

# Advantage Focused and Diversified Portfolio Range

## Advantage High Interest Portfolio

December 2010

### Investment strategy

This investment portfolio is designed to maintain a maximum strategic equity allocation of 40%. 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.

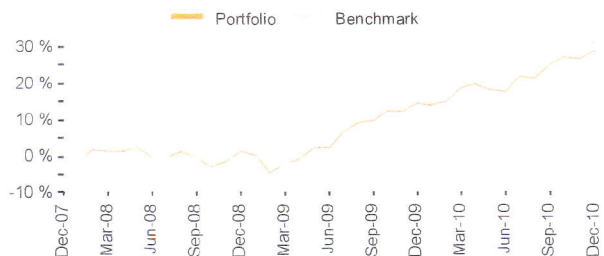
### Benchmark allocation

Asset Class	Allocation	Benchmark
Local equities	30%	FTSE/JSE Shareholder Weighted All-Share Index
Local bonds	20%	Bond Exchange Association of SA All Bond Index
Local cash	30%	Short-term Fixed Interest Composite Index
Local tactical asset allocation	5%	Short-term Fixed Interest Composite Index
Global equities	10%	MSCI World Index
Global bonds	5%	Citigroup World Government Bond Index

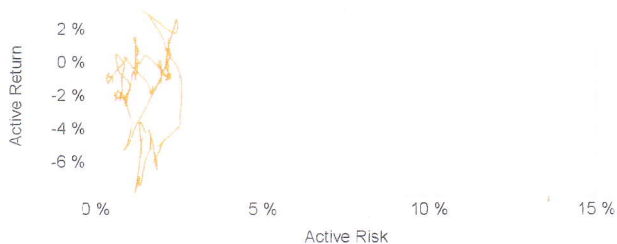
### Investment returns

	One Month	Three Months	One Year	Three Years	Five Years	Since Inception
Portfolio	1.6%	3.0%	12.7%	8.9%	11.5%	13.6%
Benchmark	7%	2.7%	11.9%	8.1%	10.9%	13.4%
CPI = 4.0% p.a.			7.7%	11.1%	11.0%	10.0%

### Cumulative investment returns for three years



### One-year active risk/return snail trail



*40% in equities  
60% in bonds*

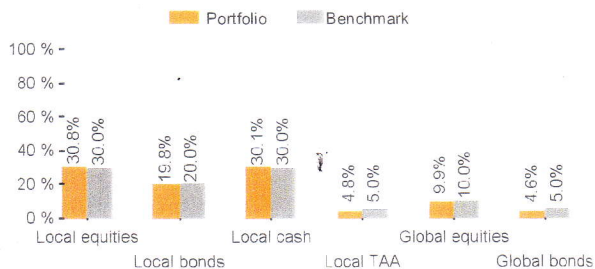
### Investment portfolio mandate

The long-term return objective of this portfolio is inflation plus 4% a year over five-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	July 1999	
Investment horizon	Medium term	
Risk profile		
(Calculation based on one-year period)	Portfolio	Benchmark
Volatility	5.6%	5.8%
Maximum drawdown	-1.9%	-2.0%
Active risk	0.5%	
Sharpe ratio	1.0	0.9
Information ratio	1.7	
Beta	1.0	

### Asset allocation



### Investment manager allocation and returns

	One Year	Weighting
<b>Local equity managers</b>		
Investec	15.9%	2.6%
Coronation	23.9%	5.3%
Re:CM	22.0%	4.8%
Prudential	20.5%	8.0%
Allan Gray	20.3%	10.1%
FTSE/JSE Shareholder Weighted All-Share Index	20.9%	
<b>Local bond managers</b>		
RMBAM	17.0%	9.7%
Prescient	16.0%	6.2%
Futuregrowth	19.0%	3.9%
BEASSA All Bond Index	5.0%	
<b>Global equity managers</b>		
BGI	-1.2%	9.9%
MSCI Developed Markets Index	4.4%	
<b>Global bond managers</b>		
BGI	-2.0%	4.6%
Citigroup World Government Bond Index	6.4%	
<b>Local cash managers and TAA manager</b>		
RMBAM	8.3%	9.9%
PSG	4.6%	4.9%
Prescient	7.9%	15.3%
Prudential (TAA)	N/A	4.8%
Short-term Fixed Interest Composite Index	6.6%	
<b>Total</b>		100%

#### Notes and disclaimer

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