

RECM GLOBAL FUND (Class D)

Period ended 31 August 2014

RECM

The RECM Global Fund is a US dollar denominated global fund that may invest in a wide array of assets without any restrictions. The Fund's aim is to generate returns significantly greater than US inflation and commensurate with equities over the long term. The Fund invests mainly in large global companies at a significant discount to intrinsic value, while using the flexibility of the mandate to protect capital and enhance returns by investing in other mispriced global assets from time to time. We consider risk as the possibility 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. The Offering Memorandum is available at www.recm.co.za.

Portfolio Managers	Daniel Malan, Wilhelm Hertzog, Paul Whitburn	Hurdle	US CPI + 8% p.a.
Fund Sector	Global Multi-Asset Flexible	Performance Fee	20% above hurdle subject to high watermark since inception of the Fund
Fund Currency	US dollars	Pricing Frequency	Daily
Inception Date	1 August 2014	Total Expense Ratio	TBA
Total Fund Size	US \$567.5 million	Income Declarations	None
Fund Size (Class D)	US \$101.1 thousand	Domicile	Guernsey
Benchmark*	US CPI + 6% p.a.	ISIN Code	GB00BP87H636
Min. Investment	US \$50,000 initial investment	SEDOL Code	BP87H63
Initial Fee	No initial fee		
Annual Fee	0.9% annual fee		

PORTFOLIO DETAIL

FUND RISK PROFILE

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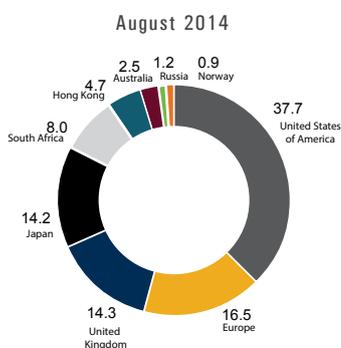
TOP TEN HOLDINGS (%)

August 2014	
BP Plc	5.1
Arcelormittal	5.0
Ichirizuka Master Fund	4.6
Anglo American Platinum Ltd	4.3
Ultra Petroleum Corp	4.1
WM Morrison Supermarkets	4.0
Inpex Corp	3.5
Impala Platinum Holdings Ltd	3.1
Anglo American Plc	3.1
American International Group	2.7
Total	39.5

ASSET ALLOCATION (%)

August 2014	
Equity	72.4
Cash	27.1
Property	0.6
Total	100.0

GEOGRAPHICAL ALLOCATION (%)



PERFORMANCE NET OF ALL FEES AND EXPENSES

This Fund class was launched on 1 August 2014. The performance history is provided as monthly returns, compared to those of the benchmark, until the first year of the class' life.

MONTHLY RETURNS

Month	Fund	Benchmark
Aug '14	1.1%	0.8%

• Returns are in ZAR net of fees with distributions reinvested. Source: RECM Analyst, Bloomberg.

INVESTMENT COMMENT

One of the new ideas in our global portfolios this year is Alumina, one of the largest aluminium refiners globally with a 15% share of global capacity. The aluminium sector was until recently plagued by over-capacity, high inventory levels and subdued demand. This has resulted in the entire sector derating substantially, reaching levels below the previous trough of 2008/2009. Alumina has a good quality bauxite resource base in Australia and cheap energy prices in Saudi Arabia allow the business to be very competitive globally. Industry capacity has been removed by the likes of Alcoa and it seems inventory stocks are declining due to an increase in demand. The global automotive market is slowly substituting its steel vehicle bodies for aluminium in order to save weight and increase fuel efficiency, creating a market that could potentially be very large for these producers. The Fund also owns Norsk Hydro, an integrated aluminium producer.

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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. The manager may borrow up to 10% of the net asset 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 23h00 Guernsey time on the business day immediately preceding each dealing day. Withdrawal requests and contributions must be received by the Administrators by 15h30 Guernsey time on the business day preceding each dealing day. The Management Company is RECM Global Management Limited. The Custodian is Royal Bank of Canada (Channel Islands) Limited and the Administrators are Kleinwort Benson (Channel Islands) Fund Services Limited. This fact sheet should be read in conjunction with the "Schedule of Similarities and Differences" available on the website. RECM Collective Investments (Pty) Ltd is a member of the Association for Savings and Investment SA (ASISA).