

RHB-OSK FOCUS BOND FUND – ENHANCED (formerly known as OSK-UOB FOCUS BOND FUND – ENHANCED)

The Fund aims to provide regular income during the tenure of the Fund and capital appreciation at its maturity date primarily from a concentrated portfolio of global debt instruments / bonds.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

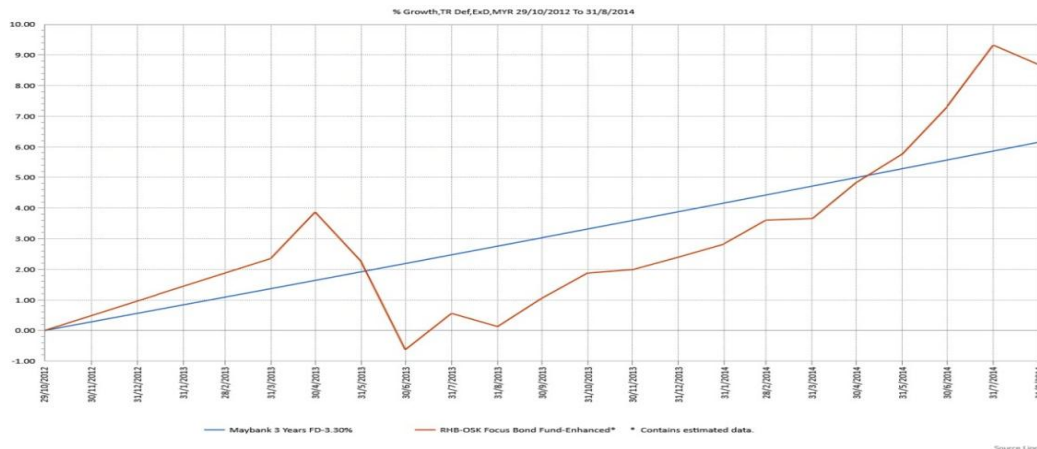
- are moderate to conservative;
- seek returns from the income accumulated and/or capital appreciation from a global debt instruments / bonds portfolio with potential additional returns from investment in an option; and
- have a medium term (i.e. 3 years) investment horizon.

INVESTMENT STRATEGY

- 92% - 100% of NAV : Investments in global debt instruments / bonds.
- Up to 3% of NAV: Investments in the YES Option.
- Up to 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	-0.59	2.73	4.90	6.12
Benchmark	0.28	0.82	1.65	2.19

	1 Year	Since Launch
Fund	8.54	8.67
Benchmark	3.30	6.15

Calendar Year Performance (%)*

	2013
Fund	1.05
Benchmark	3.30

*Source: Lipper IM

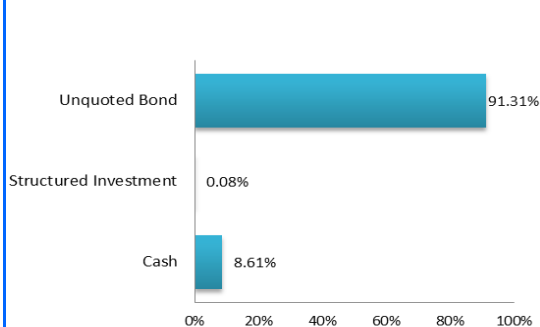
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.(formerly known as RHB Investment Management Sdn Bhd)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Bond Fund (Closed Ended)
Fund Type	Income Fund
Launch Date	03 September 2012
Maturity Date	29 October 2015
Unit NAV	RM1.0371
Fund Size (million)	RM108.48
Units In Circulation (million)	104.59
Financial Year End	31 October
MER (as at 31 October 2013)	0.09%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM1,000.00
Benchmark	3-years FD rate by Malayan Banking Bhd
Sales Charge	Up to 3.00% of investment amount
Redemption Charge	< 3 years 1.00% Maturity Nil
Annual Management Fee	None
Annual Trustee Fee	0.08% p.a. of NAV, subject to a minimum of RM18,000 p.a.*
Switching Fee	Not available
Distribution Policy	Annually, if any

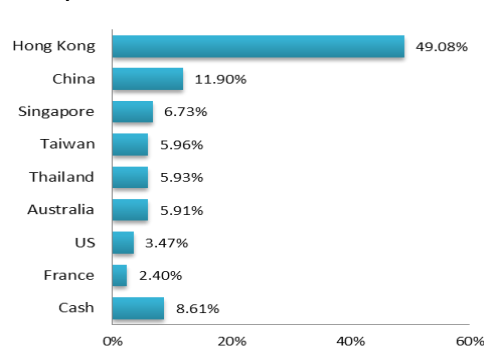
*For the purpose of computing the annual trustee fee, the NAV of the Fund is exclusive of the trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

FAR EAST HORIZON -4.62%(06/03/17)	8.94
NOBLE GROUP LTD-4%(30/1/2016)	6.65
CRCC YUPENG-3.95%(28/2/2049)	6.52
CATHAY UNITED BK-5.5%(05/10/2020)	5.96
PTT EXPLOR & PRD-4.875%(18/6/19)	5.93

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.0433	1.0433	1.0452
Low	1.0275	0.9679	0.9679

Source: Lipper IM

Historical Distributions (Last 1 Years) (Net)

	Distribution (sen)	Yield (%)
30 Oct 2013	4.6500	4.65

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

RHB-OSK FOCUS BOND FUND – ENHANCED (formerly known as OSK-UOB FOCUS BOND FUND – ENHANCED)

The Fund aims to provide regular income during the tenure of the Fund and capital appreciation at its maturity date primarily from a concentrated portfolio of global debt instruments / bonds.

MANAGER'S COMMENTS

MARKET COLOUR

Major government bond markets rallied in August with a flattening pressure in the 5y-30y sector of yield curves. In the US, despite a generally stronger tone to high frequency economic data and a more hawkish bias in FOMC communication, geopolitical concerns as well as a spill-over from a bond rally in European bonds led the 10Y benchmark yield to drop by over 20 bps. The UST 5y-30y sector of the yield curve flattened by more than 10bps. In Europe, weaker economic data, concerns about falling inflation as well as expectations of further easing of monetary policy by the ECB drove 10Y Bund yields to historically low levels. In the UK, long dated yields followed markets in Europe and the US accompanied by a slightly dovish bias in central bank communication. 10Y JGBs also rallied supported by strong auctions in the long end in addition to global bond market moves.

STRATEGY PERFORMANCE

The strategy's monthly performance was negative in August. Most of the underperformance was a result of short positions in Short Sterling futures at the beginning of the month as rates markets rallied. The performance of the fund continues to reflect volatility in central banks communication and variability of economic data over the recent months overlaid by geopolitical concerns.

STRATEGY OUTLOOK

The key to the performance of the strategy is establishment of medium term trends in the front end of yield curves. Should markets range trade, the strategy may lose money.

We will continue to be defensive and stay nimble in light of market volatility while overweighting on good quality high grade credits. The RHB-OSK Focus bond funds will await opportunistically for entry points as well as participate in primary issues with attractive pricing to deploy cash selectively while taking profit on existing holdings.

MARKET REVIEW

August started on a bad note with risk off mode amidst geopolitical headlines in Israel-Gaza and Russia-Ukraine. Macro data points also came in below expectations, notable amongst them being China's new loan data, Euro GDP, Italy slipping back into recession, US retail sales & India industrial production. By the end of month, JACI Investment Grade spreads widened 9bps while 10 year UST rallied to 2.34% from 2.56%. However, it did not feel panicky and the sell-off was quite orderly, possibly demonstrating the strong technicals given still flushed liquidity and expectations of further stimulus from China and the ECB.

Overall conditions for credit may stay supported given low volatility, low rates, low growth and expectations of Euro & Japan QE. Stepping into September, the supply pipeline is expected to resume after the earnings season end and as investors returning from their summer vacations. However, valuations look stretched from historical range and leave little room for disappointments. We remain selective on credit risk.

DISCLAIMER:

As this is a close-ended fund, units are no longer available for sale on the basis of the Prospectus dated 3 September 2012. Investors are advised to read and understand the contents of the Prospectus dated 3 September 2012, which has been registered with Securities Commission who takes no responsibility for its contents, before investing. 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 Prospectus relates will only be made on receipt of a form of application referred to in 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 principal risk factors of the funds are credit/ default risk, currency risk, interest rate risk, liquidity risk, market risk, country risk, inflation/purchasing power risk, concentration risk, mismatch risk and YES option risk. These risks and other general risk 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.