



## Equity Portfolio

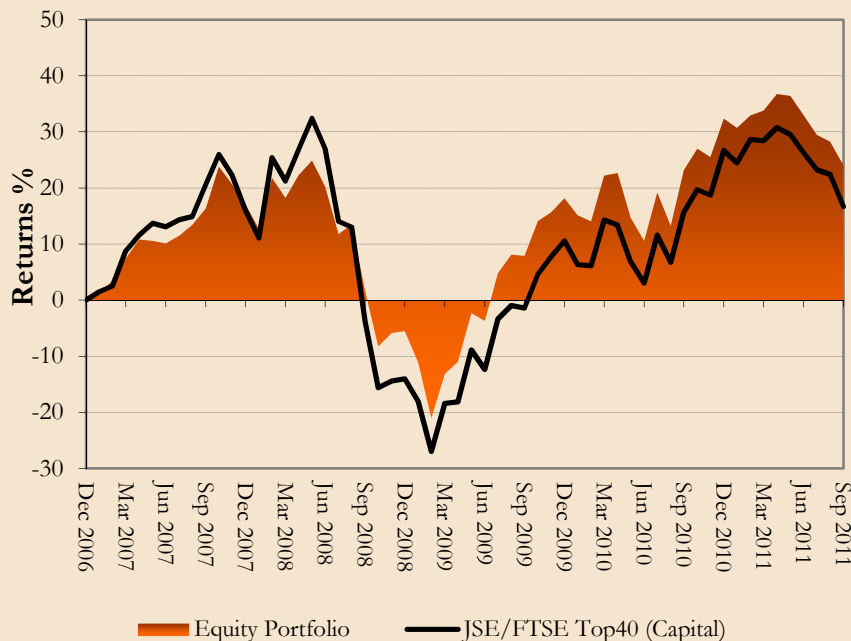
### TECHNICAL OVERVIEW

September 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)
YTD	-8.3%	-7.9%
Return Since Inception	24.1%	16.7%
Inception Annualised Returns	4.6%	3.3%
3-Year Returns	6.8%	6.6%
2-Year Returns	7.2%	8.8%
1-Year Returns	0.7%	0.8%
6-Month Returns	-14.1%	-17.5%
Standard Deviation	16.7%	19.8%



### MANAGER'S COMMENT

Continued concern about the European debt crisis and a slowdown in global economic growth sent equity markets down sharply in September. The MSCI World index was down -8.6%, Emerging Markets -14.6% with China the biggest loser at -16.8%. The All Share index was down -3.6% cushioned by the 13.6% depreciation of the ZAR. Resource stocks fell -4.7%, Industrials by -3.4% and Financial -3.3%. We took advantage of the market volatility to execute a few successful switches in the fund. Bonds did not escape the carnage and was down -2.1% as offshore investors sold off. Listed Properties declined -2.1% while cash returned 4.7%. Gold declined -11.0%, Platinum -17.4% and Brent Oil -8.2%. Inflation was unchanged at 5.3%, however, high local unemployment and low economic growth makes a rate hike unlikely till Q2 2012. We expect a lot of uncertainty towards year-end, but expect the Euro-zone to handle their problems and the US economy to recover. Local equity still looks attractive at current levels.

### 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.

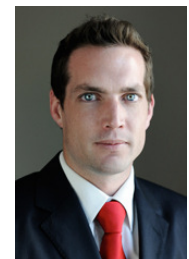
### INVESTMENT STRATEGY

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



Niel van der Linde

**RISK: AGGRESSIVE**

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