RHB OSK
RHB Asset Management

FUND FACTSHEET – NOVEMBER 2014

All data expressed as at 31 October 2014 unless otherwise stated

3-year Fund Volatility 12.1 very high Lipper Analytics 15 OCTOBER 2014

RHB-OSK RESOURCES FUND

This Fund aims to achieve long term capital appreciation through investments in securities of companies whose businesses are in or are substantially related to the natural resources sectors.

INVESTOR PROFILE

This Fund Is Suitable For Investors Who:

- wish to capitalise on the opportunities offered by the natural resources sectors;
- seek an investment well-diversified across the Asia Pacific markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

INVESTMENT STRATEGY

- Up to 98% of NAV: Investments in securities of companies whose businesses are in or are substantially related to the natural resources sectors.
- 2% - 5% of NAV: Investments in liquid assets including bonds, 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	**-0.32**	**-7.82**	**-5.90**	**2.17**
Benchmark	1.55	-4.85	-3.57	-1.76

	1 Year	3 Years	5 Years	Since Launch
Fund	**2.84**	**1.56**	**10.78**	**85.19**
Benchmark	-1.05	-13.24	-8.16	46.49

Calendar Year Performance (%)*

	2013	2012	2011	2010	2009
Fund	**-2.12**	**5.52**	**-17.05**	**16.18**	**55.45**
Benchmark	-5.10	-2.51	-14.78	9.90	68.44

**Source: Lipper IM*

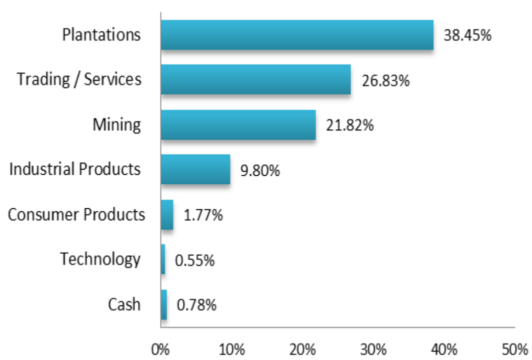
FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd.
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Equity Fund
Fund Type	Growth Fund
Launch Date	16 May 2006
Unit NAV	RM0.5658
Fund Size (million)	RM99.43
Units In Circulation (million)	175.72
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	50% FBM Asian Palm Oil Plantation Index + 25% Bloomberg Asia Pac Mining (RM) + 25% MSCI Asia Pac Energy (RM)
Sales Charge	Up to 5.26% of investment amount
Redemption Charge	None
Annual Management Fee	1.50% p.a. of NAV*
Annual Trustee Fee	Up to 0.07% 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

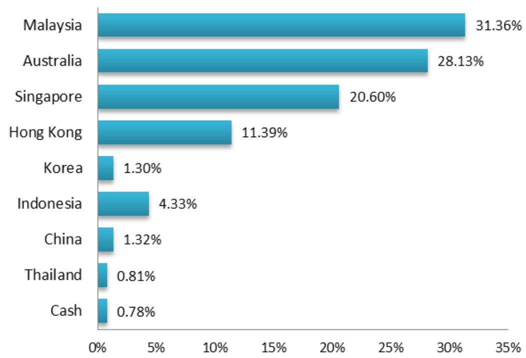
**For the purpose of computing the annual management fee and annual trustee fee, the NAV of the Fund is exclusive of the management fee and trustee fee for the relevant day.*

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Country Allocation*



Top Holdings (%)*

WILMAR INTERNATIONAL LTD	9.85
SIME DARBY BHD	9.53
BHP BILLITON LTD	7.85
KUALA LUMPUR KEPONG BHD	6.61
GOLDEN AGRI-RESOURCES LTD	5.34

**As percentage of NAV*

FUND STATISTICS

Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.5676	0.6188	0.8501
Low	0.5390	0.5189	0.3965

Source: Lipper IM

Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
31 Mar 2014	-	-
31 Mar 2013	-	-
31 Mar 2012	-	-
31 Mar 2011	3.7760	6.12
31 Mar 2010	2.3805	4.22

Source: RHB Asset Management Sdn. Bhd.

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MANAGER'S COMMENTS

MARKET REVIEW

October was a month of high volatility, with in a first phase, Equity markets remaining under heavy selling pressures as macroeconomic data in China and the US increased the fears of a possible ongoing deflationary environment. However, by mid-month, equity markets rebounded as positive earnings from US and Asian companies reporting their Q3 earnings and bargain hunting based on improved valuation had a positive impact on investors 'sentiment. In the US, as expected the Fed announced the end of its Quantitative Easing program. In voting to end QE now, the Federal Open Markets Committee decided to disregard the recent decline in inflation expectations indicated by the bond market. The committee reiterated that a "considerable time" will pass between the conclusion of QE3 at the end of October and the first rate hike. While this suggests under a baseline economic scenario that a rate hike remains unlikely near-term, there were several indications of a FOMC that is tapering the strength of its forward guidance and moving incrementally closer to a rate hike. Indeed, futures market expectations for the end-15 Fed Funds rate have modestly rebounded after falling steeply for most of October. The FOMC announcement combined with the announcement of additional Quantitative easing in Japan, pushed the USD to reach a new high versus JPY. The strength of the USD against all major DM and Asians currencies continued to impact capital flows into EM in general and into Asia in particular. Despite the USD strength and a relatively less accommodative statement, the US 10-year yield decline from 2.48% to 2.33%.

In China, latest macroeconomic data have confirmed some signs of stabilization after the recent weakness of the economy with the industrial activity showing some signs of improvement. Given the ongoing seasonal restocking period until Chinese New Year, we can expect further improvements in the coming months. However, signs of persistent credit crunch continue to be a major drag for a significant reacceleration of the Chinese economy. While the government is likely to address this soft patch in Chinese macroeconomic data by further targeted easing in the coming months, it seems that the Chinese government is now ready to accept a lower than targeted 7% GDP growth for this year. In fact, for the time being, the policy makers are resisting the pressure to cut rates or RRR universally by opting for conditional easing. While both SLF and RRR cuts should be seen as monetary easing, the former is a more contained measure with liquidity provided for three months each time (can be rolled over afterwards) that keeps the rein in the central bank's hand. In comparison, SLF also has a much more muted signaling impact, which is seen as less harmful against the administration's pro-reform image. For the time being, the weakness in Chinese domestic demand combined with the USD strength and the expectation of a less accommodative monetary policy in the coming quarters in the US have a negative impact on the Mining and Energy sectors. During the period under review, the Mining and Energy sub-index suffered from the ongoing low demand from China and the relative strength of the USD. Historically, commodity prices and USD have been negatively correlated. In fact, there is a strong tendency for metal prices to fall in periods when the dollar is rising (and rise when the dollar is falling). The Oil price has been under significant pressure as OPEC failed to react for the time being to lower demand from EM. On the other hand the Plantation index recorded a V-shape rebound, boosted by a significant rebound of the CPO price in the aftermath of the decision of the Malaysian government to implement its B7 biodiesel scheme for Peninsular Malaysia three months ahead of schedule.

For the month of October, the Resources Fund NAV/unit decreased by 0.32 %, compared to the benchmark's increase of 1.46%. The undeperformance was mainly due to the Fund's negative sector allocation in the Mining and Energy sector. Moreover, stocks 'selection in the Energy and Mining sectors also contributed negatively to the Fund relative performance.

During the period under review, we continued to accumulate companies in the Plantation and the Energy sectors as we expect that CPO prices to rebound in Q4 as seasonally lower production and higher demand will sustain prices. We also expect the oil price to have found a floor around USD85 per barrel Brent crude and as we acknowledge that the oil market prospects are not really favourable for the time being, a lot of companies in the sector have been excessively been de-rated. On the other hand, given the recent soft patch of the Chinese economy, we slightly reduced our exposure to the mining sector from Neutral to Underweight, taking some profits among Gold and Copper names.

From stock's selection point of view, we opportunistically booked our profits in ROC Oil and Mitsubishi Materials. We also removed Malaysia Steel Works, S-Oil; SK Innovation; Inpex and JX Holding from our stocks'selection. On the other hand, we increased our exposure to Sinopec; CNOOC; Woodside Petroleum; Santos and added to our Fund's selection Ezion Holding; Pacific Radiance and Hilong Holding. In the plantation sector, we added Sawit Sumbermas Sarana and increased weighting in KLK and Golden Agri Resources.

During the period under review, the Fund's positive contributors were Kuala Lumpur Kepong; Sime Darby; Wilmar International; Jiangxi Copper and Sawit Sumbermas Sarana. On the other hand, PanAust; Antares Energy; CNOOC; China Oilfield Services and Cooper Emergy contributed negatively to the Fund's performance.

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