

Advantage Focused and Diversified Portfolio Range

Advantage Balanced Portfolio

December 2010

Investment strategy

This investment portfolio is designed to maintain a maximum strategic equity allocation of 59.5%. Multiple specialist investment managers are mandated to derive active investment returns (returns above benchmark) from differentiated segments of the market. Managers are allowed to add value and take risk where they see opportunities in the market (for instance opportunities from share selection, style bias or industry bias). The combination of managers is optimised to allow for the highest probability of enhancing returns at an aggregate level, given manager skill and market opportunities.

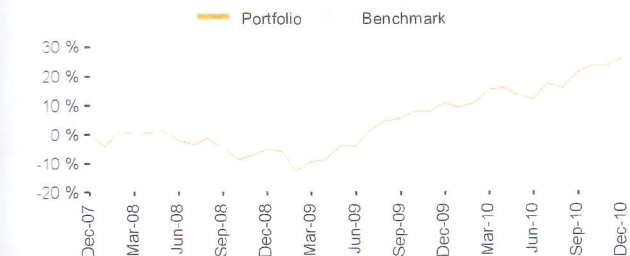
Benchmark allocation

Asset Class	Allocation	Benchmark
Local equities	46%	FTSE/JSE Shareholder Weighted All-Share Index
Local bonds	14%	Bond Exchange Association of SA All Bond Index
Local cash	15%	Short-term Fixed Interest Composite Index
Local tactical asset allocation	5%	Short-term Fixed Interest Composite Index
Global equities	13.5%	MSCI World Index
Global bonds	6.5%	Citigroup World Government Bond Index

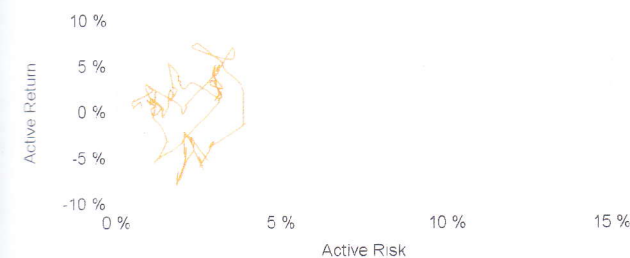
Investment returns

	One Month	Three Months	One Year	Three Years	Five Years	Since Inception
Portfolio	2.1%	3.9%	13.7%	8.0%	12.4%	14.7%
Benchmark	1.3%	3.6%	13.1%	8.0%	11.6%	14.6%
CPI = 3.0% p.a.			9.8%	13.1%	13.1%	12.0%

Cumulative investment returns for three years



One-year active risk/return snail trail



*60% in equities
40% in bonds*

Investment portfolio mandate

The long-term return objective of this portfolio is inflation plus 6% a year over six-year rolling periods. This moderately aggressive multi-manager portfolio is aimed at achieving maximum capital growth over the longer term. A maximum global allocation is maintained unless global asset classes reach a point of extreme valuation.

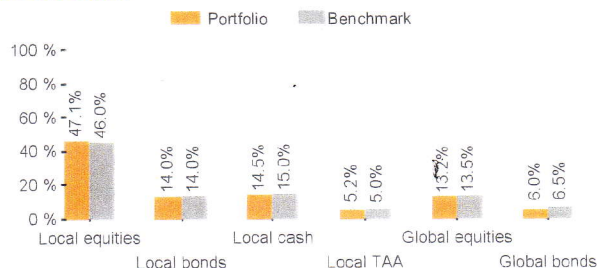
Investment portfolio information and risk analysis

Inception date: April 1999
Investment horizon: Long term

Risk profile: Conservative Moderate Aggressive

(Calculation based on one-year period)	Portfolio	Benchmark
Volatility	8.1%	8.4%
Maximum drawdown	-3.3%	-3.6%
Active risk	0.7%	
Sharpe ratio	0.8	0.7
Information ratio	0.8	
Beta	1.0	

Asset allocation



Investment manager allocation and returns

	One Year	Weighting
Local equity managers		
Investec	15.9%	4.0%
Coronation	23.9%	8.1%
Re:CM	22.0%	7.3%
Prudential	20.5%	12.2%
Allan Gray	20.3%	15.4%
FTSE/JSE Shareholder Weighted All-Share Index	13.7%	
Local bond managers		
RMBAM	17.0%	6.6%
Prescient	16.0%	4.2%
Futuregrowth	19.0%	3.1%
BEASSA All Bond Index	13.1%	
Global equity managers		
BGI	-1.2%	13.2%
MSCI Developed Markets Index	13.5%	
Global bond managers		
BGI	-2.0%	6.0%
Citigroup World Government Bond Index	13.1%	
Local cash managers and TAA manager		
RMBAM	8.3%	4.8%
PSG	4.6%	2.4%
Prescient	7.9%	7.4%
Prudential (TAA)	N/A	5.2%
Short-term Fixed Interest Composite Index	9.8%	
Total		100%

Notes and disclaimer
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