

Property Portfolio

TECHNICAL OVERVIEW

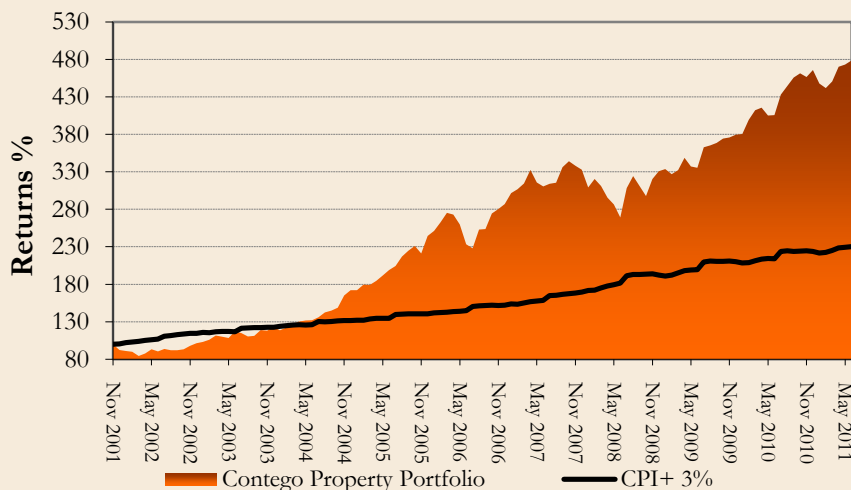
June 2011

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:	30/11/2001
Income Declarations:	Re-Invested
Benchmark:	CPI + 3%
Valuation Date:	Month End

PERFORMANCE SINCE INCEPTION

	Property	CPI+3%
YTD	2.7%	3.4%
Return Since Inception	378.4%	130.2%
Inception Annualised Return	11.7%	9.1%
5-Year Returns	11.7%	10.0%
2-Year Returns	15.3%	7.6%
1-Year Returns	18.0%	7.6%
6-Month Returns	3.6%	3.4%
Standard Deviation	14.3%	

*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

This is an actively managed domestic portfolio, which invest in listed securities included in the Property Index (J253) on the JSE. The portfolio has an absolute orientation and aims to provide investors with both a high-income and long-term capital growth. The Property Portfolio is a medium to high-risk portfolio.

INVESTMENT STRATEGY

The fund maintains an exclusive focus on South African listed property stocks, specifically Property Unit Trusts (PUT's) and Property Loan Stocks (PLS's). The fund aims to generate sustainable pre-tax income whilst growing the original capital invested. The aim is to achieve superior returns through in-depth research.

FUND MANAGERS



Schalk Louw



Niel van der Linde

RISK: ASSERTIVE

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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 Securities (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 Property Portfolios under management. Actual performance of individual portfolios might vary from the average. Graphs and performance figures are sourced from Contego Securities (PTY) Ltd, Inet Bridge and Micropal 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 Securities (PTY) Ltd, Tel: +27 (0) 21 914 7444, Fax: +27 (0) 21 914 2644, PO Box 4722 Tygenvally, 7536, Email: info@contego.co.za.