

RE:CM Global FLEXIBLE Fund

Period ended 31 August 2011

Portfolio Manager	Daniel Malan, Piet Viljoen, Wilhelm Hertzog
Sector	Worldwide Asset Allocation Flexible
Inception Date	3 April 2003
Fund Size	R1.1 billion
Benchmark	Inflation (CPI) + 8%
Min. Investment	R250,000 initial investment
Fund Status	Open
Initial Fee	No initial fee
Annual Fee (Class A)	1% annual fee excl. VAT
Hurdle Rate	CPI + 8%
Performance Fee	20% above/below hurdle rate
Total Expense Ratio	2.28%
Income Declarations	31 March ,30 June, 30 September, 31 December
Regulation 28	Does not comply

About the Fund

The RE:CM Global Flexible Fund is a rand denominated worldwide balanced fund that may invest in equities, bonds, property, cash and offshore assets. Funds are shifted between various asset classes to take advantage of areas of value.

Fund Objective

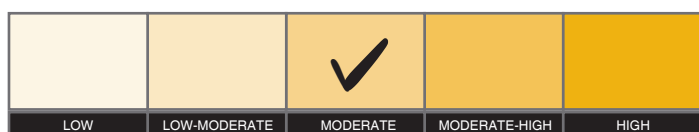
The primary objective of the portfolio is to generate returns greater than inflation over the long term with lower than average risk for investors.

Risk Measures

We look at risk in terms of losing money, not in terms of volatility. Our main risk management tool is our investment philosophy. As value investors, we aim to buy and hold good quality companies and do so with a margin of safety. Our ability to move between asset classes assists in reducing the risk in the fund.

RISK STATISTICS AND PORTFOLIO DETAIL

FUND PROFILE

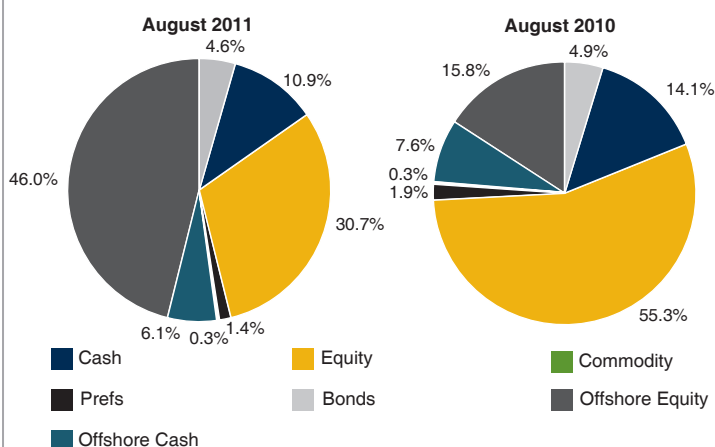


• This fund has a moderate risk profile

TOP HOLDINGS (%)

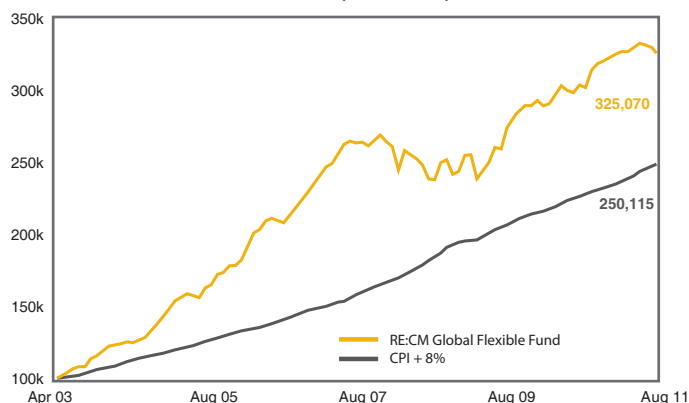
August 2011		August 2010	
Sun International	5.5	Sun International	5.0
Johnson & Johnson	5.1	Discovery	5.0
Telkom	3.2	Telkom	3.3
Microsoft	3.0	Old Mutual	3.1
Discovery	2.9	Imperial	3.1
BP	2.9	Remgro	2.9
Tokyo Gas	2.6	Harmony Gold	2.8
Amplats	2.6	Metropolitan	2.8
Wal-Mart Stores Inc	2.5	Tiger Brands	2.8
Vividend Income Fund	1.8	Adcock Ingram	2.5

ASSET ALLOCATION



PERFORMANCE AND COMMENTARY

RETURNS SINCE INCEPTION (after fees)



RETURNS TO END AUGUST 2011 (%)

	Fund	Benchmark
1 Year	7.4%	13.7%
3 Years	9.1%	13.5%
5 Years	8.1%	14.9%
Since Inception	15.2%	13.9%

- Returns in ZAR net of fees with distributions re-invested. Source: RE:CM Analyst, Datastream.
- Periods greater than 1 year are annualised
- Inception Date, 3 April 2003

INVESTMENT COMMENT

SA equity market indices are in expensive territory and we remain very protective of our cash holdings. Our allocations of capital have largely been into existing holdings Amplats, Sasol, JD Group and Old Mutual, with the only realization worth mentioning being that of Tiger Brands. All of these transactions were motivated by their price to value relationships. We uncovered two sensible new ideas in the mid-sized capitalization range where their prices have finally reached our buying levels, but generally speaking new idea flow remains rather poor, as can be expected.

Outside of SA, our investment team's new idea flow remains excellent and ideas subjected to our due diligence process are coming out at attractive price to value ratios. By value our largest capital allocation was to the French oil giant Total, Old Mutual PLC, the Spanish leading hard discount food retailer Dia, the Greek stock exchange Hellenic Exchanges and the Japanese branded consumer goods business Kao Corporation. The only realization worth mentioning is that of the brewer Heineken Holdings. We remain wary of exchanging fund cash holdings for anything but deeply discounted and high quality investment opportunities, wherever we can find them.

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