

### RHB-OSK RESOURCES FUND (formerly known as OSK-UOB 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:

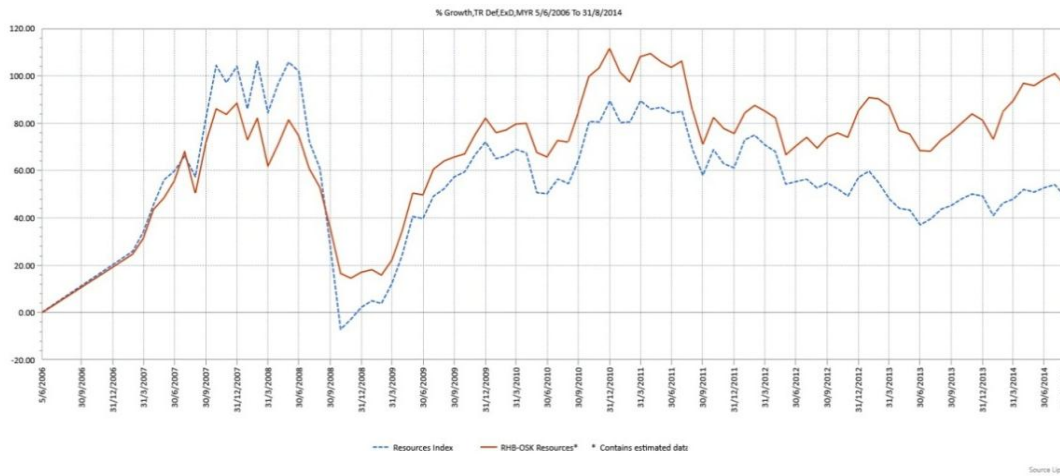
- wish to capitalise on the opportunities offered by the natural resources sectors;
- seek an investment well-diversified across the Asia Pacific markets;
- are willing to accept moderate to high risk in their investments; and
- prefer capital growth rather than income over a long term period.

#### 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	-2.64	-0.10	5.86	7.91
Benchmark	-3.28	-1.25	1.91	-0.15

	1 Year	3 Years	5 Years	Since Launch
Fund	13.14	5.40	19.18	95.60
Benchmark	3.70	-11.82	-2.17	48.91

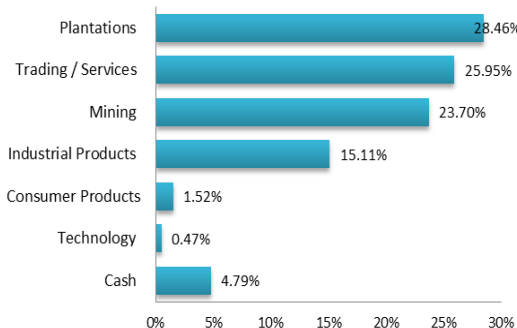
##### Calendar Year Performance (%)\*

	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

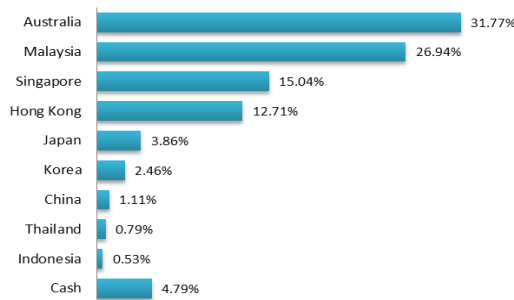
\*Source: Lipper IM

#### FUND PORTFOLIO ANALYSIS

##### Sector Allocation\*



##### Country Allocation\*



##### Top Holdings (%)\*

SIME DARBY BHD	8.69
BHP BILLITON LTD	8.66
WILMAR INTERNATIONAL LTD	8.55
IOI CORPORATION BHD	5.22
KUALA LUMPUR KEPONG BHD	5.14

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	0.6138	0.6188	0.8501
Low	0.5976	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. (formerly known as RHB Investment Management Sdn. Bhd.)

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**MANAGER'S COMMENTS**

**MARKET REVIEW**

August was a month of mixed performances for regional Equity markets as they started on a softer note after having reached a 5-year high at the end of July. However, renewed positive macroeconomic data in the US and easing geopolitical tension in the Middle-East and in Ukraine continued to keep investors' sentiment at a relatively high level. Although valuations of Equity Market are now less attractive, especially in Developed Markets, investors continued to remain in a "Risk On" mode given the ongoing "goldilocks" environment in the US. Therefore the US 10-year yield reached a new 1-year low, ending the period under review at 2.34%. In China, latest macroeconomic data have shown some weaknesses after the recent targeted stimulus measures taken by the government to stimulate the economy. The Chinese government is expected to continue to roll out some targeted measures to support growth, such as easing policy regulation to ease its policy on the property sector. We could also see in the coming months further funding for social housing development/downtown development which would be associated as a "China-style" Quantitative Easing. Moreover, if growth slows again in Q4, we think that the government may loosen policy further by cutting the reserve requirement ratio by 50bp. Moreover, the Renmimbi continued strengthening as market remained confident the Chinese economy is able to avoid a blow-up of its financial sector. Therefore, the new stimulus policy should continue to have positive impact on the Mining and Energy sectors as Chinese demand started to register pickup recently.

During the period under review, the Energy sub-index continued to benefit from the stimulus measures announced by the Chinese government as well as low long-term interest rate in the US. On the other hand, the mining index registered some profit taking after its strong performance of the previous months while the Plantation sector remained pressured by CPO prices declining below MYR2000, its lowest level since 2009.

For the month of August, the Resources Fund NAV/unit decreased by 2.64%, compared to the benchmark's decline of 3.25%. The outperformance was mainly due to the Fund's underweight allocation in the Plantation sector. Moreover, stocks' selection in the Energy and Plantation sectors contributed positively to the Fund relative performance.

During the period under review, we continued to decrease our exposure to the Plantation sector increasing our Underweight allocation while we opportunistically re-build position in the Energy sector, moving the sector from Underweight to Overweight. While we remain cautious on the evolution of the oil price in the coming months, we think that the sector offers some opportunities in terms of valuation, especially among the small cap companies in Australia where we can expect further consolidation in the coming months. Our current Overweight allocation in the Mining sector is tactical by nature as we think that the sector offer positive risk/reward in the short-term as the recent decision of the Chinese government to support the economic growth through targeted stimulus measures will impact positively metal demand and prices in the coming quarters. On the other hand, with an El Niño less likely to materialize, we think there are increasing downside risks for the Plantation sector EPS' revisions.

From stock's selection point of view, we opportunistically booked our profits in Astra Agro lestari and China Coal Energy among others in the Plantation and Energy sectors. Moreover, we reduced exposure to IOI and Sime Darby in the plantation sector as we scaled down further our exposure to the sector.

On the other hand, we added to our Fund's selection Antares Energy; Drillsearch Energy and Dongusng Finetec in the Energy sector and QL Resources and United Malacca in the Plantation sector. We also increased our weighting in Iluka in the mining sector. During the period under review, the Fund's positive contributors were CNOOC; Petrochina and Whitehaven Coal. On the other hand, BHP Billiton; Rio Tinto; IOI Corp; KLK and Wilmar Intl contributed negatively to the Fund's performance.

**DISCLAIMER:**

Based on the fund's portfolio returns as at 15 August 2014, the Volatility Factor (VF) for this fund is 13.8 and is classified as "Very High". (source: Lipper) "Very High" includes funds with VF that are above 13.0 (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 of the Fund are price volatility, focus on natural resources sectors, changes in environmental regulations and laws, country risk and currency 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.