FUND FACTSHEET – JUNE 2014

All data expressed as at 30 May 2014 unless otherwise stated

3-year Fund Volatility 5.1 low Lipper Analytics 15 MAY 2014

RHB-OSK MUHIBBAH INCOME FUND (formerly known as OSK-UOB MUHIBBAH INCOME FUND)

This Fund aims to maximise total returns through a combination of medium to long term growth of capital and current income consistent with the preservation of capital.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

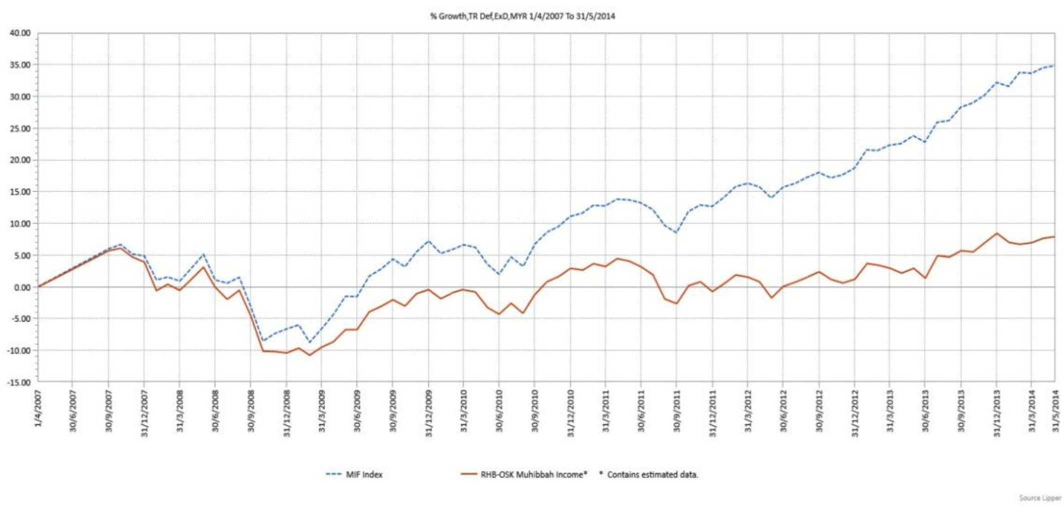
- are conservative and willing to accept moderate risk in their investment;
- wish to have some Shariah-compliant equities exposure in a predominantly sukuk portfolio;
- require investments that comply with Shariah requirements; and
- are concerned with socially responsible investing and ethical issues, such as drugs and tobacco, proliferation of weapons, pollution and fair labour practices.

INVESTMENT STRATEGY

- Up to 40% of NAV: Investments in Shariah-compliant securities of and Shariah-compliant securities relating to companies that have dividend and / or growth potential.
- 60% - 100% of NAV: Investments in Malaysian sukuk, Islamic money market instruments, cash and Islamic deposits with financial institutions.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	**0.24**	**1.11**	**0.87**	**-0.49**
Benchmark	0.25	0.81	3.58	2.02

	1 Year	3 Years	5 Years	Since Launch
Fund	**4.84**	**3.67**	**15.63**	**7.89**
Benchmark	8.93	18.63	36.94	34.85

Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	**7.12**	**1.96**	**-3.54**	**3.32**	**11.12**
Benchmark	11.36	5.37	1.23	3.79	14.84

**Source: Lipper IM*

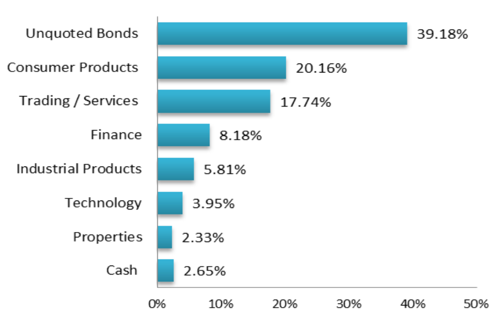
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Balanced Fund (Islamic / Shariah-Compliant Fund)
Fund Type	Income and Growth Fund
Launch Date	12 March 2007
Unit NAV	RM0.5090
Fund Size (million)	RM3.89
Units In Circulation (million)	7.64
Financial Year End	31 March
MER (as at 31 Mar 2014)	1.84%
Min. Initial Investment	RM1,000.00
Min. Additional Investment	RM100.00
Benchmark	40% DJIM + 60% RAM QuantShop GII (medium term) Index
Sales Charge	Up to 6.00% 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

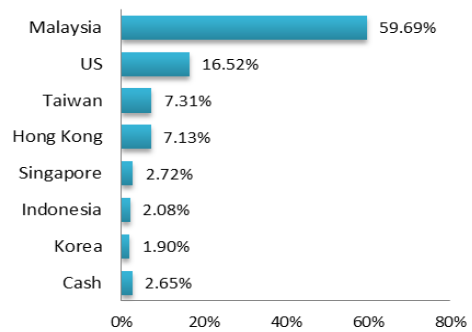
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

SARAWAK ENERGY BHD-5.15%(23/6/2021)	13.22
BGSM MGMT SDN BHD-5.6% (27/12/2023)	13.10
FIRST RESOURCES-4.45%(31/7/2017)	12.87
COCA-COLA CO LTD	10.16
NIKE INC-CL B	6.36

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5100	0.5114	0.5114
Low	0.5060	0.4781	0.4084

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
31 Mar 2014	-	-
31 Mar 2013	-	-
31 Mar 2012	-	-
31 Mar 2011	-	-
31 Mar 2010	-	-

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

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RHB OSK
RHB Asset Management

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MANAGER'S COMMENTS

MARKET REVIEW

For the month of May MSCI Asia Pacific index outperformed the MSCI World index and the US S&P500 Composite. For Asia Pacific markets, the best performing countries for the month were India, Hong Kong, and China. The weakest were New Zealand, Thailand and Indonesia. For other regions, US market posted new-high in May 2014, while Europe market continue to remains positive.

The US economic data reports published in May showed that the recovery continues, but much of the Chinese data indicated that growth continues to slow. In the US, the ISM manufacturing index for April (released on 1 May) improved MoM, and the April employment report showed growth of 288,000 in non-farm payrolls. Concern about housing market weakness was not wholly dispelled by the data: housing starts increased substantially MoM but family housing was flat.

Real GDP growth in US for 1Q was revised down to minus 1.0% QoQ, but the revision was chiefly due to inventories and does not impact the recovery outlook. In the Eurozone, the data for March and April suggested a slight slowdown. . In China, April industrial production and fixed asset investment continued to slow, but April exports and the May HSBC manufacturing PMI showed signs of bottoming.

The global bond markets continued to rally in May as Ukraine crisis remained escalated, weaker China's economic numbers coupled with mixed US data and reiteration statement by Yellen for low US interest rate environment induced buying spree by investors and portfolio managers who were largely remained in cash since early of the year. The Federal Open Market Committee minutes, indicated that taper is still on but the level of the balance sheet will likely come down slowly hence, policy rates are likely to rise slowly and it will take a few years for monetary policy to return to normal. A still weak Consumer Price Index ("CPI" Apr: 0.3% MoM, March: 0.2% MoM), and Producer Price Index ("PPI" April 0.6% MoM, March: 0.5% MoM), appears that consumption is still oscillating from the adverse winter.

Finally the contraction in the US GDP growth flattened yield curve further. At the close, the 2-, 5-, 10- and 30-year UST were traded at 0.38% (April: 0.41%), 1.54% (1.68%), 2.48% (2.65%) and 3.33% (3.46%) respectively.

Back to the domestic bond market, the hawkish tone from Bank Negara's Monetary Policy Committee ("MPC") meeting, as well as strong 1Q2014 GDP growth has caused the Malaysia Government Securities ("MGS") yield curve to underperform on the short end. The curve inched up by 10bps on the short end while tightened by 1 – 6bps on the long end. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.48% (April: 3.38%), 3.72% (3.62%), 3.94% (3.94%), 4.03% (4.08%), 4.36% (4.42%), 4.59% (4.60%) and 4.89% (4.89%) respectively. Similarly, the Government Investment Issues ("GII") also traded the same trend as MGS curve, with 3-, 5-, 7-, 10-, 15-year and 20-year benchmark yields transacted at 3.67% (April: 3.42%), 3.85% (3.81%), 4.12% (4.08%), 4.21% (4.23%), 4.50% (4.54%) and 4.85% (4.85%) respectively.

Weak MGS and GII performance have also deter Ringgit Corporate Bond buying interest which saw the average daily trading volume further declined to RM370mil, from RM387mil reported last month. AA rated trades were more popular in May, with 51.46% of registered trades, followed by GG/AAA trades of 48.23%.

Khazanah 08/24 was last dealt at 4.61% with RM330mil done, Cagamas 09/2019 at 4.10% with RM165 transacted while Danainfra 10/2033 printed RM140mil at 5.16%. In the primary space, the notable issuance in May was AMAN Sukuk's RM1bil initial offering which was upsized to RM1.58bil after strong demand

OUTLOOK & STRATEGY

We continue to believe that the global economic activity will pick up its pace this year. The developed markets will continue to be the main driver. After a contraction in 1Q14, US economy may start to pick up again from the 2Q14. There have been some good economic figures released from the first 5 months of this year which pointed out some optimism in the US economy. Elsewhere, the growth from Europe which turned positive from the second half of last year may continue to remain on its momentum to a slow recovery this year.

Though we may see some risk coming out of China, the property slowdown and the risk of a contraction of its credit booms, its export markets show signed of improvement and the effort by the Government providing selective stimulus for its economy helped to minimize the pessimistic outlook of its financial markets.

Politics are currently playing a crucial role in India, Indonesia and Thailand. Economic outlook has waned in Thailand as there has been a weakness in its exports markets. Given this strong uncertainty in both politics and economic side, there are plenty of reasons to be cautious on Thailand's financial markets.

Overall, we continue to favor equities, as we believe that the global economic activity will continue its pace for a recovery this year, thus provide an impetus to the stocks market across the region.

DISCLAIMER:

Based on the fund's portfolio returns as at 15 May 2014, the Volatility Factor (VF) for this fund is 5.1 and is classified as "Low". (source: Lipper) "Low" includes funds with VF that are above 1.3 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 31 December 2013 which is calculated once every six months and is valid until its next calculation date, i.e. 30 June 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 reclassification of Shariah status risk, interest rate risk, credit/default risk, foreign investment risks such as country risk and currency risk and equity 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.