FUND FACTSHEET – JUNE 2014

All data expressed as at 30 May 2014
unless otherwise stated

3-year Fund Volatility 7.6 Low
Lipper Analytics 15 MAY 2014

RHB-OSK FLEXIFUND MONEY MARKET RMB (formerly known as OSK-UOB FLEXIFUND MONEY MARKET RMB)

The objective of the Fund is to invest in the target fund which aims to provide its investors with the highest possible value for the capital invested at the same time as offering them a broad spread of risks by investing in money market instruments, Chinese government bonds, both denominated in Chinese Renminbi (RMB) and cash.

INVESTMENT STRATEGY

- At least 90% of NAV: Investments in the EURO denominated, Class I shares of the FLEXIFUND Money Market RMB.
- Up to 10% of NAV: Investments in liquid assets comprising money market instruments, cash and deposits with financial institutions.

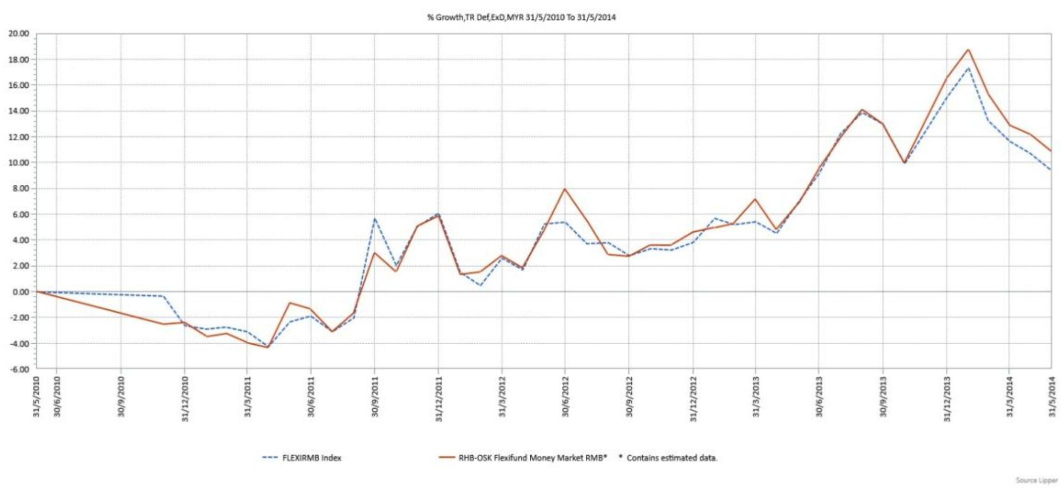
INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

- are "Qualified Investors" as defined in the Information Memorandum.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**-1.21**	**-3.89**	**-2.10**	**-4.90**
Benchmark	-1.22	-3.46	-2.74	-4.97

	1 Year	3 Years	Since Launch
Fund	**3.76**	**11.80**	**10.82**
Benchmark	2.25	11.93	9.34

Calendar Year Performance (%)*

	2013	2012	2011
Fund	**11.41**	**-1.17**	**7.78**
Benchmark	10.81	-2.13	5.40

**Source: Lipper IM*

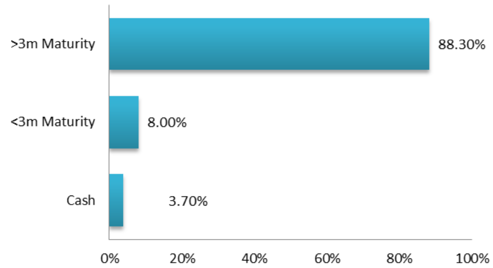
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Wholesale- Feeder Fund (Money Market)
Fund Type	Income Fund
Launch Date	11 May 2010
Unit NAV	RM1.1082
Fund Size (million)	RM0.75
Units In Circulation (million)	0.68
Financial Year End	31 May
MER (as at 31 May 2013)	0.94%
Min. Initial Investment	RM10,000.00
Min. Additional Investment	RM10,000.00
Benchmark	Official rate for demand deposits, as published by the People's Bank of China (RM)
Sales Charge	Up to 2.00% of investment amount
Redemption Charge	None
Annual Management Fee	0.50% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a minimum of RM18,000 p.a.*
Switching Fee	Up to 3% of redemption proceeds
Redemption Period	Maybe from 1week - 6mths or longer if approval from the Chinese authorities for the realisation of FECA investments are not obtained.
Distribution Policy	Incidental

**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*



Top Holdings (%)*

CGB 3.63 0415	38.92
CGB 4.01 1014	46.22
CGB 3.48 040714	8.01
HFT MONEY MKT	3.16
CASH/OTHERS	3.70

**As percentage of NAV*
**Source: BNP Paribas Investment Partners, 30 May 2014. Exposure in Flexifund Short Term RMB - 95.57%*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.1218	1.1875	1.1875
Low	1.0989	1.0680	0.9427

Source: Lipper IM

Historical Distributions (Last 3 Years) (Net)

	Distribution (sen)	Yield (%)
31 May 2014	-	-
31 May 2013	-	-
31 May 2012	-	-

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

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MANAGER'S COMMENTS

MARKET REVIEW

The onshore Chinese yield curve did a downward parallel shift in May. The average fall in spreads was about 20bp along the curve. Money-market yields fell even more sharply, with three-month yields dropping by 68bp. The People's Bank of China (PBoC) has been injecting liquidity into the market over the last two months and we have been starting to see a clear impact from this on yields since May. In addition, the PBoC cut the RRR rates for banks' lending to small and medium-sized enterprises and agricultural sectors, with the aim of injecting some RMB 60-70 billion into the financial system. As a result, one-year and five-year China government bonds are now yielding 3.20% and 3.92%, respectively. The Shanghai Treasury index had a strong performance, rising by 0.52% over the month, while the Shanghai Corporate Bond index rose 0.90% in local currency terms. The Chinese yuan (CNY) appreciated by 0.2%, closing at 6.2598/USD.

After the disappointing February and March trade results, the April trade report beat market expectations, with exports growing 0.9% YoY and imports rising 0.8% YoY in April. While the export numbers appear modest, when the seasonal effect and over-invoicing practices that were uncovered last year are discounted, estimates suggest that exports grew more than 7.0% YoY. Industrial production growth slowed slightly to 8.7% YoY in April from 8.8% YoY in March. Regarding domestic demand, retail sales grew by 11.9% YoY in April, down from 12% in Q1. Online sales of large wholesalers and retailers grew by 52% YoY, expanding to 11.4% of their total sales revenue. The retail data is likely to improve due to the dissipating negative effect incurred by the anticorruption campaign.

China's April inflation came in lower than the market expected. The consumer price index (CPI) rose 1.8% YoY in April, a significant slowdown compared with March and lower than market consensus of 2.1%. The weaker-than-expected CPI inflation was mainly attributable to lower food, and especially pork, prices. China's official manufacturing purchasing managers' index (PMI) inched up by 0.4ppt to 50.8 in May, the highest reading since December of 2013, and slightly beating expectations of 50.7. Data showed signs of stabilisation and a pick-up in aggregate demand. China's official PMI for May was up for a third consecutive month with the new orders index hitting a six-month high, thanks to recovery in external demand, stabilisation of consumption and the government's growth-stabilising policies. Recently the government introduced measures to encourage infrastructure investment and target monetary easing, which lent support to fixed asset investment. The rise in PMI was mainly driven by large and medium-sized enterprises, while the PMI for small enterprises remained weak.

FUND PERFORMANCE

The fund increased in value by 1.95% gross of fees in EUR terms in May, compared to an increase of 0.11% for the cash benchmark. The valuation snapshot effect detracted 0.15% from relative performance in EUR terms. FX detracted 0.07% from the performance last month, despite renminbi appreciation. This month most of the outperformance is coming from the money market yields decreasing strongly.

In USD terms, the fund increased in value by 0.46% gross of fees, compared to an increase of 0.22% for the cash benchmark. The valuation snapshot effect detracted 0.07% from relative performance in USD terms. Due to renminbi appreciation, FX contributed 0.06% from the fund's performance last month. This month most of the outperformance is coming from the money market yields decreasing strongly.

PORTFOLIO ACTIVITY

There were no changes to the strategy. The strategy continues to invest in China government bonds with a remaining maturity of less than 12 months. Government bonds in the portfolio have a yield to maturity from 3.6% to 1.3%, for duration of less than 318 days. Exposure into money market instruments yields 4.6% for a short duration positioning.

OUTLOOK & POSITIONING

Early this year economic indicators disappointed investors, most of whom downgraded their economic growth forecast for 2014. However, in early April, the Chinese government introduced a mini-stimulus package focusing on investment in railways (planning to build 6 600 km of railways in 2014) and social housing. In addition, the central bank has increased liquidity in the market and implemented some RRR cuts at agricultural banks and smaller urban banks. As a result we have seen improving PMIs, better consumption levels and better trade numbers supported by the recovery in global developed markets. Beijing forecasts China's 2014 annual GDP growth at 7.2% and we believe further stimulus will be needed to achieve this. Policy stimulus initiatives will focus more on rebalancing the economy towards western areas, while we are expecting a broad-based RRR cut to support liquidity this year.

We will closely observe the evolution of the Chinese bond market. The first defaults took place in March, although we had anticipated that this would happen sooner or later. We believe further defaults could hit sentiment and market liquidity. Such defaults would be more likely related to private companies as the government is unlikely on principal to allow state-owned companies to miss coupon payments or to default. Industries with too much capacity, where the government wants to see consolidation, are most at risk. However, the government will not allow systemic risk to spread. As China is liberalising its financial markets to further support economic growth, credit risk needs to be properly priced in by market participants so that capital can be efficiently allocated. We increased slightly the maturity of the portfolio as liquidity is gradually improving.

Despite recent concerns over renminbi depreciation, we believe the currency will overall continue to slowly appreciate, on the back of a trade surplus and the currency's internationalisation. However, investors should anticipate further currency volatility, especially as the trading band has been widened from 1% to 2%, indicating that the currency should start behaving more like an international currency.