



March 2011

The Finsolnet Moderate Portfolio is a low to medium risk balanced portfolio that aims to deliver superior real returns over the medium to longer term with a strong focus on active management of capital loss risk over the shorter term.

The portfolio is managed on a multi-manager basis and includes international exposure. The strategic allocation to various asset classes is set out below. Each manager appointed within a particular asset class has been selected on the basis of rigorous quantitative and qualitative analysis.

The underlying managers have been selected, mandated, monitored and reviewed by Sasfin Asset Consulting on behalf of their clients.

The portfolio complies with Regulation 28 of the Pension Funds Act, 1956 as amended.

The portfolio is offered on a pooled and unitised basis on the Sygnia Life license.

ABOUT SYGNIA

Sygnia is a financial services group specialising in the design and management of customised multi-manager product solutions for institutional clients in South Africa and globally. Sygnia Life is a registered life assurance company within the group.

ABOUT SASFIN

Sasfin is a premier South African banking group, providing business banking, wealth management, capital, specialised services and treasury services. Sasfin Asset Consulting, a division of Sasfin, provides a comprehensive, independent and highly professional financial advisory service to institutional clients.

TOTAL EXPENSE RATIO

1.100% per annum (excluding VAT)

HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2007	2.8%	1.5%	3.5%	3.2%	-0.1%	-1.3%	0.9%	0.4%	1.8%	3.4%	-1.2%	-1.3%	14.3%
2008	-3.0%	5.5%	-0.9%	0.2%	0.1%	-4.2%	1.0%	2.2%	-3.6%	-3.1%	2.6%	3.0%	-0.7%
2009	-1.7%	-6.3%	4.2%	1.0%	5.0%	-0.1%	5.2%	3.2%	-0.4%	3.4%	-0.1%	1.7%	15.5%
2010	-0.3%	1.0%	3.2%	1.2%	-2.1%	-1.3%	4.5%	-0.4%	3.5%	1.5%	0.5%	2.5%	14.3%
2011	-0.1%	1.2%	0.3%										1.4%

PERFORMANCE SUMMARY

Month	12 Months	Since Inception	Strategic Benchmark (12 Months)
0.3%	11.5%	17.6%	12.6%

STRATEGIC BENCHMARK

FTSE/JSE SWIX	45.0%	BESA ALBI	12.5%	Barclays BESA SAGILB	10.0%
FTSE/JSE SAPY Index	10.0%	STeFI Index	7.5%	MSCI in ZAR	9.0%
Barclays Multiverse	3.0%	UBS Global Real Estate	3.0%		

PERFORMANCE COMMENTARY

March reminded investors that "black swan" events do exist. The past month had a clear dichotomy to it. The concerns of the first two weeks, such as rising inflation in the wake of higher oil and food prices, the resurgence of European debt problems and geopolitical tensions took a backseat as the Japanese earthquake dominated the headlines.

Strong economic news out of the US supported the markets. Growth in the services industry, rising retail sales, growing inventories and falling unemployment all contributed to the positive sentiment. Oil and gold prices continued on an upward trajectory as protests in the Middle East and North Africa continued unabated.

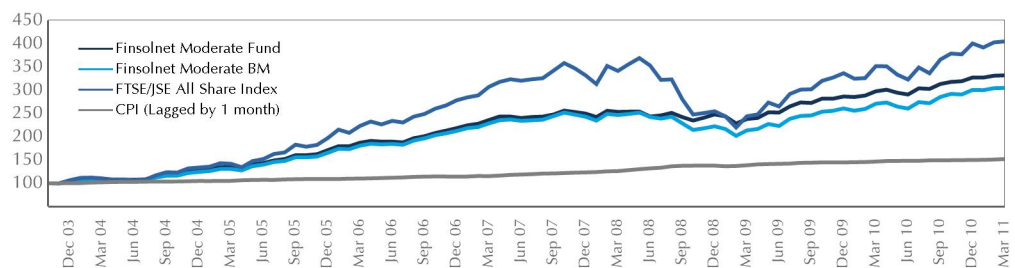
Oil and food prices are the main culprits behind rising global inflation. China's inflation, at 4.9% in February, led to another increase in banks' reserve requirements. In the euro zone inflation, at 2.6% in March, reached the highest level in more than two years. The ECB signalled that an interest rate rise is on the cards for April. This may well have severe consequences for the peripheral debt markets which are struggling to implement austerity measures and repay debt. Portugal moved closer to a bail out when it rejected further austerity measures and announced a budget deficit of 8.6% of GDP for 2010.

On 11th March a 9.0-magnitude earthquake struck the coast of Japan. Markets fell amid fears that the humanitarian and nuclear disaster in Japan could trigger a global financial crisis. Fears about the Fukushima nuclear plant competed with concerns about the yen until the G7's intervention in the currency markets. In the short term, the impact on the Japanese economy will be negative due to physical damage to infrastructure and the psychological trauma to the Japanese. Further out, the rebuilding effort and the liquidity provided by the Bank of Japan will stimulate the economy.

In South Africa, CPI remained unchanged in February at 3.7%, while PPI quickened more than expected to 6.7%. Although the MPC left interest rates unchanged at 5.5%, a rate hike by year-end is now widely expected. The Reserve Bank expects inflation to average 4.7% this year and 5.7% in 2012. The forecast for GDP growth has been lifted to 3.7% in 2011 and 3.9% in 2012.

The FTSE/JSE All Share Index ended the month 0.5% up, with only the Resources sector down 2.2%. The All Bond Index delivered 0.5%, while the Rand strengthened by 3% relative to the US dollar.

CUMULATIVE RETURNS



FUND SUMMARY

Inception (back dated):	01-Nov-03
Inception (actual):	12-Nov-09
Number of Months	17

	FUND	BMK
Sharpe Ratio	0.78	0.57
Sortino Ratio	1.26	0.89

*BMK = strategic benchmark

RISK ANALYSIS

	FUND	BMK
% Positive Months	68.5%	67.4%
% Negative Months	31.5%	32.6%
Best Month	6.3%	7.1%
Worst Month	-6.3%	-6.7%
Avg Negative Return	-1.3%	-1.8%
Maximum Drawdown	-10.8%	-19.8%
Standard Deviation	8.5%	9.9%
Downside Deviation	5.3%	6.3%

CORRELATIONS

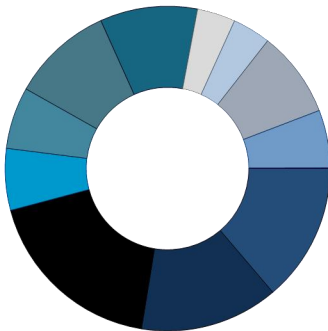
FTSE/JSE All Share Index	0.90	0.96
BESA All Bond Index	0.34	0.24

MARKET STRESS MONTHS

	FUND	ALSI
July 2008	1.0%	-8.7%
September 2008	-3.6%	-13.2%
October 2008	-3.1%	-11.6%
February 2009	-6.3%	-9.9%

Proforma performance numbers for periods prior to inception of the portfolio are based on actual performance of the underlying building blocks used in the portfolio. These risk and return numbers are shown to aid in the understanding of potential future performance and risk characteristics of the product.

MANAGER ALLOCATION



- Investec Value Equity - 13.8%
- Kagiso Equity - 13.8%
- Cannon Equity - 18.3%
- Coronation Bonds - 6.1%
- Cadziz Bonds - 6.2%
- Catalyst Property - 10.1%
- Prescient ILBs - 9.7%
- Cadziz Cash - 3.8%
- Prescient Cash - 3.8%
- Allan Gray Life Foreign Portfolio - 8.6%
- Catalyst Global Real Estate Portfolio - 5.8%
- Cash - 0.1%

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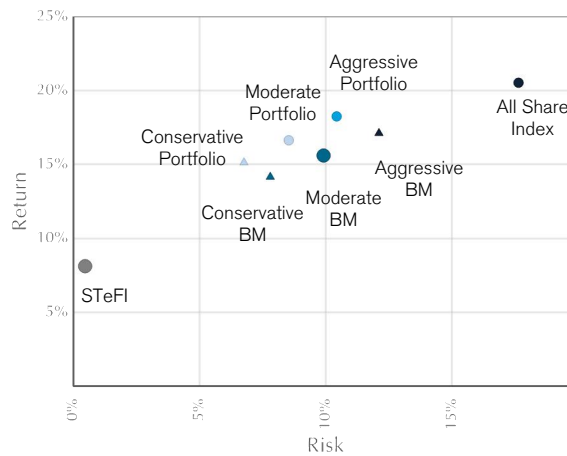
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PERFORMANCE ANALYSIS

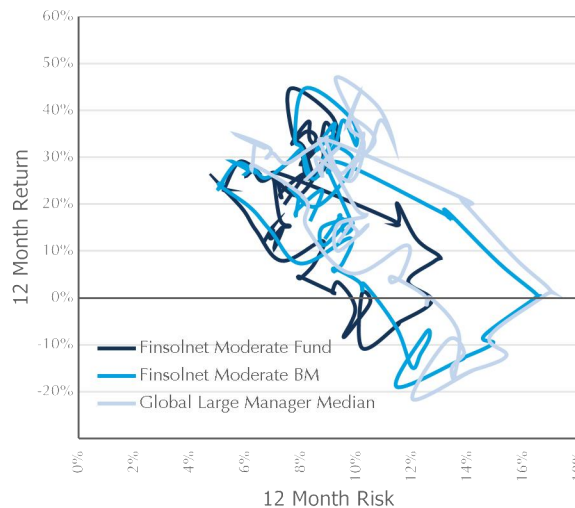
PERFORMANCE	FUND	BENCHMARK	DIFFERENCE
Calendar Years			
2005	32.6%	33.0%	-0.4%
2006	27.7%	28.3%	-0.7%
2007	14.3%	14.4%	-0.1%
2008	-0.7%	-8.5%	7.8%
2009	15.5%	17.2%	-1.7%
2010	14.3%	15.2%	-1.0%
Periodic Performance			
1 month	0.3%	0.2%	0.0%
3 month	1.4%	1.5%	-0.1%
6 month	6.0%	6.9%	-0.9%
Year to date	1.4%	1.5%	-0.1%
1 year	11.5%	12.6%	-1.0%
2 year	18.1%	19.5%	-1.4%
3 year	9.4%	7.3%	2.1%
5 year	12.1%	11.0%	1.1%
Since Inception (back dated)	17.6%	16.2%	1.3%

RISK/RETURN COMPARISON



This chart compares how each portfolio in the range has performed against its benchmark and other relevant comparators in risk and return space.

12 MONTHS RISK/RETURN SNAIL TRAIL



Returns for periods exceeding one year are annualised. All returns are in Rands. As from 28th October 2008 the portfolio's foreign investment exposure might exceed the restrictive limit of 20%, or as amended from time to time, as a result of the inward listed British American Tobacco ("BAT") shares received as part of a corporate de-merger. The South African Reserve Bank has allowed some institutional investors a grace period of 2 years to rebalance their portfolios to adhere to the foreign investment limit. The grace period for BAT expires on 27 October 2010. Records of foreign investment exposure for BAT are available upon request.

FAIS Notice and Disclaimer:

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