

# RE:CM GLOBAL Fund (Class B)

Period ended 31 January 2013

# RE:CM

YOUR CAPITAL FIRST

<b>Portfolio Manager</b>	Daniel Malan, Piet Viljoen, Wilhelm Hertzog, Paul Whitburn
<b>Sector</b>	Global Equity
<b>Inception Date</b>	14 Dec 2010
<b>Total Fund Size</b>	US \$450.5 million
<b>Fund Size (Class B)</b>	US \$32.9 million
<b>Benchmark</b>	MSCI World Index
<b>Fund Status</b>	Open
<b>Initial Fee</b>	No initial fee
<b>Annual Fee (Class B)</b>	1.0% annual fee
<b>Hurdle Rate</b>	MSCI World + 2.5%
<b>Performance Fee</b>	20% above/below hurdle rate
<b>Pricing Frequency</b>	Weekly
<b>Administrators</b>	Kleinwort Benson
<b>Domicile</b>	Guernsey
<b>Total Expense Ratio</b>	1.10%
<b>Income Declarations</b>	None
<b>Regulation 28</b>	Does not comply

## About the Fund

The RE:CM Global Fund is a US dollar denominated equity-centric fund domiciled in Guernsey. It invests predominantly in large global companies listed on recognised exchanges across all markets. A prospectus is available from RE:CM Collective Investments (Pty) Ltd.

## Fund Objective

The portfolio aims to outperform the MSCI World Index in USD (including income) over the long term with lower than average risk of capital loss and with less volatility than the index.

## Risk Measures

Whilst the risk is higher than that of a global balanced fund, our investment process is designed to minimise the risk of losing money over the long term.

## RISK STATISTICS AND PORTFOLIO DETAIL

### FUND RISK PROFILE



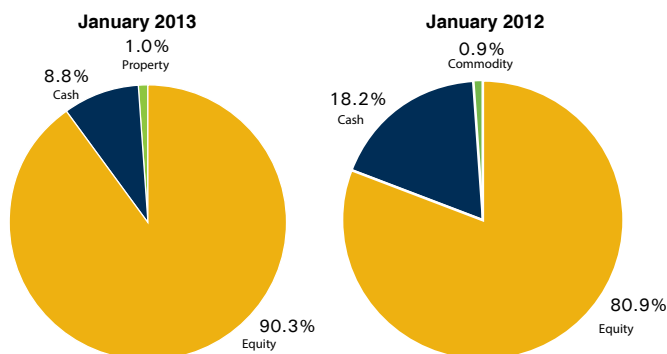
### TOP HOLDINGS (%)

January 2013			
Carrefour	6.7	Intel	3.6
Microsoft	4.8	Berkshire Hathaway	3.5
Ichirizuka Master Fund	4.6	BP	3.4
Amplats	3.8	Arcelor Mittal	3.3
Dell	3.7	NTT Docomo	3.2

### GEOGRAPHICAL ALLOCATION (%)

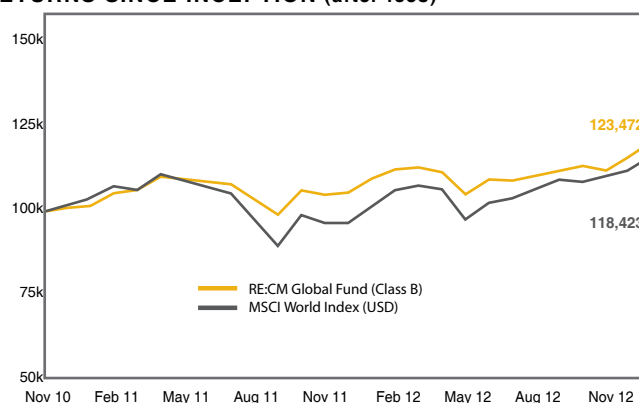
January 2013			
United States of America	41.3	United Kingdom	4.6
Eurozone	24.0	Hong Kong	3.0
Japan	13.4	Australia	0.5
South Africa	13.2	Canada	0.0

### ASSET ALLOCATION



## PERFORMANCE AND COMMENTARY

### RETURNS SINCE INCEPTION (after fees)



### RETURNS TO END JANUARY 2013\*

	Fund	Benchmark
1 Year (Class B)	12.2%	16.6%
3 Years	11.3%	10.9%
5 Years	7.1%	2.0%
Since Inception	6.7%	3.5%
Since Inception (Class B)	10.4%	8.3%

- \* Returns are in USD net of fees with distributions re-invested. Source: RE:CM Analyst, Bloomberg.
- \* Periods greater than 1 year are annualised.
- \* Inception Date, 31 March 2006 (Class A), 14 December 2010 (Class B).
- \* Class A performance is provided in the table above unless indicated, to show historical performance as the B Class has only been operative since December 2010.

### INVESTMENT COMMENT

During 2012 we discussed some of our Southwest European holdings, in particular the Greek listings Coca Cola Hellenic Bottling and Hellenic Exchanges. These unpopular stocks in a despised investment destination have delivered superb investment returns for you because they were effectively priced for bankruptcy and worse. All that's needed in such instances is for bad news to stop or for the situation to improve slightly in order to deliver outsized investment returns. Following an intensive review of the large US banking industry one of our analysts recommended the purchase of Bank of America as their cheapest, best quality idea in the sector. Our investment thesis is developing somewhat ahead of expectations, with a positive development regarding the volumes of mortgage refinancing they are writing, the possibility of share buybacks and the resumption of dividend payments sooner than expected. BP's share price lagged the market as the price of oil remained under pressure due to concerns over the rate of global economic growth. Our research calculations show that the large diversified oil majors generate fantastic long-term returns on capital despite short-term oil price fluctuations. In the short term the market may link their share price movements to that of oil, but their superior economics ultimately drive their growth in intrinsic values. In time share prices follow intrinsic value. Our investment thesis is intact and we have been allocating more capital to this idea.

Tel: +27 21 657 3440

Fax: +27 21 674 1088

Email: info@reem.co.za

Website: www.reem.co.za

**Disclaimer:** Collective Investment Schemes in Securities are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Collective investments are traded at ruling prices and can engage in scrip lending. The manager may borrow up to 10% of the market value of the portfolio where insufficient liquidity exists. A schedule of fees and charges and maximum commissions is available from the company/ scheme. Commission and incentives may be paid and if so, would be included in the overall costs. The quantifiable deduction is the annual management fee (and performance fee), whilst non-quantifiable fees included in the net asset value price may comprise brokerage, auditor's fees, bank charges, UST, trustee and custodian fees. Collective investment prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. Forward pricing is used. Fund valuations take place at 11 pm Guernsey time on the first business day of each week. Withdrawal requests and contributions must be received by the Manager by 4 pm Guernsey time on the first business day of the week to be processed that week. The Management Company is RE:CM Guernsey Management Company Limited. The Custodian is Royal Bank of Canada (Channel Islands) Limited and the Administrators are Kleinwort Benson. This fact sheet should be read in conjunction with the "Schedule of Similarities and Differences" available on the website. RE:CM Collective Investments (Pty) Ltd is a member of the Association for Savings and Investment SA (ASISA).