

### RHB-OSK EQUITY TRUST

This Fund aims to provide investors with capital growth through investments in stocks with high growth potential over a medium to long term period.

#### INVESTOR PROFILE

##### This Fund Is Suitable For Investors Who:

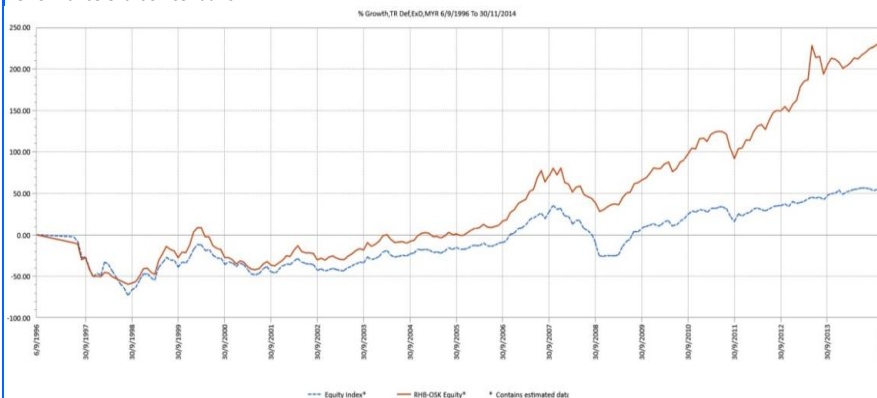
- wish to participate in the upside of the Asia ex-Japan markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a medium to long term period.

#### INVESTMENT STRATEGY

- 90% - 98% of NAV: Investments in securities of companies that have good growth potential. In managing these investments, the Fund may invest up to 50% of the NAV in Asia ex-Japan markets.
- 2% - 10% of NAV: Investments in liquid assets including bonds, 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	-4.04	-2.63	1.29	2.73
Benchmark	-1.09	-1.75	-1.36	-0.61

	1 Year	3 Years	5 Years	Since Launch
Fund	1.53	54.71	81.73	216.54
Benchmark	1.72	25.09	37.14	53.23

##### Calendar Year Performance (%)\*

	2013	2012	2011	2010	2009
Fund	19.69	20.10	-0.89	19.60	35.03
Benchmark	9.84	11.78	-4.43	14.86	51.81

\*Source: Lipper IM

#### FUND DETAILS

**Investment Manager** RHB Asset Management Sdn. Bhd.

**Trustee** HSBC (Malaysia) Trustee Bhd

**Fund Category** Equity Fund

**Fund Type** Growth Fund

**Launch Date** 08 August 1996

**Unit NAV** RM0.7047

**Fund Size (million)** RM111.62

**Units In Circulation (million)** 158.39

**Financial Year End** 31 December

**MER (as at 31 Dec 2013)** 1.60%

**Min. Initial Investment** RM1,000.00

**Min. Additional Investment** RM100.00

**Benchmark** 70% FBM KLCI + 30% MSCI AC Asia Ex-Japan Index

**Sales Charge** Up to 6.38% of investment amount

**Redemption Charge** None

**Annual Management Fee** 1.50% p.a. of NAV\*

**Annual Trustee Fee** Up to 0.07% p.a. of NAV\*

**Switching Fee** RM25.00 per switch

**Redemption Period** Within 10 days after receipt the request to repurchase

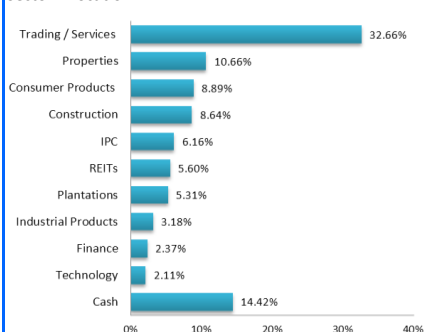
**Cooling-Off Period** Within 6 business days from the date of receipt of application

**Distribution Policy** Annually, if any

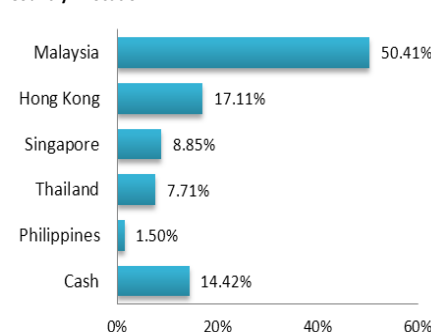
\*For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

TELEKOM MALAYSIA BHD	5.91
KLCC PROPERTY HLDGS BHD - REIT	5.60
SIME DARBY BHD	5.31
BANGKOK AVIATION FUEL SER PLC-FOR	5.24
EASTERN & ORIENTAL BHD	5.03

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.7360	0.8265	1.0622
Low	0.7038	0.6608	0.3770

Source: Lipper IM

##### Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
27 Dec 2013	11.9000	14.87
31 Dec 2012	8.4900	11.95
31 Dec 2011	7.3170	10.07
31 Dec 2010	5.5909	7.92
31 Dec 2009	5.3056	8.46

Source: RHB Asset Management Sdn. Bhd.

**RHB-OSK EQUITY TRUST**

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**MANAGER'S COMMENTS****MARKET REVIEW**

The local indices and market momentum remain weak in the month of November as investors were seen cautious amid lack of catalysts in the markets. Federal govt decision to remove the fuel subsidy and replaced by managed float system was seen as bode move by investors as a reign in fiscal deficit and channel the savings to fund the much needed infrastructure spending. Oil and gas sector was facing renew headwinds with oil price plunging over 30% since June 2014 and potential capex cut by national oil company Petronas put pressure on oil field related activities hence de-rating on broad spectrum of oil and gas stocks. Small mid cap space was not spared from the market weakness, judging by FBM Small Cap Index which fell 7.07% mom in November as investors concern on corporate earnings growth and potential impact on GST implementation on consumer consumption in 2015. In the meantime, Malaysia 3Q14 GDP growth eased to 5.6% yoy vs 6.4% in 2Q as exports growth and domestic demand weaken but inline with global trend. Industrial production also moderated to 5.4% yoy in September vs +6.5% in Aug, in tandem with slowing manufacturing activities.

Asian indices ended the month of November on a mixed note with the Shanghai Composite Index rising the most or +10.85% whilst the Shenzhen Composite Index climbed 5.17%. PBOC recent interest rate cut give hope to market of more easing in the near future as macro data remain mixed, with China industrial production fell 7.7% yoy while retail sales slowdown to 11.5% yoy. Closer to home, Singapore Straits Times Index edged up 2.33% MoM whilst Jakarta's Composite Index was flat at +1.19% MoM as investors optimism on President Joko Widodo govt bode step to hike petrol price in his series of economic reforms agenda in the country. Nikkei 225 +6.37% in November buoyed by market optimism as BOJ taking decisive move to increase quantitative easing in the effort to end decades long deflationary pressure and PM Abe announced dissolution of parliament lower house to pave way for new election as PM Abe seeks to obtain new mandate from Japanese people to push through his Abenomics agenda.

**MARKET OUTLOOK AND STRATEGY**

Malaysia is expected to grow between 4.5%-5.5% in 2014, likely nearer the upper band and higher than the 4.7% registered for 2013 and supported by a better global economy and investment spending. Inflation will be higher at 3.0%-4.0% from increased fuel and electricity costs and expectations of more reduction in subsidies moving forward and expected inflationary expectations prior to GST implementation. Against a backdrop of expected lower domestic demand and private consumption due to rising cost, net exports is expected to pick up helped by stronger exports to developed markets on an improving global economic growth outlook. BNM is likely to maintain its 3.25% OPR level for the rest of 2014 after the hike in July. Government fiscal restraints are expected to continue.

Global economic growth is ticking up, thanks to the various Quantitative easing (QE), accommodative and supportive packages by major world economies over the past few years. Despite hiccups along the way, there have been improvements in employment levels, business and consumer confidence, and industrial and manufacturing activities globally. With the U.S. tapering off completely its massive QE pumping and start guiding on its current ultra-low interest rates, markets will continue to adjust to this transition from liquidity-driven to a more fundamental and growth-driven focus.

On sector basis, we continue to favour consumer, tech, healthcare, industrial and telco while selectively bullish bias on infra related construction stocks. We foresee 2015 continue to be a reform year for regional economies and Malaysia govt to rollout targeted infra projects to spearhead the economy and continue its reform agenda including subsidy rationalization which augur well for the economy. Increase market volatility globally will create capital misallocation and outflow of funds from emerging markets, thus misprice securities from fundamental. We remain cognizant of prevalent risks but look into adding bombed-out good fundamental stocks to enhance alpha.

**DISCLAIMER:**

Based on the fund's portfolio returns as at 15 November 2014, the Volatility Factor (VF) for this fund is 11.9 and is classified as "Very High" (source: Lipper) "Very High" includes funds with VF that are above 13.0 (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 30 June 2014 which is calculated once every six months and is valid until its next calculation date, i.e. 31 December 2014.

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 26 October 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 country risk, currency risk, market risk and particular security 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.