

### RHB-OSK SMART BALANCED FUND (formerly known as OSK-UOB SMART BALANCED FUND)

This Fund aims to maximize total returns through a combination of long term growth of capital and current income consistent with the preservation of capital through a combination of investments in companies with market capitalization of not more than RM1 billion and investments in fixed income securities.

#### INVESTOR PROFILE

##### This Fund Is Suitable For Investors Who:

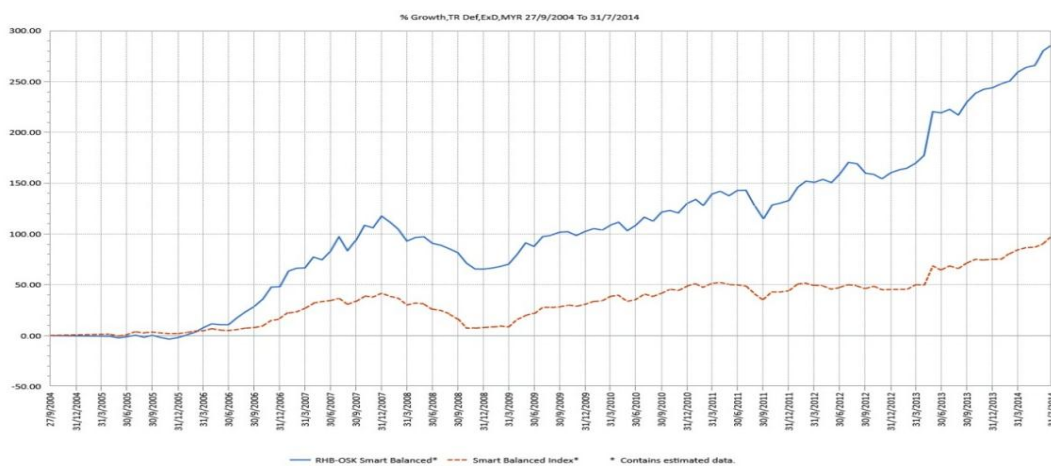
- willing to accept moderate risk in their investments in order to achieve long term capital growth and income.

#### INVESTMENT STRATEGY

- 40% - 60% of NAV: Investments in securities of companies with market capitalization of not more than RM1 billion.
- 40% - 60% of NAV: Investments in fixed income securities, money market instruments, cash and deposits with financial institutions.

#### FUND PERFORMANCE ANALYSIS

##### Performance Chart Since Launch\*



##### Cumulative Performance (%)\*

	1 Month	3 Months	6 Months	YTD
Fund	1.52	6.01	11.05	12.28
Benchmark	3.98	6.02	13.17	13.30

	1 Year	3 Years	5 Years	Since Launch
Fund	19.68	59.03	95.45	286.08
Benchmark	17.50	33.07	54.83	98.02

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

	2013	2012	2011	2010	2009
Fund	32.22	11.58	1.27	13.84	22.09
Benchmark	20.40	0.76	-2.26	13.48	22.91

\*Source: Lipper IM

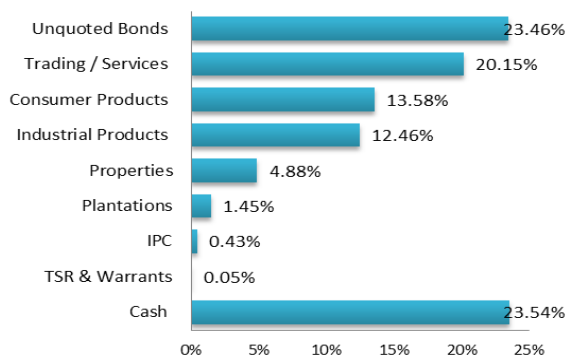
#### FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn. Bhd.)
Trustee	HSBC (Malaysia) Trustee Bhd
Fund Category	Balanced Fund
Fund Type	Income and Growth Fund
Launch Date	07 September 2004
Unit NAV	RM1.2487
Fund Size (million)	RM69.05
Units In Circulation (million)	55.30
Financial Year End	31 March
MER (as at 31 Mar 2014)	1.69%
Min. Initial Investment	RM200.00
Min. Additional Investment	Any amount
Benchmark	50% FBM Small Cap Index + 50% 12-month FD rate by Maybank Bhd
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	None
Redemption Period	Within 10 days after receipt of 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 (%)\*

UZMA BERHAD	2.99
PUBLIC BANK BOND-5.10% (22/12/36)	2.94
PROMINIC BHD-5.05%(05/05/2061)	2.92
HONG LEONG BANK BHD-4.%(21/6/2024)	2.90
GOLDEN ASSETS INT-4.35%(17/11/2017)	2.86

\*As percentage of NAV

#### FUND STATISTICS

##### Historical NAV (RM)

	1 Month	12 Months	Since Launch
High	1.2658	1.2658	1.2658
Low	1.2300	1.0826	0.4557

Source: Lipper IM

##### Historical Distributions (Last 5 Years) (Net)

	Distribution (sen)	Yield (%)
31 Mar 2014	7.5000	6.63
31 Mar 2013	-	-
31 Mar 2012	4.9350	5.62
31 Mar 2011	-	-
31 Mar 2010	-	-

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

**RHB-OSK SMART BALANCED FUND (formerly known as OSK-UOB SMART BALANCED FUND)**

This Fund aims to maximize total returns through a combination of long term growth of capital and current income consistent with the preservation of capital through a combination of investments in companies with market capitalization of not more than RM1 billion and investments in fixed income securities.

**MANAGER'S COMMENTS**

**WHY SMART BALANCED?**

- Invest in mid to small cap companies that offer high growth potential
- Flexibility to shift between equities (up to 60%) and fixed income (up to 40%) depending on market conditions

**MARKET REVIEW**

In July, financial markets exhibit increase volatility as investors build in higher political risk premium amid on-going regional geo-political tension. Market sentiment and investors expectation turned cautious on the back of Ukraine crisis and potential US-EU led sanctions on Russia. FBM KLCI eased marginally, -0.6% mom to 1871pt while YTD still recorded flattish return, +0.24%. In the meantime, Small Cap Index remained robust and buoyant, outperform in July, +6.33% and +21.49% YTD, KLCI Fledgling Index +4.71% mom and +26.78% YTD.

**FUND REVIEW**

Smart Balanced's NAV posted a gain of 1.5%, underperforming its benchmark's (50% FBM Small Cap Index + 50% 12-month Fixed Deposit) increase of 3.9%. The underperformance was due to stock selection.

On sector basis, we continue to favor consumer and industrial sectors. Considering that the small caps have outperformed the bigger caps since last year, we believe careful stock selection would be the key determinant of outperformance going forward.

**DISCLAIMER:**

Based on the fund's portfolio returns as at 15 July 2014, the Volatility Factor (VF) for this fund is 12.4 and is classified as "High". (source: Lipper) "High" includes funds with VF that are above 10.6 but not more than 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 15 June 2014 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 liquidity risk of underlying investments, equity investment risks such as market risk and particular security risk, interest rate risk, credit risk and inflation/purchasing power 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.