statistics quoted are in USD unless otherwise stated.

DISCLAIMER:

A Product Highlights Sheet ("PHS") highlighting the key features and risks of the Fund is available and investors have the right to request for a PHS. Investors are advised to obtain, read and understand the PHS and the contents of the Master Prospectus dated 15 March 2014 and its supplementary(ies) (if any) ("the Master Prospectus") before investing. The Master Prospectus has been registered with the Securities Commission Malaysia who takes no responsibility for its contents. Amongst others, investors should consider the fees and charges involved. 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. Any issue of units to which the Master Prospectus relates will only be made on receipt of a form of application referred to in the Master Prospectus. For more details, please call 1-800-88-3175 for a copy of the PHS and the Master Prospectus or collect one from any of our branches or authorised distributors.

The Manager wishes to highlight the specific risks of the Fund are management risk, lack of market economy risk of UEM Bond Fund, suitability standards and foreign investment risks such as currency risk and country risk and the specific risks of the target fund are market risk, debt securities risk, emerging markets risk, political and economic risks, repatriation of capital, dividends, interest and other income risks, regulatory risk, nature of investments and market risks, lack of market economy, derivatives risk, synthetic product risk, illiquidity of investments, broker risk, settlement risk, custody risk, counterparty risk, possible business failures, accounting practice, quality of information, legal risk, taxation, foreign exchange and currency risks, the banking system, risks of mis-management by debt issuers, actions of institutional investors, risk of use of rating agencies and other third parties and exceptional market conditions risk. These risks and other general risks are elaborated in the Master 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.