RHB OSK

RHB Asset Management

FUND FACTSHEET – DECEMBER 2014

All data expressed as at 30 November 2014 unless otherwise stated

3-year Fund Volatility 7.2 moderate Lipper Analytics 15 NOVEMBER 2014

RHB-OSK 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:

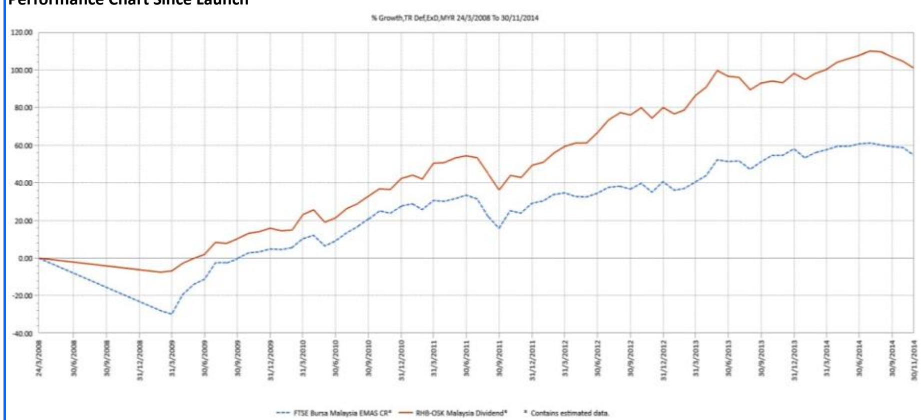
- seek a diversified domestic investment portfolio;
- seek capital growth and recurring income in the medium to long term period;
- seek a steady investment; and
- are willing to accept a moderate risk in their investment.

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	**-1.76**	**-4.06**	**-2.38**	**1.50**
Benchmark	-2.67	-3.51	-3.14	-2.45

	1 Year	3 Years	5 Years	Since Launch
Fund	**4.07**	**40.67**	**76.63**	**101.14**
Benchmark	-0.26	24.59	49.58	54.34

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*

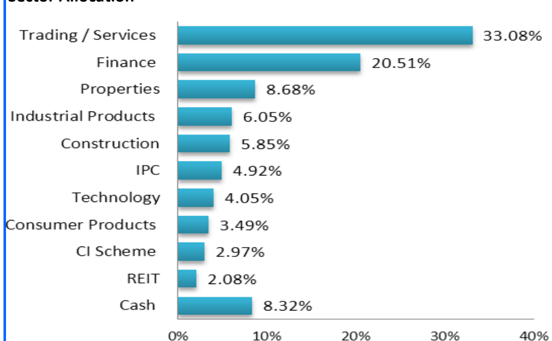
FUND DETAILS

Investment Manager	RHB Asset 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	RM0.3236
Fund Size (million)	RM50.43
Units In Circulation (million)	155.84
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 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 (%)*

TENAGA NASIONAL BHD	8.22
PUBLIC BANK BHD	5.47
SIME DARBY BHD	4.03
BERJAYA FOOD BHD	3.84
MALAYAN BANKING BHD	3.83

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.3297	0.3554	0.3563
Low	0.3213	0.3103	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.

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3-year Fund Volatility 7.2 moderate Lipper Analytics 15 NOVEMBER 2014

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MANAGER'S COMMENTS

MARKET REVIEW

The FBMKLCI (KLCI) dropped 1.72% in November to close at 1,820.89. The underlying tone was downbeat as investors continue to sell equities due to weak corporate earnings whilst weak oil prices affected sentiments. Third quarter GDP printed 5.6% which was in-line with expectations. State oil firm Petroliam Nasional ("Petronas") guided that it will cut capex for 2015 by 15-20% due to the falling oil prices did not help either. On the economic front, Malaysia's exports and imports both came in below expectation in September whilst industrial production was in-line.

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.