

RE:CM Global FLEXIBLE Fund (Class C)

Period ended 30 April 2013

RE:CM

YOUR CAPITAL FIRST

Portfolio Manager	Daniel Malan, Wilhelm Hertzog, Paul Whitburn
Sector	Worldwide Multi Asset Flexible
Inception Date	1 June 2005
Total Fund Size	R1.5 billion
Fund Size (Class C)	R502.5 million
Benchmark	Inflation (CPI) + 8%
Fund Status	Open
Initial Fee	No initial fee
Annual Fee (Class C)	1.5% annual fee (excl. VAT)
Hurdle Rate	CPI + 8%
Performance Fee	20% above/below hurdle rate
Total Expense Ratio	3.31%
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

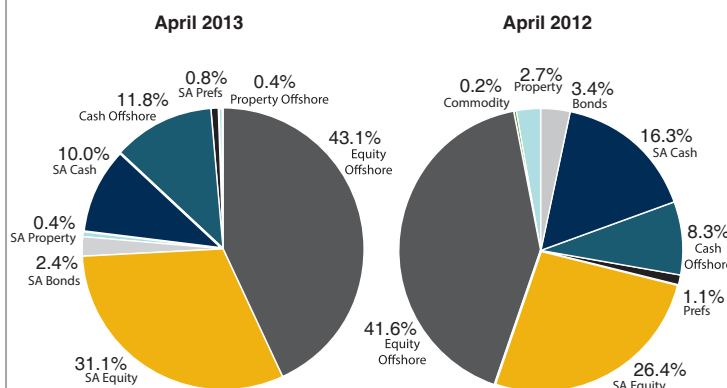
FUND RISK PROFILE



TOP HOLDINGS (%)

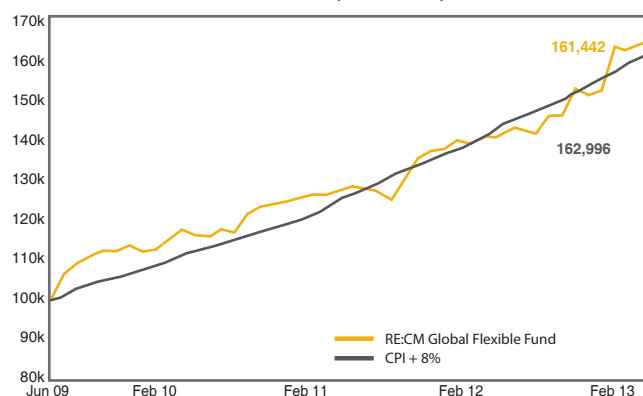
April 2013		April 2012	
Carrefour	4.2	Sun International	5.5
Amplats	4.0	Microsoft	4.0
Microsoft	3.9	Amplats	3.9
Sun International	3.5	Johnson & Johnson	3.7
Anglo American	3.2	Carrefour	3.4
BP	2.7	BP	3.0
Lonmin	2.6	Berkshire Hathaway	2.9
HCI	2.4	Discovery	2.6
Tokyo Gas	2.4	Tokyo Gas	1.9
Ultra Petroleum	2.3	Wellpoint	1.8

ASSET ALLOCATION



PERFORMANCE AND COMMENTARY

RETURNS SINCE INCEPTION (after fees)



RETURNS TO END APRIL 2013

	Fund	Benchmark
1 Year	16.5%	13.9%
3 Years	11.5%	13.3%
Since Inception*	13.6%	13.3%
Maximum Drawdown**	-2.6%	0.0%

* Returns in ZAR net of fees with distributions re-invested. Source: RE:CM Analyst.
 • Periods greater than 1 year are annualised

* Returns since inception : returns for the C Class are only available from 30 June 2009 due to the reclassification of the Fund at that time.

** Life of Fund

INVESTMENT COMMENT

Capital allocations in April were to Implats, Arcelor Mittal, Blue Label Telecoms, Lonmin and the Italian property business IGD. All of these shares represent relatively new investment ideas in the beginning stages of a long term ownership cycle. This of course does not guarantee the success of any individual exposure, but we find that populating a portfolio with a collection of sensible opportunities serves investors well over full market cycles. Our analysts monitor each position against how we expect the investment thesis to unfold. This activity differs from forecasting in one very important aspect; timing. For example, something we monitor closely in the case of Arcelor Mittal is a recovery in SA infrastructure spending which will result in an increase of the company's sales to domestic customers from the current depressed levels. They sell a ton of steel at a significantly different price level depending on whether it is being sold locally (at import parity) or sold on the export markets (at export parity). Every ton of steel produced costs exactly the same, so the profit impact is enormous depending on where it is sold. We do not know or try to forecast when exactly this change will happen. We can only observe that this important variable is at a very low point and we judge that it is highly likely that it can improve from this low point. Capital realisations in April were from the equity of Sun International, HCI, Bank of America, Peregrine, Hewlett Packard, Johnson & Johnson, Berkshire Hathaway and Carrefour.

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