

RHB RETIREMENT SERIES - CONSERVATIVE FUND

This Fund aims to seek to provide capital preservation for the members' investment.

INVESTMENT STRATEGY

- At least 80% of NAV: Investments in fixed income instruments and/or money market instruments, of which a minimum of 20% of the Fund's NAV must be in money market instruments.
- Up to 20% of NAV: Investments in equities.
- Up to 5% of NAV: Investments in cash and cash equivalents.

MEMBER'S PROFILE

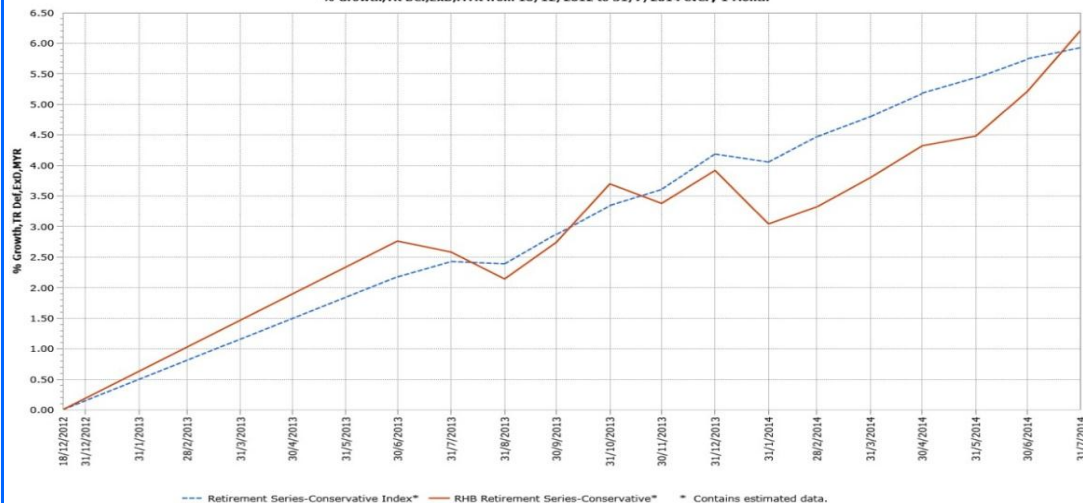
This Fund is suitable for Members who:

- have low risk profile; and
- are in the age group of 50 years old and above.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*

% Growth, TR Def, ExD, MYR from 18/12/2012 to 31/7/2014 every 1 Month



Cumulative Performance (%)*

	1 Month	3 Months	6 Months	YTD
Fund	0.96	1.82	3.09	2.21
Benchmark	0.17	0.71	1.79	1.67

	1 Year	Since Launch
Fund	3.55	6.22
Benchmark	3.41	5.92

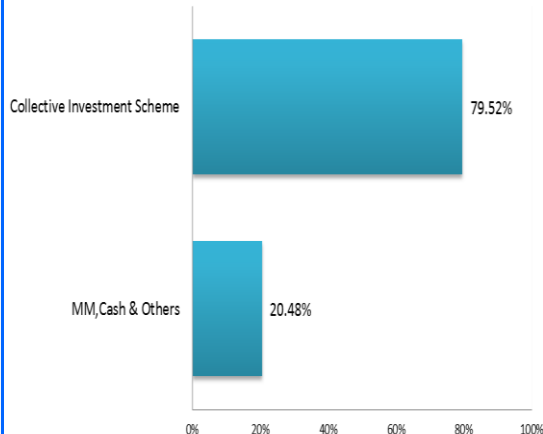
Calendar Year Performance (%)*

	2013
Fund	3.92
Benchmark	3.90

*Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Top Holdings (%)*

RHB GOLDENLIFE TODAY	79.52
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*As percentage of NAV

FUND DETAILS

Investment Manager	RHB Asset Management Sdn. Bhd. (formerly known as RHB Investment Management Sdn Bhd)
Trustee	Deutsche Trustees Malaysia Bhd
Fund Category	Core (Conservative)
Launch Date	18 December 2012
Unit NAV	RM0.5179
Fund Size (million)	RM7.76
Units In Circulation (million)	14.98
Financial Year End	31 May
MER (as at 31 May 2014)	0.57%
Min. Initial Investment	RM100.00
Min. Additional Investment	RM100.00
Benchmark	10% FBM KLCI + 90% Maybank's 12 mths FD Rate
Sales Charge	Up to 0.50% of NAV per unit
Redemption Charge	None
Annual Management Fee	Up to 1.00% p.a. of NAV*
Annual Trustee Fee	Up to 0.04% p.a. of NAV*
Switching Fee	None
PPA (Private Pension Administrator) Annual Fee	RM8.00^
PPA Pre-retirement Withdrawal Fee	RM25.00 per withdrawal
PPA Transfer Fee	RM25.00 per transfer
Annual PPA Administration Fee	0.04% p.a. of NAV*
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 fees, the NAV of the Fund is exclusive of the management fee, trustee fee and annual PPA administration fee for the relevant day.

^This fee is payable for the first contribution made in any calendar year and there is no fee payable if no contribution is made in any calendar year.

FUND STATISTICS

Historical NAV (RM)	1 Month	12 Months	Since Launch
High	0.5179	0.5228	0.5228
Low	0.5130	0.5093	0.4925

Source: Lipper IM

Historical Distributions (Last 1 Year) (Net)

Distribution (sen)	
28 May 2014	0.0130

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

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MANAGER'S COMMENTS

MARKET REVIEW

The FBMKLCI experienced some volatility in July, with the index scaling new all-time highs early in the month but met with profit taking activities. As anticipated and as per earlier guidance, Bank Negara Malaysia (BNM) increased the Overnight Policy Rate (OPR) by 25bps to 3.25%, the first hike in over three years. The tragic and unfortunate loss of flight MH17, just four months after MH370 was also a headline news for the country. The FBMKLCI ended the month 11 points lower or -0.6% to close at 1,871 points, underperforming its regional peers. The broader market however outperformed the key index with selected small caps rallying. Average daily value traded for the month on Bursa increased 13% MoM to RM2.1b.

On the domestic economic front, May trade surplus narrowed again to RM5.72bil as imports outpaced exports. May's Industrial Production rose 6.0% YoY, led by manufacturing activities. June inflation edged up slightly to 3.3% YoY, in line with market consensus. The local bond market bullish flattened across the curve in July despite the 25bps hike in OPR on 10th July, which came in as expected with the market interpreting the accompanying MPC statement as neutral. As a result, investors were seen adding duration causing the MGS yield curve to flatten. Corporate bond trading volume continued to surge in July with RM550mil of daily trades compared to RM408mil a month ago. Similar to govies, credit investors were seen extending duration as most of the trades in July were long dated bonds.

MARKET OUTLOOK

Global economic growth is ticking up, thanks to the various Quantitative easing (QE), accommodative and supportive packages by major world economies over the past few years. Despite hiccups along the way, there have been improvements in employment levels, business and consumer confidence, and industrial and manufacturing activities globally. With the U.S. poised to taper off completely its massive QE pumping before the end of 2014 and start guiding on its current ultra-low interest rates, markets will continue to adjust to this transition from liquidity-driven to a more fundamental and growth-driven focus.

Malaysia is expected to grow between 4.5%-5.5% in 2014, likely nearer the upper band and higher than the 4.7% registered for 2013 and supported by a better global economy and investment spending. Inflation will be higher at 3.0%-4.0% from increased fuel and electricity costs and expectations of more reduction in subsidies moving forward and expected inflationary expectations prior to GST implementation. BNM is likely to maintain its 3.25% OPR level for the rest of 2014 after the hike in July. Fiscal restraints including those which were introduced by Prime Minister Dato' Seri Najib during the tabling of Budget 2014 are expected to continue.

Equities still look favourable as an asset class backed by corporate earnings growth, a conducive economic environment and a more stable fiscal plan. For fixed income, preference for corporate bonds is maintained, providing a steady income stream. Asset allocation (in-line with asset allocation limits) will be pro-actively managed with market movements to optimize investment returns.

DISCLAIMER:

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 Disclosure Document in relation to the RHB Retirement Series dated 18 December 2012 and its supplementary(ies)(if any) ("Disclosure Document"), before investing. The disclosure document 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 Disclosure Document relates will only be made on receipt of a form of application referred to in the Disclosure Document. For more details, please call 1-800-88-3175 for a copy of the PHS and the Disclosure Document or collect one from any of our branches or authorised distributors. The Manager wishes to highlight the specific risks of the Fund are equity risk, credit risk, interest rate risk, liquidity risk and income distribution risk. These risks and other general risks are elaborated in the Disclosure Document. 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.