

# RE:CM Global FLEXIBLE Fund (Class C)

Period ended 30 June 2012

<b>Portfolio Manager</b>	Daniel Malan, Piet Viljoen, Wilhelm Hertzog
<b>Sector</b>	Worldwide Asset Allocation Flexible
<b>Inception Date</b>	1 June 2005
<b>Fund Size (All Classes)</b>	R1.19 billion
<b>Benchmark</b>	Inflation (CPI) + 8%
<b>Fund Status</b>	Open
<b>Initial Fee</b>	No initial fee
<b>Annual Fee</b>	1.5% annual fee excl. VAT
<b>Hurdle Rate</b>	CPI + 8%
<b>Performance Fee</b>	20% above/below hurdle rate
<b>Total Expense Ratio</b>	1.89%
<b>Income Declarations</b>	31 March, 30 June, 30 September, 31 December
<b>Regulation 28</b>	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

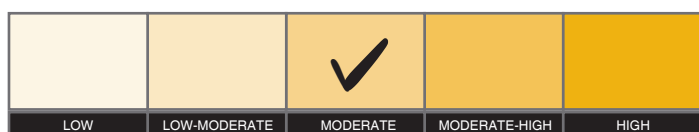
The primary objective of the portfolio is to generate returns greater than inflation over the long term with lower than average risk for investors.

## 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

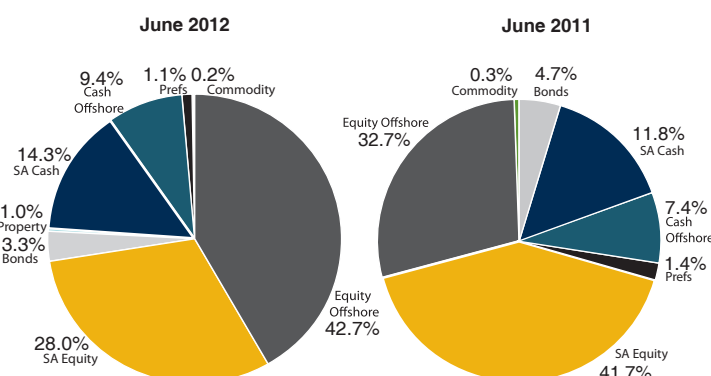


- This fund has a moderate risk profile

### TOP HOLDINGS (%)

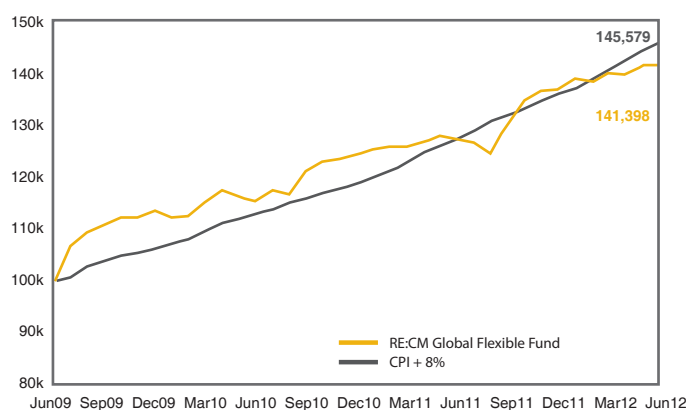
	June 2012	June 2011	
Sun International	5.7	Sun International	5.8
Carrefour	4.5	Johnson & Johnson	4.8
Amplats	3.8	Harmony Gold	3.5
Microsoft	3.8	Telkom	3.2
Coca-Cola Hellenic	3.1	Discovery	2.9
Berkshire Hathaway	3.0	BP	2.6
BP	2.8	Tiger Brands	2.6
Johnson & Johnson	2.5	Tokyo Gas	2.5
Discovery	2.4	Walmart	2.5
Anglo American	2.2	Amplats	2.4

### ASSET ALLOCATION



## PERFORMANCE AND COMMENTARY

### RETURNS SINCE INCEPTION (after fees)



### RETURNS TO END JUNE 2012 (%)

	Fund	Benchmark
1 Year	10.9%	14.1%
3 Years	12.2%	13.3%
Since Inception*	12.2%	13.3%

- 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

The RE:CM Global Flexible Fund remains conservatively positioned, being predominantly invested in the equity of high quality businesses with pricing power and low levels of financial leverage. We recently allocated capital to domestic commodity companies that presented us with a compelling price to value opportunity. The fund now has a decent sized, but not maximum, exposure to the equity of high quality platinum businesses. We have also just completed an exhaustive study of the natural gas market in the USA and came to the conclusion that there are excellent investment opportunities, specifically in a good quality listed business called Ultra Petroleum. We have also been increasing the fund's exposure to European businesses such as Carrefour and we are currently directing a fair amount of our research effort to uncovering more European investment ideas.

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