

# RE:CM Global FLEXIBLE Fund

Period ended 30 September 2011

<b>Portfolio Manager</b>	Daniel Malan, Piet Viljoen, Wilhelm Hertzog
<b>Sector</b>	Worldwide Asset Allocation Flexible
<b>Inception Date</b>	3 April 2003
<b>Fund Size</b>	R1.1 billion
<b>Benchmark</b>	Inflation (CPI) + 8%
<b>Min. Investment</b>	R250,000 initial investment
<b>Fund Status</b>	Open
<b>Initial Fee</b>	No initial fee
<b>Annual Fee (Class A)</b>	1% annual fee excl. VAT
<b>Hurdle Rate</b>	CPI + 8%
<b>Performance Fee</b>	20% above/below hurdle rate
<b>Total Expense Ratio</b>	2.28%
<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

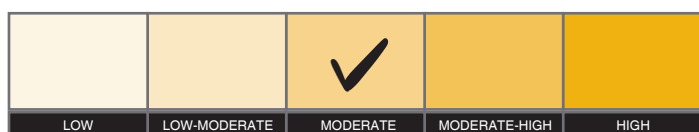
The primary objective of the portfolio is to generate returns greater than inflation over the long term with lower than average risk for investors.

## 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

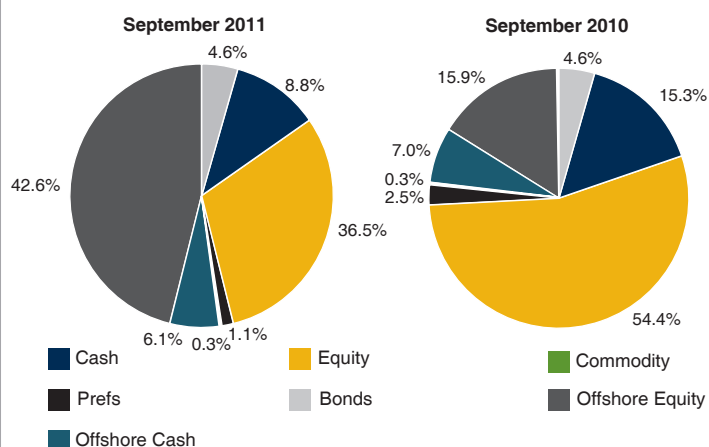


• This fund has a moderate risk profile

### TOP HOLDINGS (%)

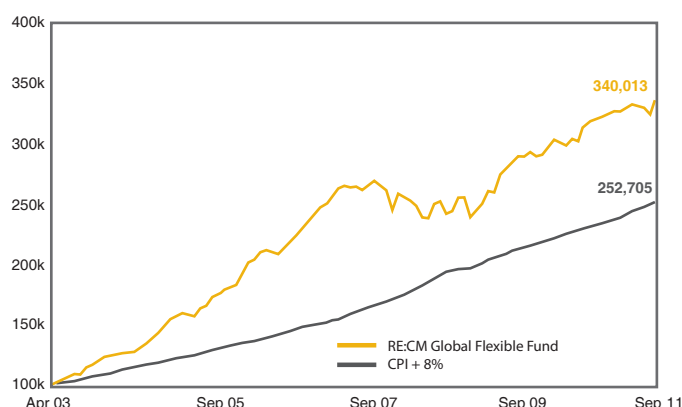
	September 2011		September 2010	
Sun International	5.1		Sun International	5.4
Johnson & Johnson	3.8		Discovery	5.4
Wal-Mart Stores Inc	3.0		Telkom	3.6
Discovery	3.0		Tiger Brands	2.8
Telkom	2.6		Harmony Gold	2.7
Harmony Gold	2.5		Remgro	2.7
Amplats	2.5		Omnia	2.7
Microsoft	2.4		Imperial	2.7
Old Mutual	2.2		Old Mutual	2.5
BP	2.2		Metropolitan	2.5

### ASSET ALLOCATION



## PERFORMANCE AND COMMENTARY

### RETURNS SINCE INCEPTION (after fees)



### RETURNS TO END SEPTEMBER 2011 (%)

	Fund	Benchmark
1 Year	8.1%	13.5%
3 Years	10.4%	12.7%
5 Years	8.7%	14.7%
Since Inception	15.7%	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

RE:CM's investment team has been able to use the recent price volatility in the markets to somewhat increase the offshore equity component of the fund. In addition our analysts have identified a long list of new ideas worth pursuing. Notable transactions during September were additional allocations to Amplats and Sun International, while further reducing exposure to Tiger Brands. Broadly speaking, it appears that our conservative stance and our preference for assets based outside of South African borders is being vindicated by market developments over the last six months. The fund's return, benchmarked against an absolute return benchmark, is marginally in positive territory but not above inflation. However, against the backdrop of significant negative market price changes, these are credible outcomes that support our strongly held conviction that losing the least on the down-swing allows us to meet our clients' expectations over the long run.

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