

RHB-OSK MALAYSIA DIVIDEND FUND (formerly known as OSK-UOB MALAYSIA DIVIDEND FUND)

This Fund aims to provide investors with capital growth and recurring income in the medium to long term through investments in securities of and securities relating to Malaysian companies which offer attractive yields and sustainable dividend payments.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

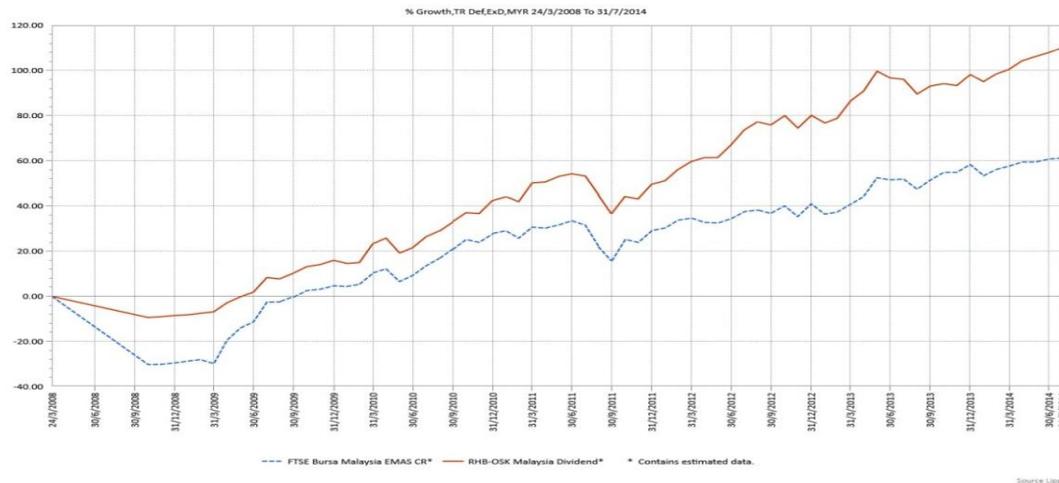
- seek a diversified domestic investment portfolio;
- seek capital growth and recurring income in the medium to long term period;
- seek a steady investment; and
- are willing to accept a moderate risk in their investment.

INVESTMENT STRATEGY

- 70% - 98% of NAV: Investment in equity and equity-related securities of Malaysian companies which offer attractive yields and sustainable dividend payments.
- 2% - 30% of NAV: Investment in liquid assets, fixed income securities, 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	1.08	2.89	7.76	5.98
Benchmark	0.28	1.12	5.05	1.81

	1 Year	3 Years	5 Years	Since Launch
Fund	7.14	37.01	93.83	110.03
Benchmark	6.12	22.49	65.23	61.07

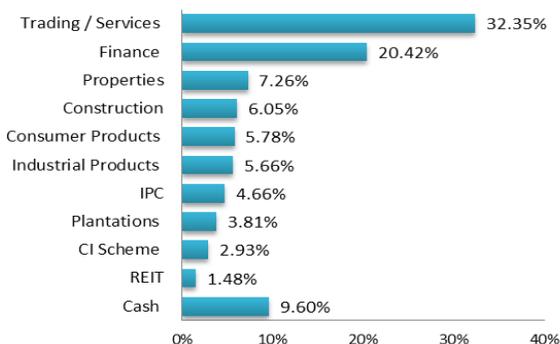
Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	10.06	20.42	5.00	23.01	26.49
Benchmark	12.38	9.05	1.10	21.95	48.57

*Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Top Holdings (%)*

TENAGA NASIONAL BHD	7.05
PUBLIC BANK BHD	5.21
SIME DARBY BHD	3.89
TELEKOM MALAYSIA BHD	3.66
BERJAYA FOOD BHD	3.12

*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	Equity Fund
Fund Type	Income and Growth Fund
Launch Date	04 March 2008
Unit NAV	RM0.3379
Fund Size (million)	RM51.22
Units In Circulation (million)	151.61
Financial Year End	31 March
MER (as at 31 Mar 2014)	1.60%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	FTSE Bursa Malaysia Emas Index
Sales Charge	Up to 5.50% of investment amount
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.08% p.a. of NAV*
Switching Fee	RM25.00 per switch
Redemption Period	Within 10 days after receipt of 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 STATISTICS

Historical NAV (RM)	1 Month	12 Months	Since Launch
	High	0.3401	0.3554
Low	0.3333	0.3222	0.2239

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
27 Mar 2014	3.3000	9.54
31 Mar 2013	2.7000	8.01
31 Mar 2012	2.1056	6.69
31 Mar 2011	2.4296	7.92
31 Mar 2010	1.6304	6.00

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

RHB-OSK MALAYSIA DIVIDEND FUND (formerly known as OSK-UOB MALAYSIA DIVIDEND FUND)

This Fund aims to provide investors with capital growth and recurring income in the medium to long term through investments in securities of and securities relating to Malaysian companies which offer attractive yields and sustainable dividend payments.

MANAGER'S COMMENTS

MARKET REVIEW

The FBMKLCI (KLCI) edged up 0.50% vs. 0.10% for the month of June to end at 1,882.71. The KLCI is up 0.84% YTD but still remains behind regional peers i.e. Jakarta +14.14%, the Philippines +16.21% and Singapore's STI +2.79%. Uncertainties surrounding the interest rate, weak quarterly earnings and unattractive regional valuations kept the KLCI at bay for the last few weeks. Despite the ongoing 2014 FIFA World Cup, local markets saw some action in the later part of June as it rose to a new all-time high of 1,892.33. There were initial thoughts of a June-July 'World Cup' slumber but the recent performance of the KLCI as well as the movements for some of the mid-cap and small cap stocks saw the overall market breathing a bit of a 'fresh air' at this juncture. Participation of foreign investors that has been alluding the market in the first half of 2014 has started to see some recovery whilst the strong showing for the small to mid cap stocks has kept the overall markets active in recent weeks. During the month, gainers were led by IHH (+7.06%), IOI Corp (+6.49%), HLFG (+6.47%), Digi (+5.72%), and MISC (+5.18%); whilst laggards were led by Public bank (-6.46%), Petronas Dagangan (-4.76%), PPB (-3.44%), and AMMB (-3%).

On the economic front, Malaysia's inflation rose in the month of May as prices of transport, food, housing and utilities increased. Consumer prices increased 3.2% from a year earlier after rising 3.4% in April. Malaysia's industrial production growth for April gained less than March after recording a 4.2% YoY growth. The electricity sector was the worst performer with output increasing 3.9% YoY while mining output rose 4.7% YoY compared to March's 0.9% decrease.

Crude Palm Oil (CPO) prices increased 1.10% MoM to close at RM2484.00/tonne as positive surprises from China's PMI data unexpectedly signaled expansion in China's economy. Crude Oil ended the month 2.59% higher at US\$105.37/barrel after the U.S. said it will send military advisers to Iraq to help repel militants in OPEC's second-biggest oil producer. The Ringgit ended the month 0.32% stronger to RM3.2094/USD on speculation policy makers will raise borrowing costs at the next meeting in July.

MARKET OUTLOOK AND STRATEGY

Leading indicators suggest that the global recovery is still taking place mainly driven by improvement in developed markets. However, in the short term basis, in particular second half of 2014, equity market might experience higher volatility and valuation adjustment once the Fed completely exit from its asset purchase program as that will trigger the investors to speculate the probability and timing of the interest rate hike. The US economy growth expectation has been revised up from 2.6% to 2.7% in 2014 with unemployment rate to improve to 6.5% in 2014 and 5.95% in 2015 as the business and manufacturing activities expand. Improvement in household wealth is expected to anchor consumer expenditure on real estate and automobiles. The European economy is showing signs of recovery with growth expectation of 1.1% by the ECB, supported by less austerity and continued strength in trade across the region. Nonetheless, the high unemployment rates, structural disparity between the core and peripheral European countries as well as the building deflationary forces remain a concern. The ECB will remain supportive with reflationary policies. Growth in emerging market and developing economies is expected to increase to 5.1% in 2014 and to 5.4% in 2015, according to IMF. Growth in China is expected to moderate to around 7.5% amid the economic transition and largely hinge on the execution of the reform blue print detailed in the Third Plenum.

Global portfolio adjustments continue from bonds to equities, despite equities being fully valued, mainly supported by confident on global economic growth outlook whilst offsetting rising bond yields. Equities in developed markets and North Asia in particular are likely to outperform on solid recovery whilst the Fed tapering will take a toll on emerging markets earnings growth due to higher borrowing costs and currency fluctuation. Emerging markets equities are likely to suffer from high volatility in the short term, however, as developed markets growth accelerate, Emerging markets should enjoy the spillover effect.

ASEAN is in healthy shape with a superior debt position relative to many markets in the West and is, in our view, standing on the brink of a multi-year structural growth story. The OECD projects an average annual growth of 5.5% for ASEAN over the next five years. Over the last decade, ASEAN GDP growth was driven by the ex-Singapore renaissance. Strong GDP growth was the result of rising productivity, the burgeoning middle class, young demographics in a huge population, governments' pro-stimulus policies on large scale infrastructure projects and increasing intra-regional trade flows as FTA come to the force.

Malaysia is expected to achieve a GDP growth of 4.5-5.5% in 2014 driven by private investment and consumption as well as the turnaround in the external demand. Efforts to rationalize subsidy and operating costs also boost investors' confidence on government's determination to rein in fiscal deficit. The major concern in 2014, however, will be the higher inflation and slower growth as a result of weaker ringgit and subsidy rationalization where after the adjustment of electricity tariff effective in January 1st of 2014 and the reduction of gas subsidy reduction.

We remained focus on investing in good quality companies with resilient earnings while we continue to hold on to our main thesis of investing on urbanization, and government's initiative in economic transformation projects. The key strategy would be to be nimble at adding or initiating new positions in well-managed companies that demonstrate a sustainable business models and decent dividend payouts with competitive advantages during the downside of the market.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 July 2014, the Volatility Factor (VF) for this fund is 9.3 and is classified as "Moderate". (source: Lipper) "Moderate" includes funds with VF that are above 7.9 but not more than 10.6 (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 for the Fund are equities investment risks such as market risk and particular security risk, interest rate risk and credit / default 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.