

RHB-OSK ISLAMIC BOND FUND

This Fund aims to provide regular income to investors through investments in Islamic debt securities and bonds which are acceptable investment under the principles of Shariah.

INVESTOR PROFILE

This Fund is suitable for Investors who:

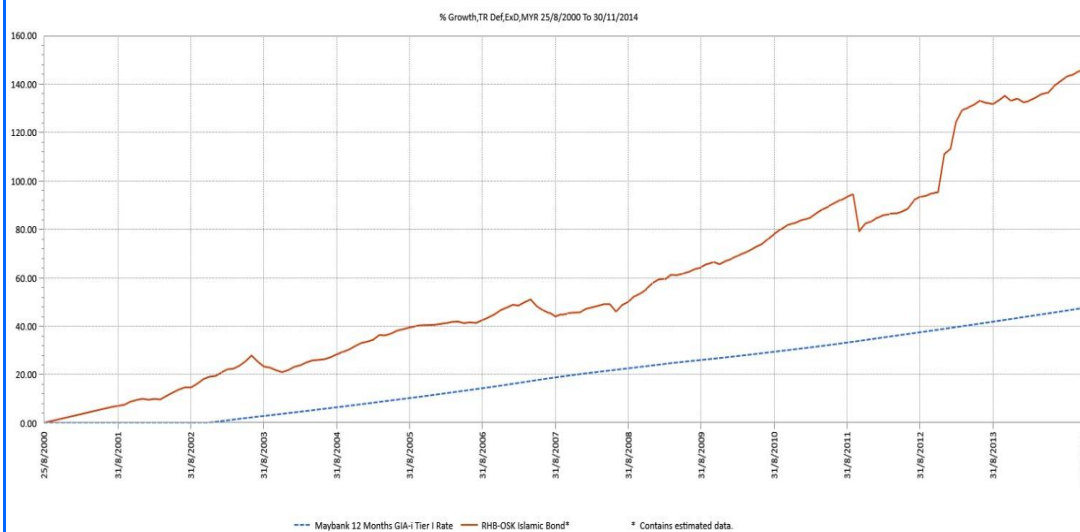
- are risk averse; want an investment that complies with the principles of Shariah;
- want to have regular income from their investment;
- want a professionally managed portfolio of sukuk and Islamic fixed income securities; and
- require higher returns than Islamic fixed deposits at an acceptable level of risk.

INVESTMENT STRATEGY

- Up to 95% of NAV: Investments in sukuk and Islamic debt instruments.
- Minimum of 5% of NAV: Investments in liquid assets acceptable under Shariah principle.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.40	1.39	4.13	5.15
Benchmark	0.27	0.82	1.64	2.96

	1 Year	3 Years	5 Years	Since Launch
Fund	5.56	34.93	48.63	146.13
Benchmark	3.23	9.92	16.36	N/A

Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	10.80	15.28	-0.06	9.84	5.81
Benchmark	3.19	3.18	3.05	2.77	2.67

*Source: Lipper IM

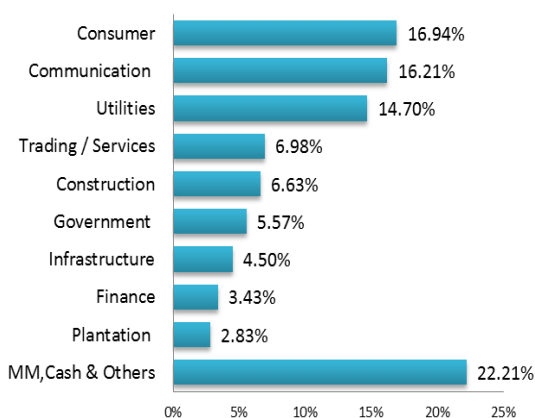
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	CIMB Islamic Trustee Bhd
Fund Category	Bond Fund (Shariah)
Fund Type	Income Fund
Launch Date	25 August 2000
Unit NAV	RM1.3200
Fund Size (million)	RM36.05
Units In Circulation (million)	27.31
Financial Year End	30 September
MER (as at 30 Sep 2013)	3.21%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	Maybank's 12 mths GIA Rate
Sales Charge	None
Redemption Charge	Up to 1% of NAV per unit on or before 1st year of investment
Annual Management Fee	Profit Sharing: 15:85 based on Net Investment Income
Annual Trustee Fee	0.10% p.a. of NAV, subject to a min. of RM35,000 p.a.*
Switching Fee	RM25.00 per switch
Redemption Period	Within 10 days after receipt the request to repurchase
Cooling-Off Period	Within 6 business days from the date of receipt of application
Distribution Policy	Annually, if any

*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 (%)*

BGSM MANAGEMENT SDN BHD (AA3)	15.64
TANJUNG BIN ENERGY ISSUER BERHAD (AA3)	10.60
WESTSTAR CAPITAL SDN BHD (AA-)	10.56
EDARAN SWM SDN BHD (AA3)	6.98
ALPHA CIRCLE SDN BHD (AA-)	5.57

*As percentage of NAV

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.3198	1.3939	1.4151
Low	1.3146	1.3056	0.9901

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)
25 Sep 2014	8.8000
30 Sep 2013	8.0000
28 Sep 2012	6.0000
30 Sep 2011	2.5000
29 Oct 2010	1.5000

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS**MARKET REVIEW**

Lower oil price posted a new concern for oil exporting country such as Malaysia. Ringgit weakened from 3.2835 at end-October to 3.3685 at end-November. Likewise, the Malaysian Government Securities ("MGS") also bearish flattened, with short-end yield increased by 6 – 12bps. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.56% (October: 3.50%), 3.75% (3.63%), 3.77% (3.77%), 3.86% (3.83%), 4.14% (4.15%), 4.24% (4.25%) and 4.59% (4.63%) respectively. On the other hand, Government Investment Issues ("GII") performed better with overall yield traded unchanged to 3 bps lower compared to last month. The 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.67% (October: 3.67%), 3.79% (3.80%), 3.99% (4.00%), 4.12% (4.12%), 4.36% (4.39%) and 4.55% (4.57%) respectively.

The 2 auctions in November – reopening of 10-year MGS (MGS 07/24, RM3.5bil, average yield 3.854%) and reopening of 5-year MGS (MGS 10/19, RM3.5bil, 3.721%) received only moderate bid-to-cover ratio of 1.56x and 1.79x respectively. This is likely due to the weak Ringgit sentiment in the market.

On the domestic economic front, BNM kept Overnight Policy Rate ("OPR") at 3.25% as widely expected. November was the last Monetary Policy Committee ("MPC") committee meeting for the year and the Central Bank has only delivered 25bps of policy rate hike throughout 2014, contrast with 50bps hike expected in the beginning of the year. September Trade surplus expanded more than expected on a sequential fall in imports. Export rose 2.0% YoY (August: 1.7% YoY), while import slowed to 1.1% YoY. Trade surplus for September was reported at RM9.33bil (August: RM 3.86bil). The increase in exports was due to higher machinery orders to US and China, which marked a sequential expansion since August. 3Q2014 GFP growth slowed to 5.6% YoY (2Q2014: 6.5% YoY) on weaker net exports as well as gross investments. Current Account surplus also narrowed sharply to RM7.6bil (or 2.8% of GDP), from RM16.0bil (or 6.1% of GDP) reported in 2Q2014. Lastly, October CPI only grew 2.8% YoY (September: 2.6% YoY, consensus: 3.0% YoY) as RON95 and diesel price was adjusted higher for the month

DISCLAIMER:

Based on the fund's portfolio returns as at 15 November 2014, the Volatility Factor (VF) for this fund is 5.4 and is classified as "Low". (source: Lipper) "Low" includes funds with VF that are above 1.1 but not more than 7.9 (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 9 September 2014 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 credit / default risk, issuer risk, interest rate risk, liquidity risk and shariah specific 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.