



## B2 Protected Income Fund

### TECHNICAL OVERVIEW

December 2011

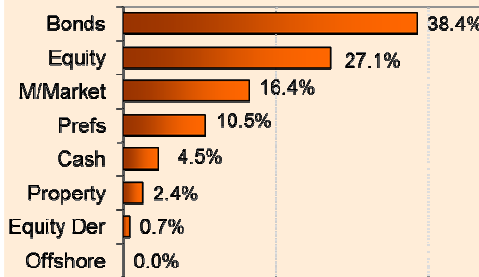
Fund Size:	R 224 m
Inception date:	1 Feb 2006 *
Benchmark:	CPI + 3% p.a. over a rolling 12 month period
Risk:	Cautious
Original buying price:	100.00 cents
Minimum lump sum:	R5 000
Minimum monthly investment:	R500
Initial charge (max):	3.42% (incl. VAT)
Annual service fee:	1.14% (incl. VAT)
Yield:	8.31%
2011 Distribution:	7.24 cpu
2010 Distribution:	8.56 cpu
Date of income declaration:	31 March / 30 June
	30 Sept / 31 Dec
Payment Date:	7 April / 7 July / 7 Oct / 7 Jan
Valuation & Transaction time:	15h00
Sector:	Domestic Asset Allocation – Prudential Low Equity

\* Please note: On 1 August 2008 the funds investment mandate, benchmark and name changed. Therefore, performance data prior to this date falls away.

### AVE DURATION (Previous)

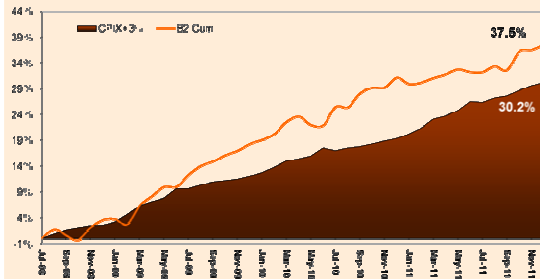
Money Market	1.0 months	(1.3)
Bonds	5.6 years	(5.3)

### ASSET ALLOCATON



	Nov	Dec	Diff
Bonds	37.8%	38.4%	0.6%
Equity	27.5%	27.1%	(0.4%)
M/Market	20.9%	16.4%	(4.5%)
Prefs	10.4%	10.5%	0.1%
Cash	0.5%	4.5%	4.0%
Property	2.3%	2.4%	0.1%
Equity Der	0.6%	0.7%	0.1%
Offshore	0.0%	0.0%	0.0%

### B2 PERFORMANCE SINCE 1 AUGUST 2008



	FUND	CPI + 3%
1-Year	4.80%	9.14%
2-Year (Ann)	7.79%	7.79%
Since Inc (Ann)	9.85%	8.04%
Std Deviation	4.02%	1.66%

### BANK DETAILS

Deposits can be made at any ABSA Bank

Account Number: 4064 141 965  
 Bank Code: 31 21 09  
 Bank: ABSA  
 Please fax deposit slip to: (021) 940 4856

### FAIS conflict of interest disclosure

Please note that in most cases where the FSP is a related party to Contego Asset Management (Pty) Ltd and/or Metropolitan, Contego Asset Management (Pty) Ltd and/or distributor earns additional fees apart from the FSP's client advisory fees. It is the FSP's responsibility to disclose additional fees to you as the client.

Such fees are paid out of the portfolio's service charge and ranges between MetCIS Portfolio Mgr Distributor LISP/FoF rebate Service fee (ex vat) up to 0.35% up to 0.75% 0.000% up to 0.25% 1.0%

The investment manager's range of portfolios invest into other funds or portfolios within the Metropolitan Collective Investment Scheme that may also be managed by the investment manager. The investment manager will therefore earn fees at the multi-manager and multi-asset class portfolio level.

### MANAGER'S COMMENT

In 2011 markets fluctuated between fear and greed. In the end local Equity ended almost square (2.6%) for the year with Listed Property (8.9%) and Bonds (8.8%) the best sectors as investors turned to higher income assets. Global equity markets were down (MSCI -5%), but local investors did well offshore due to an 18% depreciation of the rand. Cash returned a sedate 5.8%, which is below inflation (6.1%), but investors are still waiting for more certainty. The price of Gold and Oil rose by 10% and 13% respectively as investors lost faith in the US\$ and Euro. The rest of the commodities declined (Platinum -21%, Copper -22%) as demand fell due to lower global economic growth. So what does 2012 hold? Company earnings is growing well and we are positive on local and offshore equity. There is pressure on inflation and the SARB expects it to remain above the 6% target for most of the year. We do not expect them to raise interest rates soon, but it is negative for Bonds. Residential property markets will remain under pressure, but commercial property could start picking up later in the year.

### FUND OBJECTIVE

The Contego B2 Protected Income Fund is designed to deliver inflation beating total returns with stable income while providing a measure of capital growth. The majority of the capital is invested in a diversified selection of quality income instruments with the balance invested in protected equity providing a measure of capital growth to protect the investor against the ravages of inflation.

### INVESTMENT STRATEGY

The B2 is a specialist income fund in the Dom AA Prud Low Equity sector. The fund invests in a well diversified selection of money market instruments, bonds, equity, preference shares, property related securities and participatory interests in collective investment schemes (Unit Trusts). The fund will maintain a minimum exposure of 70% to fixed interest instruments and cash.

### TOTAL EXPENSE RATIO (TER)

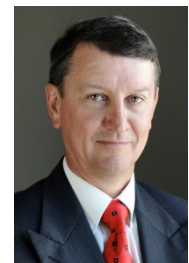
TER as at 30 September 2011: 1.24%

Please note: the TER has been calculated using data from 1 October 2010 till 30 September 2011. The TER % of the average Net Asset Value of the portfolio were incurred as charges, levies and fees related to the management of the portfolio and underlying portfolios. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TER's.

### FUND MANAGERS



Schalk Louw



Kobus Louw

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JSE Code: MCDI  
 Bloomberg Code: CONPRB2 SJ Equity

Custodian: Standard Executors & Trustees: Tel (021) 401-2286. Metropolitan Collective Investments Limited: Parc du Cap Mispel Road Bellville, PO Box 925 Bellville 7535 Tel (021) 940-5981 Fax (021) 940-5885 Call Centre, Tel. 0860 100 279 Registration No 1991/03741/06. Collective Investments are generally medium to long term investments. The value of participating interests may go down as well as up and past performance is not necessarily a guide to the future. Collective Investments are traded at ruling prices and can engage in scrip lending. Forward pricing is used. A schedule of fees and charges and maximum commissions is available on request from company/scheme. Commission and incentives may be paid and if so, are included in the overall cost. This fund may be closed to new investors. Graphs and performance figures are sourced from MoneyMate for lump sum investments including income distribution, at NAV to NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Collective Investment prices are calculated on a net asset value basis and auditor's fees, bank charges and trustee fees are levied against the portfolio. The portfolio manager may borrow up to 10% of portfolio NAV to bridge insufficient liquidity. The performance fee FAO document is kept as a public document at Metropolitan Head office. Metropolitan Collective Investments Ltd is a Full member of the Association for Savings and Investments SA (ASISA).