

RE:CM Global FLEXIBLE Fund (Class C)

Period ended 31 July 2012

Portfolio Manager	Daniel Malan, Piet Viljoen, Wilhelm Hertzog
Sector	Worldwide Asset Allocation Flexible
Inception Date	1 June 2005
Total Fund Size	R1.19 billion
Fund Size (Class C)	R341.6 million
Benchmark	Inflation (CPI) + 8%
Fund Status	Open
Initial Fee	No initial fee
Annual Fee	1.5% annual fee excl. VAT
Hurdle Rate	CPI + 8%
Performance Fee	20% above/below hurdle rate
Total Expense Ratio	1.89%
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

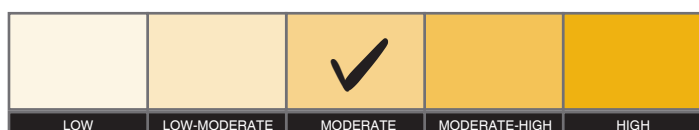
The primary objective of the portfolio is to generate returns greater than inflation over the long term with lower than average risk for investors.

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

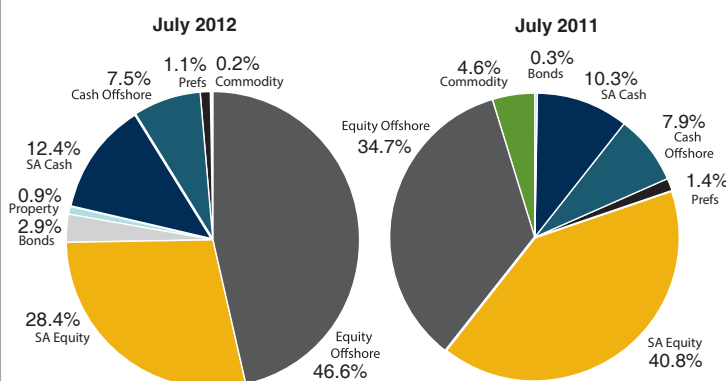


- This fund has a moderate risk profile

TOP HOLDINGS (%)

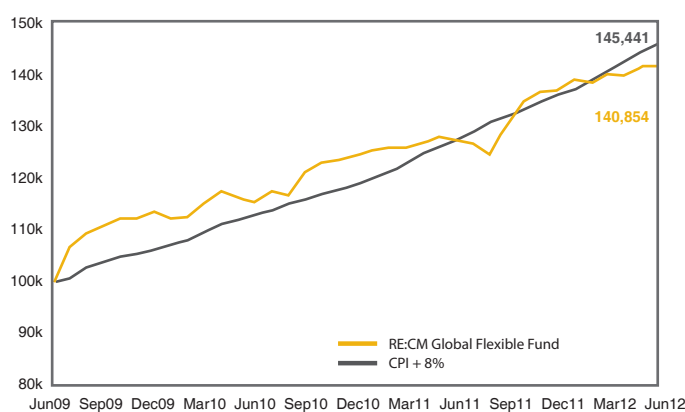
	July 2012		July 2011	
Carrefour		5.7	Sun International	5.8
Sun International		5.1	Johnson & Johnson	5.0
Amplats		3.9	Telkom	3.2
Microsoft		3.7	Harmony Gold	3.1
Berkshire Hathaway		3.1	Discovery	2.9
BP		2.8	Tokyo Gas	2.7
Coca-Cola Hellenic		2.7	BP	2.7
Anglo American		2.5	Walmart	2.5
Johnson & Johnson		2.4	Old Mutual	2.2
Dell		2.3	Amplats	2.2

ASSET ALLOCATION



PERFORMANCE AND COMMENTARY

RETURNS SINCE INCEPTION (after fees)



RETURNS TO END JULY 2012 (%)

	Fund	Benchmark
1 Year	11.1%	13.5%
3 Years	9.7%	13.0%
Since Inception*	11.8%	12.9%

- Returns in ZAR net of fees with distributions re-invested. Source: RE:CM Analyst, Datastream.
- 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.

INVESTMENT COMMENT

Equity in high quality businesses listed in Europe, such as Carrefour and Coca-Cola Hellenic, dominated the purchasing side of the ledger over the past six months. This was followed by two newer investment ideas in the resources sector in South Africa, being Anglo American Plc and Anglo American Platinum. Few people are aware of the fact that the resources sector has significantly underperformed on the FTSE/JSE All Share Index for the past 10 years despite the so-called 'commodity super-cycle'. Given this information it is not surprising that our analysts have lately found some value in this unloved part of the market. And following a poor quarterly trading update, which has absolutely nothing to do with the value of the business, Dell's share price declined substantially and the portfolio managers were able to allocate more fund capital at a very appealing price-to-value ratio. On the other side of the ledger, we sold down exposures in Old Mutual, Harmony and Discovery, following outsized positive price gains, while Vodafone and Johnson & Johnson were reduced to make space for newer and far cheaper investment ideas.

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