

### RHB-OSK GOLDEN DRAGON FUND (formerly known as OSK-UOB GOLDEN DRAGON FUND)

This Fund aims to maximise total returns through a combination of long term growth of capital and current income.

#### INVESTOR PROFILE

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

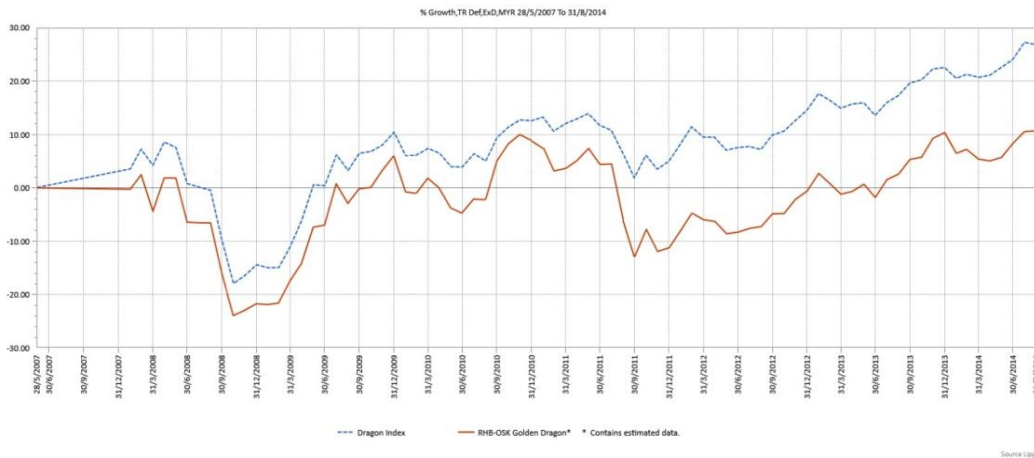
- are conservative and yet wish to participate opportunistically in the potential of the fast growing Greater China markets;
- seek a flexible investment mandate capable of capitalising and adapting to prevailing market conditions; and
- are willing to accept moderate risk in their investments in order to achieve long term capital growth and income.

#### INVESTMENT STRATEGY

- 30% - 70% of NAV: Investments in securities of and securities relating to companies whose businesses are in the Greater China (i.e. the People's Republic of China, Hong Kong SAR and Taiwan) and are listed on the Greater China markets and/or other markets.
- 30% - 70% of NAV: Investments in Malaysian fixed income securities, money market instruments, cash and deposits with financial institutions.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	0.13	4.72	3.28	0.34
Benchmark	-0.35	3.45	4.57	3.47

	1 Year	3 Years	5 Years	Since Launch
Fund	7.95	17.89	14.05	10.73
Benchmark	8.10	19.09	22.87	26.81

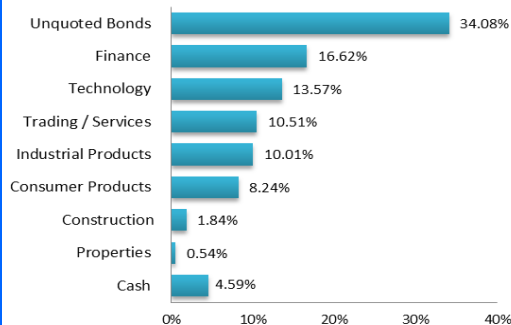
##### Calendar Year Performance (%)\*

	2013	2012	2011	2010	2009
Fund	11.05	11.94	-18.49	2.71	35.44
Benchmark	7.00	9.15	-6.89	2.05	29.08

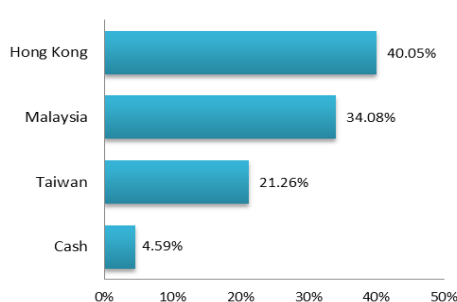
\*Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



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

PROMINIC BHD-5.05%(05/05/2061)	8.58
JIMAH ENERGY VENT-8.20%(11/11/2016)	6.59
JIMAH ENERGY VENT-8.10%(12/05/2016)	6.48
ALPHA CIRCLE-4.70 (18/11/2016)	4.85
TAIWAN SEMICONDUCTOR MANU CO LTD	4.78

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.4683	0.4683	0.6106
Low	0.4609	0.4315	0.3026

Source: Lipper IM

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

	Distribution (sen)	Yield (%)
31 Dec 2013	-	-
31 Dec 2012	-	-
31 Dec 2011	-	-
31 Dec 2010	-	-
31 Dec 2009	-	-

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

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

MSCI China remains flat and underperformed MSCI EM by 2% in August after a stellar performance in June and July. Telecom sector continues to lead the way, up 11% driven by the formation of the tower company and expanding FDD and TDD hybrid network trial. China Mobile and China Telecom rose 12% and 9% respectively. Healthcare recorded a strong gain of 8% benefiting from the government supporting measures on healthcare industry. Sinopharm increased 18% thanks to the strong results (net profit growth of 27%) and SOE reform trial. Energy stocks (SOE reform beneficiaries) performed well over last month. China oilfield, CNOOC and Petrochina increased 18%, 12% and 8% respectively. Financials was down 4% dragged by property stocks. Property market remains weak as evidence from poor residential construction starts. The property stocks declined 7% on average. China banks' 1H14 net profit growth continued to decelerate mainly due to increasing provision charges.

Consumer staples was the worst performer (-5%) due to the generally disappointing earnings as staples volume growth was somewhat lackluster in 1H14 and selling expenses were higher than expected for categories that delivered healthy topline growth. CRE and Want Want declined 12% and 10% respectively.

The monetary and credit data in July shocked the market on the weak side. China's M2 money supply rose 13.5% y.o.y in July, compared to the spike at 14.7% y.o.y in June. Banks' new loan creation slowed dramatically to 385.2 billion yuan in July, compared to 1.08 trillion yuan in June. This is the lowest monthly figure since January 2010.

In Aug, the MSCI TW went up 2.9%, outperforming both MSCI APAC Ex Japan (+0.4%) and MSCI EM indices (+2.1%). The index went down in the first few days of the month then rallied on 2Q14 results. Major drivers of the month were strong TWSE 1H14 earnings led by oil & gas, utilities and financials but partly offset by materials and consumer services. Taiwan's July IP came in better than expected, rising 6.08% over-year-ago, following 8.61% y.o.y growth in June.

**OUTLOOK AND STRATEGY**

Monetary policy has shifted toward a neutral stance since 2Q. We expect credit growth remains stable and policy rate and RRR to stay unchanged for the rest of the year. China's July CPI inflation rate came in at 2.3% y.o.y, unchanged from the reading in June. In terms of 2H14 growth outlook, we expect the pickup in develop market growth, domestic pro-growth measures and stable outlook in the service sector to support China's growth, while further adjustment in overcapacity manufacturing industries and in the real estate market will likely be a drag. Our full-year 2014 GDP growth forecast stands at 7.3% y.o.y, slightly below the government's full target of 7.5%. On valuation, MSCI China is trading at forward P/E of 9.1x, which is one standard deviation below the 6-year average.

As for Taiwan, we expect a notable pickup in global GDP growth to an above-trend pace in the range of 3%-3.5% range beginning this quarter, led by the DM world. EM growth is also expected to pick up in 2H, led by China policy support and those EM economies which will benefit from stronger DM growth. With the constructive 2H14 global outlook, Taiwan stands to benefit from firming global demand. We thus look for solid growth in Taiwan's export and industrial activity going into 2H14.

**DISCLAIMER:**

Based on the fund's portfolio returns as at 15 August 2014, the Volatility Factor (VF) for this fund is 10.9 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 10.6 but not more than 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 1 December 2013 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 restrictive geographical market, interest rate risk, credit/default risk, foreign investment risks such as country risk and currency risk and equities investment risks such as 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.