

Inflation (CPI) Plus 6-7 Pigs Compliant Targeted Return Strategy

STRATEGY OBJECTIVE

The objective of this strategy is to target an annual return of CPI plus 6%-7% over a rolling 60-month period and not to lose capital over a rolling 36-month period, while at all times remaining within prudential guidelines.

LAUNCH DATE

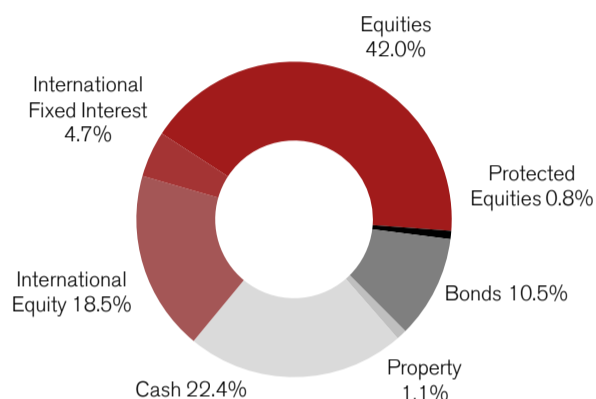
26 June 2008

TOTAL EXPENSE RATIO

1.81%

* includes a rebate to FSP of 0.61% (incl. VAT)

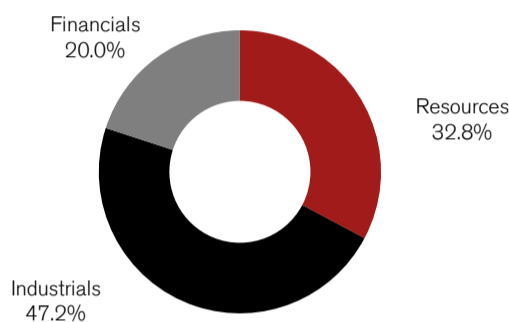
ASSET ALLOCATION



TOP 10 EQUITY HOLDINGS

Sasol Ltd	3.7%
SABMiller plc	2.6%
MTN Group Ltd	2.3%
Standard Bank Group	1.9%
New Gold Issuer Limited	1.5%
Tiger Brands Ltd	1.3%
British American Tobacco	1.2%
Sun International Ltd	1.2%
Remgro Ltd	1.2%
Assore Ltd	1.2%

EQUITY SECTORS



PERFORMANCE ANALYSIS

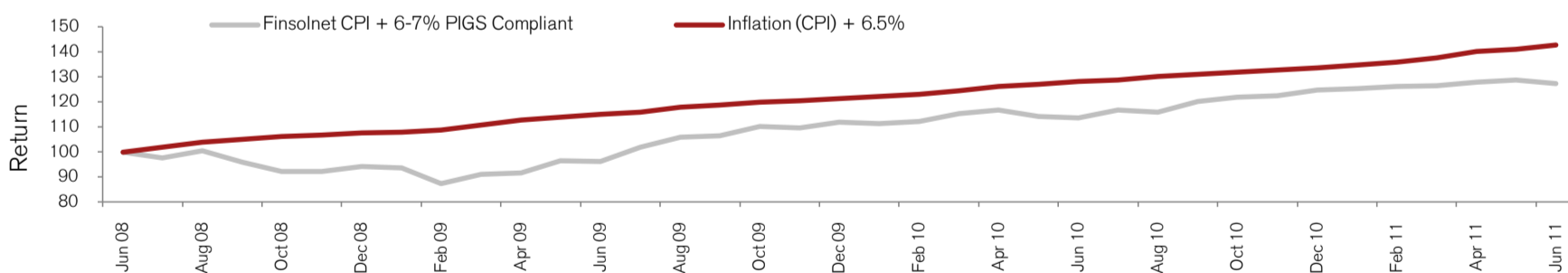
YEAR	FUND	CPI + 6.5%	DIFF
2008 (July - Dec)	-5.9%	7.5%	-13.4%
2009	19.0%	12.3%	6.7%
2010	11.3%	10.1%	1.2%

RISK ANALYSIS

	FUND	ALSI
% Positive Months	66.7%	58.3%
% Negative Months	33.3%	41.7%
Best Month	6.1%	11.0%
Worst Month	-6.7%	-13.2%
Average Negative Month	-2.0%	-4.8%
Max Drawdown	-12.9%	-37.7%
Standard Deviation	9.1%	20.6%
Downside Deviation	7.1%	14.4%

* Risk statistics are calculated since inception of the fund

CUMULATIVE PERFORMANCE GRAPH



Portfolio	Allocation	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Allan Gray Balanced Fund - B	24.25%	-1.6%	0.0%	10.0%	7.7%	9.8%	
Coronation Balanced Plus Fund	24.25%	-1.5%	0.8%	17.1%	10.6%	12.2%	
Nedgroup Investments Managed Fund - A	24.25%	-0.1%	0.9%	10.3%	12.6%	10.0%	
Investec Opportunity Fund - A	24.25%	-1.0%	1.1%	12.5%	7.7%	10.9%	
Absa Money Market Fund	3.00%	0.4%	1.3%	6.0%	8.2%	8.7%	
Finsolnet CPI + 6-7% PIGS Compliant		-1.0%	0.7%	12.1%			8.4%
CPI + 6.5%		1.1%	3.6%	11.1%	12.2%	13.1%	11.0%
CPI		0.5%	2.0%	4.6%	5.7%	6.6%	4.5%

Unit trusts are medium to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commission is available from the management company / scheme. Different classes of units apply to this fund and are subject to different fees and charges. Commission and incentives may be paid and if so, would be included in the overall costs. It should also be noted that as a result of the nature of wrap fund portfolios, an investor's underlying portfolio holdings and/or portfolio performance may differ slightly from the information reflected above. Therefore, performance figures presented on the fact sheet are approximate figures and may differ from actual performances of client



This scatter plot indicates the sensitivity of the fund returns to those of the equity market. This analysis shows that the fund exhibits little sensitivity to the direction of the equity market.

COMMENTARY

The EU's failure to contain the Greek debt crisis sent shock waves through the markets. Panic intensified as Prime Minister George Papandreou fought parliamentary opposition against the further austerity measures needed to secure the next bailout instalment. A slew of weak economic data and the looming expiry of the US Federal Reserve's QE2 led to a growing realisation that the slowdown in global recovery is more severe and long-term in nature than expected. Markets seemed to be in freefall and halted only after Papandreou, following a cabinet reshuffle, gained enough parliamentary votes to pass the austerity plan required by the EU. European banks hold 96% of the Greek sovereign debt, with France and Germany leading the pack.

Moody's and Fitch followed S&P in putting the US government on notice that it risked losing its AAA-rating unless politicians end squabbling over the statutory debt limit. Both Fed chairman Ben Bernanke and Treasury Secretary Timothy Geithner warned that a failure to raise the US\$14.3 trillion debt ceiling by 2 August may have catastrophic effects.

The World Bank lowered its growth forecast for the global economy this year to 3.2% from a January estimate of 3.3%, to reflect the effects of Japan's earthquake and political unrest in the Middle East and North Africa. On the international stage Italy's Mario Draghi is set to replace France's Jean-Claude Trichet as the next president of the ECB from 1 November 2011 to 31 October 2019 and France's Christine Lagarde was named the first-ever female chief of the IMF.

The South African Reserve Bank painted a more upbeat picture of the economy in a quarterly report. First quarter GDP growth came in nicely ahead of expectations, up 4.8% (annualised) for the quarter as manufacturing bounced strongly and financial services and retail performed well. Credit growth was up 6.2% year-on-year in April. However, the pick-up in asset backed lending, up to 3.3% year-on-year from 3.1% in March, was more muted.

Inflation quickened to 4.6% year-on-year in May (0.5% month-on-month), up from 4.2% in April, on steeper food prices, as well as administered prices such as electricity, petrol, rates and taxes. The Reserve Bank indicated however that it would hold off raising interest rates for as long as possible.

FTSE/JSE All Share Index ended the month 2.0% down, with Resources falling 3.0%, Industrials 1.4% and Financials 2.4%. The bond market benefitted from strong foreign inflows and ended the month 0.2% up.

The aggregated strategy resulted in a portfolio predominantly invested in local and international equity (61.3%). Negative domestic and international equity market returns were exacerbated by a strengthening rand. This resulted in all of the managers contributing below benchmark returns culminating in a fund return of -1.0% in comparison to the benchmark return of 1.1%. Over the past year however, the fund return has exceeded the benchmark.

HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2008							-2.3%	2.8%	-4.3%	-4.1%	0.2%	2.0%	-5.9%
2009	-0.4%	-6.7%	4.3%	0.6%	5.2%	-0.4%	6.1%	3.7%	0.6%	3.5%	-0.4%	2.0%	19.0%
2010	-0.6%	0.9%	2.6%	1.2%	-2.2%	-0.4%	2.7%	-0.8%	3.8%	1.3%	0.5%	1.8%	11.3%
2011	0.6%	0.7%	0.2%	1.1%	0.6%	-1.0%							2.2%