

## Performance<sup>1</sup>

Since inception  
Performances % change

Fund	Benchmark	Outperformance
-1.9%	3.7%	-5.6%

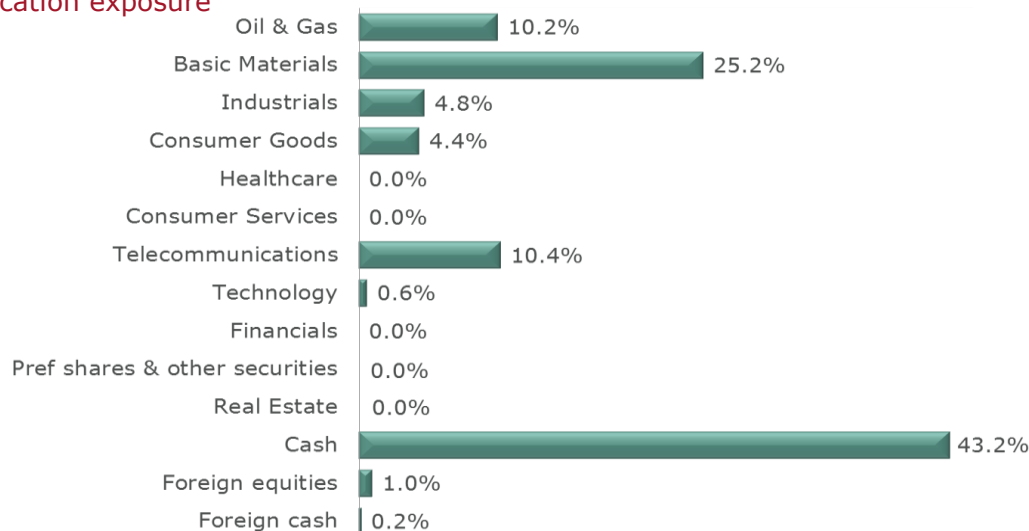
## Top ten holdings

	% of fund
Sasol	10.2
MTN	7.7
Tongaat Hulett	4.4
Anglo American	4.0
Mondi	3.8
Anglogold Ashanti	3.8
BHP Billiton	3.5
AECI	3.4
Vodacom	2.7
Nampak	2.6
<b>Total</b>	<b>46.1</b>

<b>Portfolio manager</b>	Abdulazeez Davids
<b>Fund category</b>	Domestic - Asset Allocation - Prudential - Variable Equity
<b>Fund objective</b>	A Sharia-compliant fund that aims to provide steady long-term returns and capital growth.
<b>Risk profile</b>	 Medium
<b>Suitable for</b>	Muslim investors requiring a Sharia-compliant portfolio appropriate for retirement schemes. Investors would also be seeking to build and grow their long-term retirement capital, while preserving the purchasing power thereof over the long-term and limiting exposure to short-term market fluctuations.
<b>Benchmark</b>	Domestic AA Prudential Variable Equity funds mean
<b>Launch date</b>	1 May 2011
<b>Fund size</b>	R43.9 million
<b>NAV</b>	98.13 cents
<b>Distribution dates</b>	30 June, 31 December
<b>Last distribution</b>	Nil
<b>Minimum investment</b>	Lump sum: R5 000; Debit order: R500
<b>Fees (excl. VAT)<sup>2</sup></b>	Initial fee: 0.00% Financial adviser fee: max 3.00% Ongoing advice fee: max 1.00% pa Annual management fee: 1.25%
<b>TER<sup>3</sup></b>	N/A
<b>Sharia advisory and supervisory board</b>	Members: Sheigh Mohammed Tauha Karaan Mufti Zubair Bayat Mufti Ahmed Suliman

Unconventional thinking. Superior performance

## Effective asset allocation exposure



The Kagiso unit trust range is offered by Kagiso Collective Investments Limited ('Kagiso') registration number 2010/009289/06, a member of the Association for Savings and Investment SA (ASISA). Unit trusts are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily an indication of future performance. Unit trusts are traded at ruling prices and can engage in scrip lending and borrowing. Unit trust prices are calculated on a net asset value (NAV) basis, which is the total value of assets in the portfolio including any income accruals and less any permissible deductions (brokerage, Uncertificated Securities Tax, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio, divided by the number of units in issue. Instructions must reach Kagiso Collective Investments before 14:00 to ensure same day value. Fund valuations take place at approximately 15:00 each business day and forward pricing is used.

<sup>1</sup> Performance is quoted from Morningstar as at month-end for a lump sum investment using Class A NAV prices with income distributions reinvested. Performance figures are quoted after the deduction of all costs incurred within the fund.

<sup>2</sup> A schedule of maximum fees and charges is available on request and from our website. Fees and incentives may be paid, and if so, are included in the overall costs.

<sup>3</sup> The TER is calculated as a percentage of the average NAV of the portfolio incurred as charges, levies and fees in the management of the portfolio for a rolling 12-month period to end December 2011. A higher TER ratio does not necessarily imply a poor return nor does a low TER imply a good return. The current disclosed TER cannot be regarded as an indication of future TER's.

## Commentary

The fourth quarter of 2011 was a very strong period for global equities, bouncing off their third quarter low points, amidst high volatility. Positive US economic data emerged amidst the European gloom and co-ordinated central bank measures were announced to provide Europe with much needed banking sector liquidity. Many South African companies, especially among the industrials, ended 2011 at all-time high share prices.

The US market was particularly strong (the S&P 500 Index was up by 11.2%), as was the UK market (up 8.7%), outperforming most emerging markets (MSCI Emerging Markets Index was up 4.4% in USD) and the negative Japanese market (the Nikkei Index fell 2.8%).

The Rand was little changed against the US Dollar (+0.1%) and 3.4% stronger against the Euro. The South African Reserve Bank kept interest rates unchanged at multi-decade lows, against a backdrop of rising inflation, which breached the official target in November - partly due to the weaker currency and higher transportation costs. Domestic economic growth prospects are looking softer, however.

Looking ahead, we remain cautious over prospects for the developed economies, with high levels of government debt, high levels of unemployment, stimulus removal and austerity measures looming and demographic trends moving slowly against them.

Going forward, we remain defensively positioned with a high rand cash balance and relatively low equity exposure. We have exposure to sukuks and a tactically reduced foreign exposure. Within equities we have a strong focus on attractively priced quality, companies and have increased our resource sector exposure at the expense of very highly priced industrials.

**Portfolio manager**  
Abdulazeez Davids