

RECM GLOBAL FUND (Class D)

Period ended 30 November 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
ASISA Sector	Global Multi Asset Flexible
Fund Currency	US dollars
Inception Date (Class D)	13 August 2014
Total Fund Size	US \$518.1 million
Fund Size (Class D)	US \$48.2 million
Benchmark*	US CPI + 6% p.a.
Min. Investment	US \$50,000 initial investment
Initial Fee	No initial fee
Annual Fee	0.9% annual fee

Hurdle	US CPI + 8% p.a.
Performance Fee	20% above hurdle subject to high watermark since inception of the Fund
Pricing Frequency	Daily
Total Expense Ratio (Annualised)	0.26% for the period ending 30 September 2014
Income Declarations	None
Domicile	Guernsey
ISIN Code	GG00BP8YH636
SEDOL Code	BP8YH63

PORTFOLIO DETAIL

FUND RISK PROFILE

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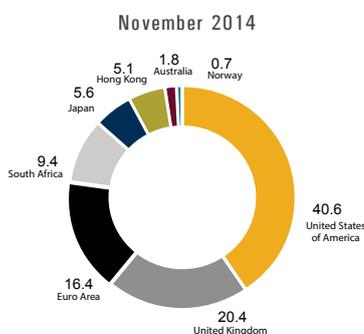
TOP TEN HOLDINGS (%)

November 2014	
Tesco Plc	5.1
Ichirizuka Master Fund	5.1
Anglo Platinum Ltd	5.0
Anglo American Plc	4.8
Arcelormittal	4.7
Ultra Petroleum Corp	4.6
BP Plc	4.5
Impala Platinum Holdings Ltd	3.8
Wm Morrison Supermarkets Plc	3.7
Inpex Corp	3.3
Total	44.4

ASSET ALLOCATION (%)

November 2014	
Equity	75.0
Cash	24.3
Property	0.7
Total	100.0

GEOGRAPHICAL ALLOCATION (%)



PERFORMANCE NET OF ALL FEES AND EXPENSES

This Fund Class was launched on 13 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%	0.7%
Sep '14	-4.5%	0.6%
Oct '14	-2.7%	0.3%
Nov '14	2.4%	0.6%
Since Inception	-6.0%	2.2%

• Returns are in USD net of fees. Source: RECM Analyst, Bloomberg.

INVESTMENT COMMENT

With the oil price having dropped to around US\$70 of late the whole energy complex has come under pressure, and understandably so. We believe this presents us with rich opportunities in these sectors. The energy stocks already in our portfolios (BP, Total, Ultra Petroleum and Inpex) have fared reasonably well considering the carnage in the oil & gas services and alternatives sectors. This makes sense for two reasons; one being that our stocks were cheap already, and the other being that primary oil & gas producers have evidenced their ability to manage their costs in relation to energy prices through their business cycles for decades. They are in fact remarkably stable businesses through the course of the full business cycle. In many cases in the oil & gas services sectors however, companies are now finding themselves in situations where they have a combination of significant excess supply, poor pricing, declining free cash flow and too much debt, with outcomes such as rights issues or outright bankruptcy a reasonable prospect. We apply the same filtering mechanism to the energy sector as we do to cyclicals and resources. We look for the best companies in each energy sub-sector with sustainably low-cost resources, shareholders of reference, sensible management and readily realizable assets should they have debt.

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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 if applicable), whilst non-quantifiable fees included in the net asset value price may comprise brokerage, auditor's fees, bank charges, 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. 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. The Fund's annualised Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. 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).