

RE:CM Global FLEXIBLE Fund (Class C)

Period ended 31 October 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	R1.8 billion
Fund Size (Class C)	R677.6 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	5.37%
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

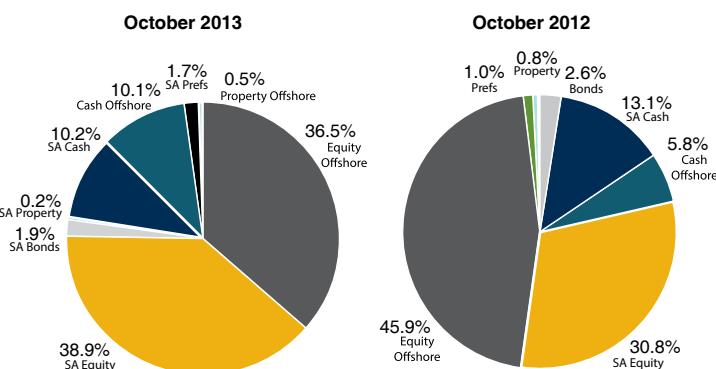
FUND RISK PROFILE

LOW	LOW-MODERATE	MODERATE	MODERATE-HIGH	HIGH
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TOP TEN HOLDINGS (%)

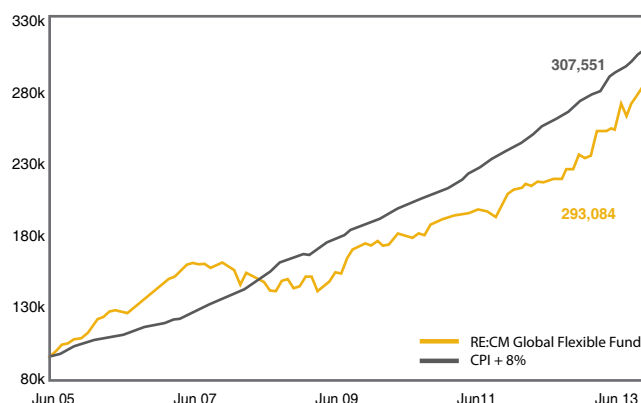
October 2013		October 2012	
Amplats	5.3	Carrefour	7.0
Anglo American	4.8	Sun International	5.5
Microsoft	3.5	Amplats	4.7
Arcelor Mittal SA	3.4	Microsoft	3.3
Impala Platinum	3.4	Anglo American	3.3
Arcelor Mittal	3.2	BP	2.8
BP	3.0	Berkshire Hathaway	2.8
Lonmin	2.8	Tokyo Gas	2.4
Carrefour	2.5	Dell	2.3
Sun International	2.4	Ultra Petroleum	2.2
Total	34.3	Total	36.3

ASSET ALLOCATION



PERFORMANCE AND COMMENTARY

RETURNS SINCE INCEPTION (after fees)



RETURNS TO END OCTOBER 2013*

	Fund	Benchmark
1 Year	24.3%	14.0%
3 Years	15.4%	13.7%
5 Years	15.1%	13.3%
Since Inception	13.6%	14.3%
Maximum Drawdown**	-12.0%	0.0%

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

* The RE:CM Global Flexible Fund was reclassified to a fully flexible mandate at the end of June 2009. Prior to this date, the Fund was managed according to Reg.28 guidelines.

** Life of Fund

INVESTMENT COMMENT

The market clearly took notice of the latest set of interim results for Carrefour. This is another terrific example of something very small but positive happening at a formerly disliked business that results in a disproportionately positive share price change. The results implied that their market share is stabilising in their key home market of France, which was a key concern. The key management change to date was the greater decentralisation of store management, which to date appears to have been the right thing to do. In other words they've moved from the corporate store mentality to be better placed to compete with the independent franchise owned business models. Carrefour remains a top holding in the fund.

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