



Equity Portfolio

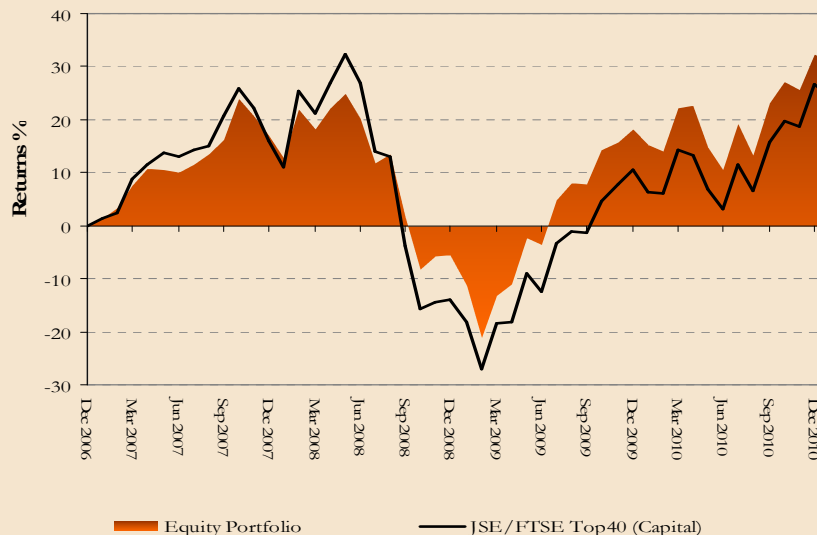
TECHNICAL OVERVIEW

Jan 2011

| | |
|----------------------|---|
| Minimum lump sum: | R250 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: | 0.57% per annum on out-performance of benchmark, calculated quarterly |
| Formation date: | 31/12/2006 |
| Income Declarations: | Re-Invested |
| Benchmark: | FTSE/JSE Top40 (capital) |
| Valuation Date: | Month End |

PERFORMANCE SINCE INCEPTION

| | Equity Portfolio | JSE/FTSE Top40 (Capital) |
|------------------------|------------------|--------------------------|
| Return Since Inception | 30.7% | 24.5% |
| Annualised Returns | 8.8% | 7.2% |
| 3-Year Returns | 5.0% | 3.9% |
| 2-Year Returns | 21.3% | 23.3% |
| 1-Year Returns | 13.5% | 17.1% |
| 6-Month Returns | 18.2% | 11.6% |
| YTD | -1.3% | -1.7% |
| Standard Deviation | 17.8% | 21.0% |



MANAGER'S COMMENT

After solid gains in 2010, local Equity markets took a breather in January. The All Share index declined -2.2%. This clearly shows the flow of funds back to developed countries as the markets in the US and Europe returned strong gains. Our ZAR weakened by -7.8% against the US\$ and -10.2% against the Euro. Gold plummeted by -6.2% in January while Brent Oil rose by 4.8% and Platinum by 1.3%, indicating that the uncertainty about the global economic recovery is dissipating. The decline in our equities was led by the industrial stocks with Transport and Construction hardest hit. Inflation slowed from 3.6% to 3.5% in January allowing the SARB to keep rates unchanged. We don't expect a rise in interest rates in 2011, but we do see inflationary pressure coming through. We expect a depreciation in the ZAR.

FUND 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 aim will be to actively manage a concentrated portfolio of shares selected from a universe consisting of the Top100 biggest shares (according to market capitalization) listed on the FTSE/JSE All Share index. From this allocated universe of shares, the best 10 to 20 shares will be included in the fund at any given moment. Although a flexible approach will be used, a clear focus will be allocated towards reducing the company specific or unsystematic risk of the portfolio while proprietary ranking models will be employed in assisting the security selection process. Relative attributes (to the market and its benchmark) will be a critical factor in determining which securities are included in the fund.

FUND MANAGERS



Schalk Louw

RISK: AGGRESSIVE

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Share Portfolios are generally medium to long term investments. The value of portfolios may go down as well as up and past performance is not necessarily a guide to the future. Commission and incentives may be paid and if so, are included in the overall cost. Fluctuations or movements in prices may cause the value of the underlying investments to go up or down. Past performances is not necessarily a guide to future performance. Contego Asset Management (Pty) Ltd therefore take no liability for any losses that may arise from the above mentioned portfolio. The performance figures indicated are the average of all Contego Equity Portfolios under management. Actual performance of individual portfolios might vary from the average. Graphs and performance figures are sourced from Contego Asset Management (PTY) Ltd, Inet Bridge and Analytics for the period under review based on lump sum investments including income distribution, at NAV to NAV basis. Share Portfolio values are calculated on a Net Asset Value basis and brokerage, marketable securities tax, auditor's fees, bank charges, trustee and RSC levies are levied against the portfolio. The portfolio manager may borrow up to 10% of portfolio NAV to bridge insufficient liquidity. Should you have any further queries or complaints please contact: Contego Asset Management (PTY) Ltd, Tel: +27 (0) 21 914 7444, Fax: +27 (0) 21 914 2644, PO Box 4722 Tyngvalley, 7536, Email: info@contego.co.za.