

RHB RETIREMENT SERIES - MODERATE FUND

This Fund aims to seek to provide returns through a balanced mix of income and growth.

INVESTMENT STRATEGY

- Up to 60% of NAV: Investments in equities.
- At least 40% of NAV: Investments in fixed income instruments and/or money market instruments.
- Up to 5% of NAV: Investments in cash and cash equivalents.

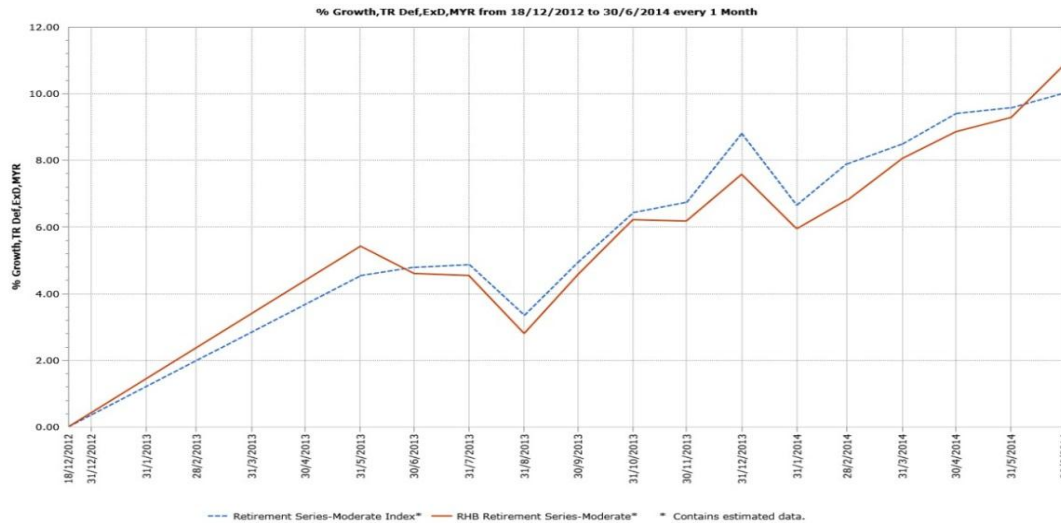
MEMBER'S PROFILE

This Fund is suitable for Members who:

- have medium risk profile; and
- are in the age group of 40 years old and above but have not yet reached 50 years old.

FUND PERFORMANCE ANALYSIS

Performance Chart Since Launch*



Cumulative Performance (%)*

| | 1 Month | 3 Months | 6 Months | YTD |
|-----------|---------|----------|----------|------|
| Fund | 1.46 | 2.61 | 3.07 | 3.07 |
| Benchmark | 0.41 | 1.42 | 1.12 | 1.12 |

| | 1 Year | Since Launch |
|-----------|--------|--------------|
| Fund | 6.00 | 10.88 |
| Benchmark | 5.00 | 10.03 |

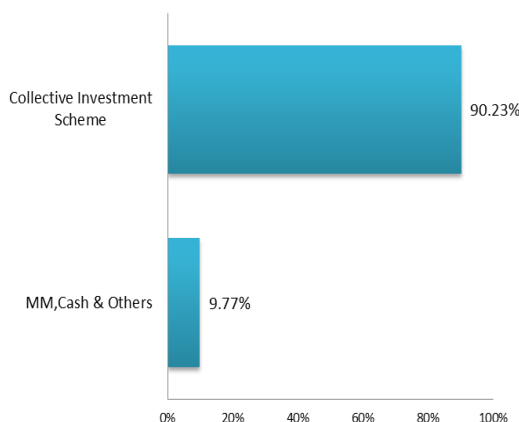
Calendar Year Performance (%)*

| | 2013 |
|-----------|------|
| Fund | 7.58 |
| Benchmark | 7.61 |

*Source: Lipper IM

FUND PORTFOLIO ANALYSIS

Sector Allocation*



Top Holdings (%)*

| | |
|---------------------|-------|
| RHB GOLDENLIFE 2020 | 90.23 |
|---------------------|-------|

*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 (Moderate) |
| Launch Date | 18 December 2012 |
| Unit NAV | RM0.5290 |
| Fund Size (million) | RM6.01 |
| Units In Circulation (million) | 11.37 |
| Financial Year End | 31 May |
| MER | Not available |
| Min. Initial Investment | RM100.00 |
| Min. Additional Investment | RM100.00 |
| Benchmark | 60% FBM KLCI + 40% Maybank's 12 mths FD Rate |
| Sales Charge | Up to 1.00% of NAV per unit |
| Redemption Charge | None |
| Annual Management Fee | Up to 1.50% 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 | Incidental |

*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 | 0.5296 | 0.5485 |
| Low | 0.5200 | 0.5085 | 0.4940 |

Source: Lipper IM

Historical Distributions (Last 1 Year) (Net)

| Distribution (sen) | |
|--------------------|--------|
| 28 May 2014 | 0.0250 |

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 edged up +0.50% in June to close the month at 1,882.71 points, registering a few new all-time high days in the process. The interest rate hike possibility, no major announcements at the annual Invest Malaysia forum, and a relatively more defensive and more expensive market compared to regional peers led the local bourse to underperform its regional peers. The broader market and small cap stocks outperformed the FBMKLCI. Average daily value traded on Bursa declined MoM to RM1.86b as foreign participation also decreased in May.

On the domestic economic front, April trade surplus narrowed only slightly as exports outpaced imports. April exports surged 18.9% YoY (Mar: 8.3% YoY) partly on base effects, above consensus of 9.7% YoY. Imports also rose 5.0% YoY (Mar: 0.5% YoY) above consensus of -0.5% YoY. With April seasonally adjusted export levels 4% above 1Q2014 levels, the continued resilience of exports is in-line with improving external demand. April industrial production was up sequentially to 4.2% YoY (Mar: 4.3% YoY), in-line with consensus. This points to a strong start to 2Q2014 GDP. May CPI inflation edged down to 3.2% YoY (April: 3.4%), led lower by food & beverages, utilities and communication.

The local bond market bullish flattened in June. The strengthening Ringgit and low market volatility prompted yield pick-up trades. At close, the 3-, 5-, 7-, 10-, 15-, 20- and 30-year MGS were traded at 3.51% (May: 3.48%), 3.72% (3.72%), 3.91% (3.94%), 4.03% (4.03%), 4.33% (4.36%), 4.40% (4.59%) and 4.74% (4.89%) respectively. The strong MGS also spurred buying interest on the local corporate bond market, with the average daily trading volume increased to RM408mil from RM370mil a month ago. Credit appetite also increased somewhat, with AA rated papers top trading volume reported at 55.8% of the total trade.

MARKET OUTLOOK

Global economic growth is slowly but surely improving, 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 by 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 hike the OPR by 25bps as early as July 2014. 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, income distribution risk and derivatives 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.