

RHB-OSK FOCUS BOND FUND – SERIES 5 (formerly known as OSK-UOB FOCUS BOND FUND – SERIES 5)

The Fund aims to maximise returns at its maturity date from a concentrated portfolio of global debt instruments.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

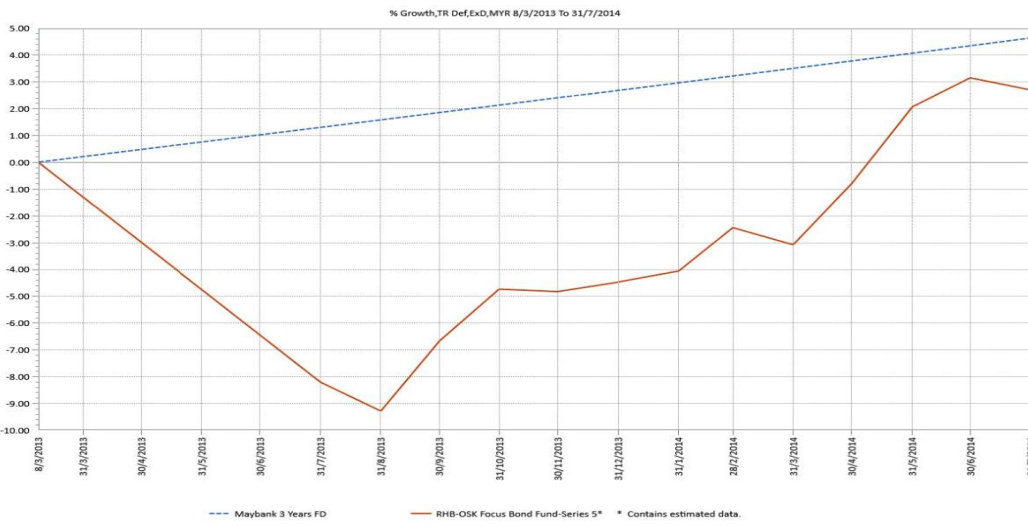
- have a moderate to conservative risk appetite;
- seek returns from the income accumulated and/or capital appreciation from a global debt instruments portfolio; and
- have a medium term (i.e. 3 years) investment horizon.

INVESTMENT STRATEGY

- 95% - 100% of NAV: Investments in global debt instruments.
- 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	-0.44	3.52	7.04	7.50
Benchmark	0.28	0.83	1.63	1.91

	1 Year	Since Launch
Fund	11.88	2.70
Benchmark	3.30	4.65

*Source: Lipper IM

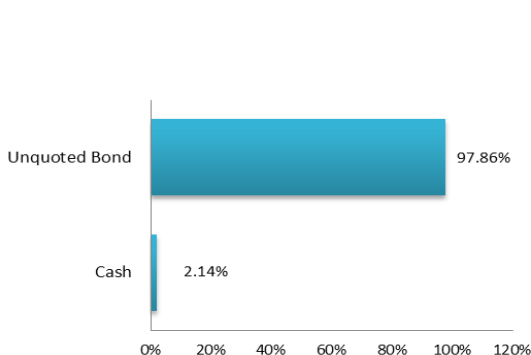
FUND DETAILS

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	14 January 2013
Maturity Date	08 March 2016
Unit NAV	RM0.9806
Fund Size (million)	RM269.35
Units In Circulation (million)	271.15
Financial Year End	30 April
MER (as at 30 April 2014)	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*
Switching Fee	Not available
Distribution Policy	Annually, if any

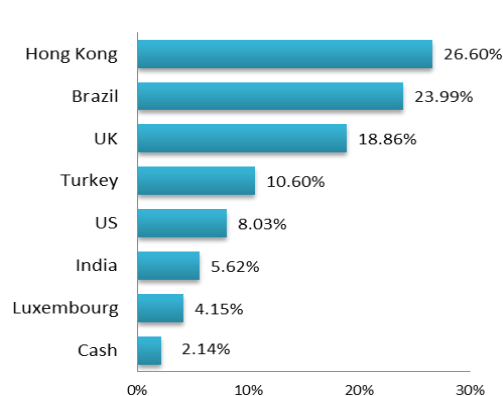
*For the purpose of computing the annual trustee fee, the NAV of the Fund is exclusive of the trustee fee for the relevant day.

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SOHO CHINA LTD-5.75% (07/11/2017)	10.98
CSN RESO-6.5% (21/07/2020)	10.51
YUEXIU PROPERTY-4.5% (24/01/2023)	9.20
OJSC NOVOLIPETSK-4.95% (26/09/2019)	7.84
DELL INC-5.875%(15/06/2019)	6.02

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9934	0.9934	1.0026
Low	0.9806	0.9067	0.9002

Source: Lipper IM

Historical Distributions (Last 1 Years) (Net)

	Distribution (sen)	Yield (%)
07 Apr 2014	4.6500	4.65

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

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MANAGER'S COMMENTS

MARKET REVIEW

It was a volatile month for US Treasuries ("UST") as geopolitical events in mid-month and strong US 2Q14 GDP numbers at month end pushed the 10-year UST to both extreme ends. 10-year UST plunged to 2.44% at the height of geopolitical tension and subsequently rebounded back to 2.56% as 2Q14GDP surprised on the upside. At close, the 2-, 5-, 10- and 30-year UST were traded at 0.53% (June: 0.46%), 1.75% (1.63%), 2.56% (2.53%) and 3.32% (3.36%) respectively.

Again, most of the data released in July pointed to a modest recovery in the States. Unemployment rate further declined to 6.1% in June (May: 6.3%) indicating that 2Q14 indeed was regaining momentum in the labor market. New orders continue to flow in with June ISM Manufacturing Index reported at expansion territory of 55.3 (May: 55.4) although Industrial Production ("IP") weaken slightly to a 0.2% MoM gain in the same month (May: 0.5% MoM). Nevertheless, for the 2Q14 as a whole, IP rose at an annual rate of 6.7% after increasing only 1.4% in the 1Q14, suggesting that 2Q14 GDP is likely to rebound. Inflation indexes continue on the warm side, with Consumer Price Index ("CPI") reporting 0.3% MoM gain in June (May: 0.4% MoM) and Producer Price Index – Final Demand ("PPI-FD") at 0.4% MoM (May: 0.3% MoM). On YoY comparison, both CPI and PPI-FD are pressing right at the 2% threshold with the former reported at 2.1% YoY and the latter at 1.9% YoY. On the housing sector, both Housing Starts and New Home Sales disappoint sharply in June. Housing Starts dropped 9.3% MoM (May: -7.3% MoM) while New Home Sales came in at an annual rate of 406k (May: 442k). The drop in sales is observed in all regions.

The first sight of the 2Q14 GDP was released and the economy expanded by 4.0% annualized (1Q14: -2.1%). The rebound was led by inventory growth. Overall, the 2Q14 numbers point to a return to forward momentum after the deep freeze of 1Q14. Federal Reserves ("Fed") cut another USD10bil asset purchases in latest Federal Open Market Committee ("FOMC") meeting as scheduled. Policy rates are unchanged and are to remain low for a "considerable time" after the end of taper.

The rebound in 2Q14 US GDP supports our view that the 1Q14 weakness was temporary. We expect the economy to grow at an above trend through 2015. Economic fundamentals have improved, fiscal drag is fading, and financial conditions are providing a significant tailwind to growth. Inflation is likely to remain quiet, despite some higher readings earlier this year. The Fed is in the process of revising its exit principles, but we do not expect the Fed to hike rates until 2H15.

On the European front, the recent developments in Ukraine and the persistence of a strong EUR indicate that the balance of risks to economic activity remains skewed to the downside, notwithstanding better signs from the US and China. We are not making any changes to outlook for ECB monetary policy and continue to expect that the persistence of low and below target inflation, with a fragile recovery, will lead the ECB to launch a large-scale asset purchase programme by end of this year.

DISCLAIMER:

As this is a close-ended fund, units are no longer available for sale on the basis of the Prospectus dated 14 January 2013. Investors are advised to read and understand the contents of the Prospectus dated 14 January 2013, 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 and mismatch 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.