RHB OSK
RHB Asset Management

FUND FACTSHEET – SEPTEMBER 2014

All data expressed as at 31 August 2014
unless otherwise stated

RHB-OSK MULTI ASSET REGULAR INCOME FUND (formerly known as OSK-UOB MULTI ASSET REGULAR INCOME FUND)

The Fund aims to provide regular income and medium to long term capital growth through a multi asset strategy.

INVESTOR PROFILE

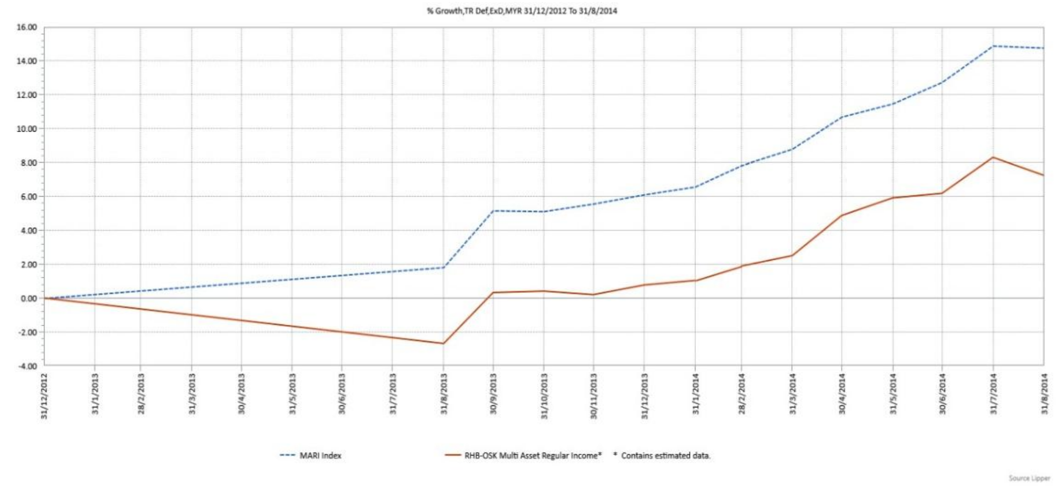
This Fund Is Suitable For Investors Who:
- seek regular income and capital growth over the medium to long term;
- are willing to accept moderate risk in their investments; and
- wish to benefit from investment exposure in the Asia and Asia Pacific (ex Japan) region.

INVESTMENT STRATEGY

- 65% - 98% of NAV: Investments in Asian (ex Japan) debt instruments / bonds, Asia Pacific (ex Japan) dividend equities and Asia Pacific (ex Japan) REITs.
- 2% - 35% 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	**-0.99**	**1.25**	**5.25**	**6.41**
Benchmark	-0.10	2.96	6.43	8.14

	1 Year	Since Launch
Fund	**10.18**	**7.23**
Benchmark	12.70	14.76

Calendar Year Performance (%)*

	2013
Fund	**0.77**
Benchmark	6.12

**Source: Lipper IM*

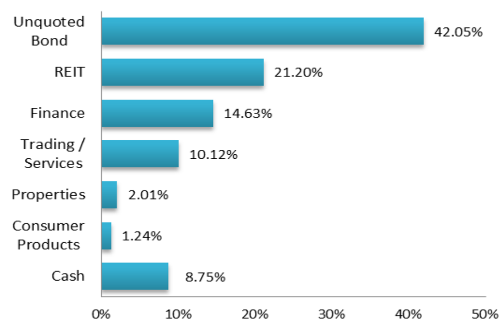
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.(formerly known as RHB Investment Management Sdn Bhd)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Mixed Asset Fund
Fund Type	Income and Growth Fund
Launch Date	07 December 2012
Unit NAV	RM0.5211
Fund Size (million)	RM72.50
Units In Circulation (million)	139.14
Financial Year End	31 January
MER (as at 31 January 2014)	2.18%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	50% JP Morgan Asia Credit Index TR Composite (RM) + 30% MSCI AC Asia Pacific ex Japan Index (RM) + 20% MSCI AC Asia Pacific ex Japan REITS Index (RM)
Sales Charge	Up to 5.00% of investment amount
Redemption Charge	None
Annual Management Fee	1.80% p.a. of NAV*
Annual Trustee Fee	0.08% p.a. of NAV, subject to a minimum of RM18,000 p.a.*
Switching Fee	RM25.00 per switch
Redemption Period	Within 10 days after receipt the request to repurchase
Distribution Policy	Quarterly, if any

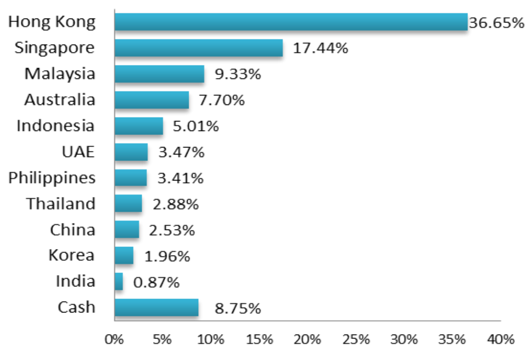
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

YUEXIU PROPERTY-4.5% (24/01/2023)	5.52
CHAMPION MTN LTD-3.75%(17/01/2023)	4.35
COSCO PACIFIC-4.375%(31/01/2023)	4.06
EMIRATES NBD-5.75% (30/05/2019)	3.47
JGSH PHILIPPINES-4.375%(23/01/2023)	3.41

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5263	0.5263	0.5263
Low	0.5183	0.4790	0.4636

Source: Lipper IM

Historical Distributions (Last 4 Quarters) (Net)

	Distribution (sen)	Yield (%)
30 Jul 2014	0.3600	0.71
28 Jan 2014	0.2000	0.41
30 Oct 2013	0.0700	0.14
26 Jul 2013	0.3630	0.75

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

Head Office: 19th Floor, Plaza OSK, Jalan Ampang, 50450 Kuala Lumpur. **General Line: 603-2164 3036** **Fax: 603-2164 4226** **Website: www.rhbgroup.com**

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MANAGER'S COMMENTS

MARKET REVIEW

Global equity markets gained in August with emerging markets and developed markets performing on par. Asia equities lagged in August though the region remains the best-performing year-to-date. Across other asset classes, fixed income markets similarly gained with high yield outperforming developed markets while commodities was the worst-performing asset class with energy and agriculture posting negative returns. A dip in China's purchasing managers' index (PMI) renewed doubts about the country's economic momentum, causing the market to underperform.

Sector performance across Asia ex-Japan was mixed. Healthcare, telecommunication services and energy outperformed with strong gains while materials, consumer discretionary, industrials and financials underperformed with losses. Performance across markets was similarly varied in August. Thailand, Taiwan, the Philippines and India outperformed while Singapore, Indonesia Hong Kong and Korea underperformed.

In terms of the macroeconomic backdrop, global leading indicators were mostly stable in August. In the developed markets, the US PMI rose to 59.0 from 57.1 and Japan PMI improved to 52.2 from 50.5 while Europe and the UK PMI dipped. China's official PMI fell back to 51.1 from 51.7 in August, with the private sector HSBC PMI similarly declining to 50.2 from 51.7 in July. Inflation continued to remain stable across most markets though Eurozone continued to slip.

The China and Hong Kong markets were dragged down by the weaker-than-expected economic and monetary data. Besides a decline in the PMI, the fixed asset investment growth, industrial production and retail sales all came in below expectations. The drop in total social financing (TSF) and bank loans was particularly significant. TSF in July fell to RMB273bn from RMB1970bn in June while new bank loans slowed to RMB385.2bn in July from RMB1.08 trillion in June. On the easing of the August PMI, the national bureau of statistics commented that this reflected softer demand conditions and business operation activity.

The Asean market as a whole underperformed the broader Asia ex-Japan market, though performance across the various markets was diverse. Thailand market outperformed as the military leaders presented a new cabinet, which included former central banker Pridiyathorn Devakula as a deputy prime minister with special responsibility for overseeing economic strategy. The Philippines market benefited from the MSCI's Quarterly Index Review with an increase in weight of key index heavyweights, as well as strong 2Q14 GDP data. In Indonesia the Constitutional Court rejected lawsuits filed by presidential challenger Prabowo, affirming Jokowi as Indonesia's new president.

The other Asian markets – Taiwan, Korea and India underperformed. Taiwan market saw profit-taking after a strong performance in the technology stocks prompted some broker downgrades and investors rotated into non-tech and financial sectors. Though underperforming the broader Asian market, Korea index reached a near-3-year high as the government announced measures to support the economy and 2Q14 earnings beat expectations. India market took a breather in July after the strong performance post-elections, with a reversal from cyclical into defensive sectors.

ASIA FIXED INCOME OUTLOOK

The Asia fixed income outlook continues to remain attractive as both global interest rates remain low and the Asian economic and credit outlook improves. We have expect the market to push up long-term rates all year toward a 3% level for the 10y UST, but it remains at low levels closer to 2.5%. For the fourth quarter of 2014 we now target a range of 2.65% to 2.85%. We still think US growth and inflation trends re strong enough to warrant a 3% UST yield but accept that the market will take longer than expect to be convinced by US growth.

Other factors that have contributed to the lower UST yield have been the rising global geopolitical risks that prompt investors flee from riskier assets and into safer government bonds. The Ukraine crisis, the conflicts in Iraq, Syria and Israel and the independence vote in Scotland all pose potential volatility threats to global markets.

The case for US interest rates rising remains strong in our view. Employment, economic growth, credit growth, and inflation data all are improving at healthy rates. The US FED will end its quantitative easing program in Oct and we expect that it will hike the Fed Fends rate by the middle of 2015. Thus we expect an environment of rising rates but at a gradual pace.

Interest rate cycles in the rest of the world are more mixed. Most developed markets are not likely to raise rates in the next year and most emerging markets have already raised rates to some degree over the past year. Nevertheless, with the US dollar being the largest reserve currency in the world, the start of an increase in the US rate cycle should have significant effects on most regions. We would expect that either the currencies of other regions will devalue vs the US dollar (such as we would expect in Europe and Japan), or interest rates will see some further increases as well (such as we would expect in parts of the emerging markets).

At the same time Asian macro-economic data has been modestly improving. This creates a healthy backdrop for Asian credits as rates remain low but credit quality is improving. On the whole, we remain positive about the Asian credit outlook and prefer Asian USD debt.

MARKET OUTLOOK AND STRATEGY

Asia's income markets continue to have an attractive outlook as economic conditions improve but global rates remain low. Both equity dividend income and credit yields should be able to deliver steady performance in such an environment.

We believe that Asia equity markets continue to offer opportunities for growth with the region trading at attractive valuations. Despite the short-term risks from a slowing China, Asia remains the fastest growing region in the world and a beneficiary of global economic recovery.

Our fixed income strategy is to maintain a medium duration portfolio of about 5 years on average. We prefer corporate bonds over government bonds. Geographically, we remain fairly balanced through the region. We think the yield outlook is attractive at a little over 4%.

For equity dividends we are more biased toward growth companies with dividends such as technology and financial. REITs had been a strong overweight but we are more neutral now that their share prices have recovered.