

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

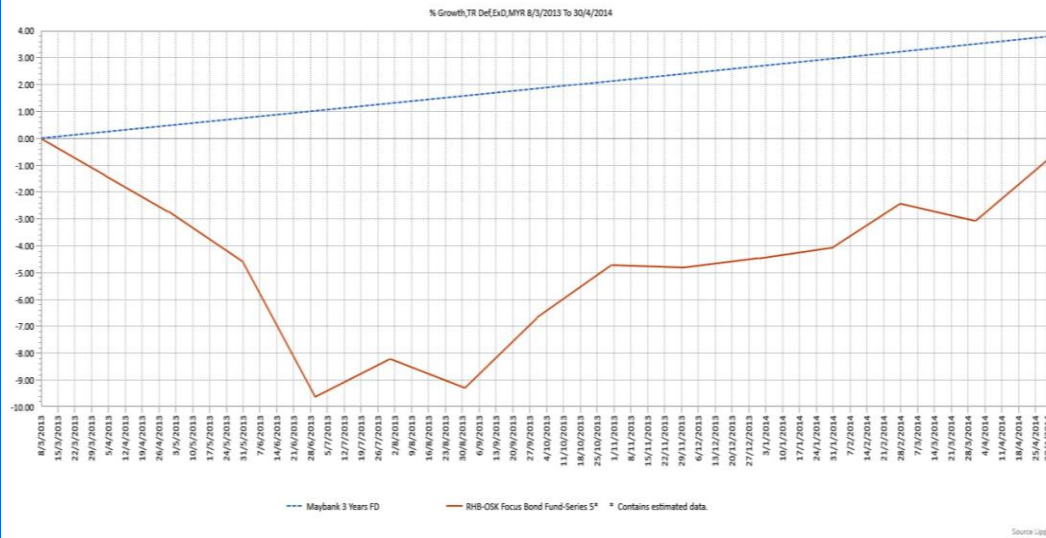
The Fund aims to maximise returns at its maturity date from a concentrated portfolio of global debt instruments.

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

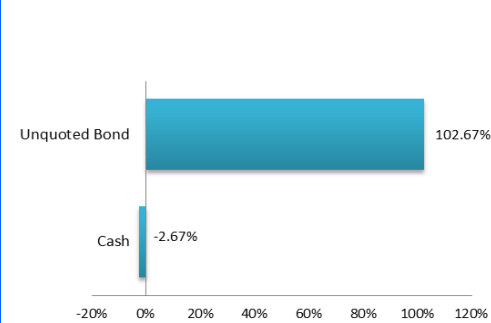
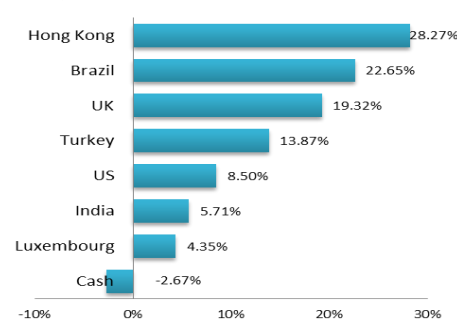
- 95% - 100% of NAV: Investments in global debt instruments.
- Up to 5% of NAV: Investments in liquid assets including money market instruments and deposits with financial institutions.

FUND PERFORMANCE ANALYSIS
Performance Chart Since Launch*

Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	2.35	3.41	4.13	3.85
Benchmark	0.27	0.79	1.62	1.07

	1 Year	Since Launch
Fund	1.99	-0.79
Benchmark	3.30	3.79

*Source: Lipper IM

FUND PORTFOLIO ANALYSIS
Sector Allocation*

Country Allocation*

Top Holdings (%)*

CSN RESO-6.5% (21/07/2020)	11.08
YUEXIU PROPERTY-4.5% (24/01/2023)	9.57
CITIC PACIFIC-6.875% (21/01/2018)	8.35
TURKIYE BANKASI-5.5% (21/04/2019)	8.17
OJSC NOVOLIPETSK-4.95% (26/09/2019)	8.06

*As percentage of NAV

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	RM0.9473
Fund Size (million)	RM256.45
Units In Circulation (million)	271.46
Financial Year End	30 April
MER	Not applicable
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 STATISTICS
Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.9888	0.9888	1.0026
Low	0.9458	0.9002	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

US Treasuries ("UST") rebounded in April, as the 1Q2014 GDP was even weaker than market estimation, edging up just 0.1% YoY (consensus: 1.1% YoY). At close, the 2-, 5-, 10- and 30-year UST were traded at 0.41% (March: 0.42%), 1.68% (1.72%), 2.65% (2.72%) and 3.46% (3.56%) respectively.

Manufacturing snapped back from a very soft February but not quite as much as expected, at least based on the ISM Index which rose only 0.5 to 53.7 in March. Both Consumer Price Index ("CPI") and Producer Price Index – Final Demand ("PPI-FD") warmed a bit in March, topping expectation at the headline and core levels (CPI Apr: 0.2% MoM, consensus: 0.1% MoM; PPI-FD Apr: 0.5% MoM, consensus: 0.1% MoM). While price pressure firmed in March, it was just one month-not yet setting a trend. Housing indicators were also not encouraging in March, with Housing Starts (+946k against consensus +965k), Existing Home Sales (+4.59M, against consensus 4.56M) and New Home Sales (+384k, against consensus 455k) mostly missing forecast. Economic growth came to a standstill in the 1Q2014, largely due to adverse weather slowing production, 1Q2014 GDP rose a meager 0.1% annualized after 2.6% gain in the 4Q2013. Lastly, there were no notable surprises from the Federal Reserve's ("Fed") FOMC meeting statement – Fed Funds Target Rate still at a range of 0% - 0.25% and QE taper remains as scheduled with another USD10bil cut and further to be in measured steps. Taper is evenly split between UST and Mortgage-Backed Securities ("MBS"), and taper is still data dependent.

We anticipate a snap back in growth for US in the 2Q and 3Q2014 as recent data have hinted at a rebound in both demand and output. Economic fundamentals actually have improved, especially as fiscal drag is dissipating and financial conditions are providing a significant tailwind for growth. With inflation stubbornly low at below 2% target, Fed is likely to keep Fed Fund Target Rate on hold for a prolonged period (mid to end-2015) even after the tapering is over. Whereas in the Euro Area, the large output gap and strong Euro are imparting a significant disinflationary bias, highlighting the need for ECB to adopt a more stimulative monetary policy stance. In Asia, barring a strong export rebound, we believe GDP growth to remain disappointing in China which could trigger more supportive policies to pull down borrowing costs and boost investment in targeted areas. The CNY might continue to weaken against USD in the near term before any encouraging economic data is released. Lastly for Japan, the outlook for Bank of Japan ("BoJ") is quite uncertain as the officials have been reiterating a bullish view on the economy, especially inflation. We still believe that the BoJ will take additional easing action this year but timing might delay into 3Q2014 as the Central Bank reassesses the impact of consumption tax hike to be temporary or lasting.

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.