



## Balanced Portfolio

### TECHNICAL OVERVIEW

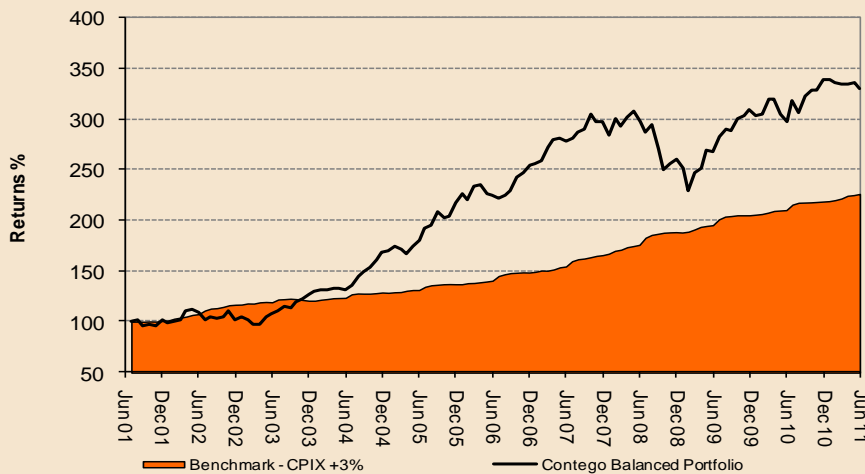
June 2011

Minimum lump sum:	R500 000
Initial charge (max):	
Contego	0.00% (incl. VAT)
Advisor	0.00% - 3.42% (incl. VAT)
Annual service fee:	1.14% (incl. VAT)
Performance fee:	0.50% p/a on out performance of the benchmark, Calculated Quarterly
Formation date:	31/07/2001
Income Declarations:	Re-Invested
Benchmark:	CPIX +3%
Valuation Date:	Month End

### PERFORMANCE SINCE INCEPTION

	Portfolio	CPIX+3%
YTD	-3.0%	3.4%
Return Since Inception	229.4%	125.5%
Inception Annualised Return	12.8%	8.5%
5-Year Returns	8.0%	10.0%
3-Year Returns	3.5%	8.7%
2-Year Returns	10.9%	7.6%
1-Year Returns	10.7%	7.6%
6-Month Returns	0.5%	3.4%
Standard Deviation	12.5%	

\*All returns annualised



### MANAGER'S COMMENT

The markets had a lot of news to digest during June and most of it was rather nerve-racking. The fiscal problems of nations in the euro zone was one of the major news events while economic data released during the month fuelled concerns that the global recovery was losing momentum. During June the All bond Index delivered a return of 0.16% while cash returned 0.47%. Over the quarter the All Bond Index returned 3.9%, outperforming local equities (-0.6%) and cash (1.4%). Foreigners were net buyers of SA bonds in the second quarter to the value of R42.3 billion after being net sellers of R7.6 billion of bonds in the first quarter. After solid gains in April (2.2%), the All Share fell during May (-0.77%) and June (-2.03%) leading to negative returns for the second quarter of 2011 (-0.6%). Foreigners were net buyers of SA equities over the second quarter to the value R 6 billion after being net seller of equities to the value of R 3.1 billion in the first quarter. Bond yields are very low and we remain positive on local equity. We expect the ZAR to depreciate toward year-end making offshore equity attractive.

### PORTFOLIO OBJECTIVE

The fund is an actively managed fund that aims to deliver consistent growth and hence provide sustainable capital appreciation over the medium and long term. The securities that will normally be included in the fund will consist of listed equities across all industry sectors of the JSE and the fund has the capacity to invest offshore.

### INVESTMENT STRATEGY

The investment risk is expertly diversified by investing funds in quality local shares, bonds, property, off-shore assets and cash. Value is added through active share selection while the income component of the fund will be enhanced by actively managing the duration of the fixed income assets.

### PORTFOLIO MANAGERS



Schalk Louw



Niel van der Linde

**RISK: MODERATE**

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