

# RE:CM GLOBAL Fund (Class B)

Period ended 31 July 2013

# RE:CM

YOUR CAPITAL FIRST

<b>Portfolio Manager</b>	Daniel Malan, Wilhelm Hertzog, Paul Whitburn
<b>Sector</b>	Global Equity
<b>Inception Date</b>	14 Dec 2010
<b>Total Fund Size</b>	US \$483.0 million
<b>Fund Size (Class B)</b>	US \$42.8 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>	Daily
<b>Administrators</b>	Kleinwort Benson
<b>Domicile</b>	Guernsey
<b>Total Expense Ratio</b>	1.35%
<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



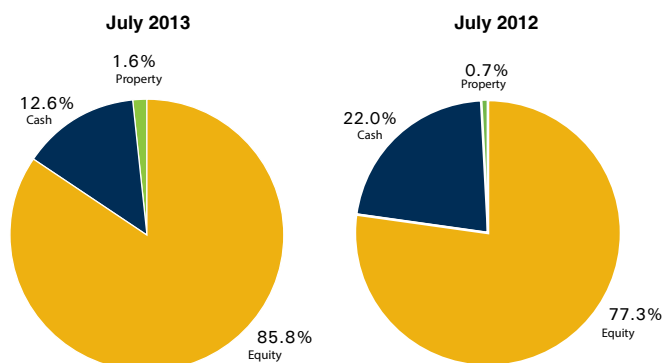
### TOP HOLDINGS (%)

July 2013			
Amplats	5.3	Ultra Petroleum	4.2
Ichirizuka Master Fund	5.2	Intel	4.1
Carrefour	5.0	BP	3.2
Microsoft	4.7	Sonae	3.1
Arcelor Mittal	4.6	Impala Platinum	3.0

### GEOGRAPHICAL ALLOCATION (%)

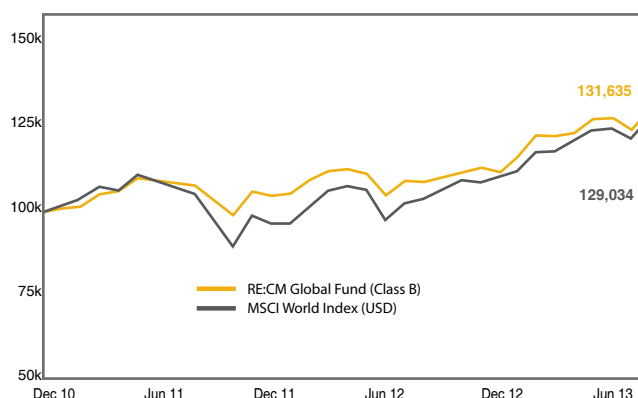
July 2013			
United States of America	37.5	United Kingdom	3.9
Europe	28.0	Hong Kong	2.8
Japan	14.6	Australia	0.1
South Africa	13.1	Canada	0.0

### ASSET ALLOCATION



## PERFORMANCE AND COMMENTARY

### RETURNS SINCE INCEPTION (after fees)



### RETURNS TO END JULY 2013\*

	Fund	Benchmark
1 Year (Class B)	19.3%	24.0%
3 Years	12.7%	13.4%
5 Years	9.5%	4.9%
Since Inception (Class B)	10.7%	10.2%
Maximum Drawdown**	-10.4%	-19.4%

- 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.
- \*\* Life of Fund

### INVESTMENT COMMENT

Existing holdings Impala Platinum, Arcelor Mittal (global), Anglo American Platinum and Ultra Petroleum feature as four of the top five purchases over the past six months. The only new purchase made during this period was OPAP, the Greek gaming business and lottery operator. OPAP has about 70% market share in Greece, which gives them scale and allows them to operate the most attractive betting pools in the country. As with most other jurisdictions, gaming is tightly regulated in Greece, and OPAP has exclusive licences to operate many of the games they offer. These exclusivities stretch to dates between 2020 and 2030, depending on the specifics of the case. We don't give them credit for any extension of their licenses beyond 2030 because of the uncertainty relating to the potential fees associated with extending licenses. Despite this, our work suggests an intrinsic value well above the current share price. On the disposals front we reduced exposure to a number of US and Japanese holdings where share prices have increased strongly. The most notable sale over recent months was that of H&R Block, the US tax preparation services provider. H&R Block's share price has doubled over the past two years and increased by about 60% during the first half of 2013. This took the share price to levels well above our estimate of fair value and accordingly the Fund no longer has any exposure to the company.

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**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).