

KAGISO ISLAMIC EQUITY FUND

CLASS A as at 31 October 2009

Fund category Domestic - Equity - General
Fund description Aims to provide steady capital growth and a total portfolio return that is better than the average domestic equity fund.
Launch date 13 July 2009
Portfolio manager/s Abdulazeez Davids

Fund size R 4.98 million
NAV 118.62 cents
Benchmark Domestic Equity General Funds Mean

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Oct 2009
Domestic Assets	100.00%
Equities	84.64%
Oil & Gas	8.09%
Basic Materials	32.01%
Industrials	2.63%
Consumer Goods	17.73%
Health Care	4.44%
Consumer Services	0.82%
Telecommunications	10.70%
Technology	8.23%
Preference Shares & Other Securities	7.09%
Cash	8.27%

TOP 10 HOLDINGS

As at 31 Oct 2009	% of Fund
MTN Group Ltd	9.90%
Sasol Limited	8.09%
Tongaat Hullett Ltd	7.90%
New Gold Issuer Ltd	7.09%
Illovo Sugar Ltd	5.11%
AFRICAN RAINBOW MINERALS LIMITED	4.68%
Mondi Plc	4.61%
Trans Hex Group Ltd	4.54%
Cipla Medpro South Africa Ltd	4.44%
BHP Billiton Plc	4.35%
Total	60.71%

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2009								4.98%	0.45%	5.27%			11.01%

FEES (excl. VAT)

Initial Fee*	Kagiso: 0.00%
Annual Management Fee**	1.00%

* A portion of Kagiso's annual management fee may be paid to administration platforms like LISP's as a payment for administrative and distribution services.

Total Expense Ratio (TER)²

As this is a recently launched fund, the TER cannot be accurately determined and will be in line or higher than the quoted annual management fee.

MONTHLY COMMENTARY

The South African equity market showed reasonable improvement over the month, with the ALSI posting a rand total return of 5.5%, compared with a gain of 2.2% and 4.2% for the MSCI World and EM indices respectively. The ALSI posted a US\$ total return of 1.9%, while global equities shed 1.8%. The Rand weakened by about 4% over the month.

Technology was the best-performing industry group, posting a total return of 17.9%, followed by Consumer Goods (11.4%) and Health Care (9.0%). Telecoms (-3.3%) was the only group to post a negative total return.

Within the equity sectors, Software & Computer Services (17.9%), Beverages (15.9%), Household Goods (15.2%) and Equity Investment (15.0%) were the top-performers. Industrial Metals, Mobile Telecoms, Construction and Gold Mining were the worst-performing sectors.

Of the Top 100 shares, Anglo, Didata, Datatec, HCI and Mondi Plc were the top-performers, while Highveld, Arcelor, DRDGold, Group 5 and Wilson-Bayly were the worst-performing shares. The ALSI has posted a rand total return of 25.7% (53.2% in US\$), compared with a return of 1.2% for world equities (23.3% in US\$).

Health Care (59.0%), Technology (57.6%) and Consumer Services (40.5%) retain their top rankings within the industry groups. Oil & Gas continues to be the worst performing group, returning 8.8%. Aspen, Northam, Datatec, HCI and Old Mutual have produced the largest total returns, while Sappi, Harmony, DRDGold, Liberty Int, Afrox, Sun International and Tigbrands have all produced negative total returns.

The Kagiso Islamic Equity Fund gained 5.2% for the month, with a fund value of 117.5 at the end of October.

SHARIAH ADVISORY AND SUPERVISORY BOARD

The Kagiso Islamic Equity Fund has its own Shariah supervisory board of advisors and is headed up by Sheigh Mohammad Tauha Karaan, principal of Darul 'Ulum Arabiyya wal Islamiyya.

Members:

- Sheigh Mohammad Tauha Karaan
- Mufti Zubair Bayat
- Mufti Ahmed Suliman

INVESTOR PROFILE

- The fund is suitable for Muslim investors seeking a Shariah compliant portfolio of South African equity.
- Investors who are in their wealth accumulation phase and require little investment income in the short term.
- Investors seeking exposure to the domestic equity market.
- Investors who are able to withstand short term market fluctuations in pursuit of maximum capital growth over the long term.

Advice Costs (excluding VAT)

- Initial and ongoing advice fees may be facilitated on agreement between the Client and Financial Advisor.
- An initial advice fee may be negotiated to a maximum of 3% and is applied to each contribution and deducted before investment is made.
- Ongoing advice fees may be negotiated to a maximum of 1% per annum (if initial advice fee greater than 1.5% is selected, then the maximum annual advice fee is 0.5%), charged by way of unit reduction and paid to the Financial Advisor monthly in arrears. This annual advice fee is not part of the normal annual management fee as disclosed above.
- Where commission and incentives are paid, these are included in the overall costs.

Unit trusts should be considered a medium- to long-term investment. The value of units may go down as well as up. 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. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Instructions must reach the Management Company before 2pm (12pm for the Money Market Fund) to ensure same day value. Fund valuations take place at approximately 15h00 each business day and forward pricing is used. The manager is a member of ASISA. ¹Performance is quoted from Morningstar as at 31 October 2009 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. ²The 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 September 2009. 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 TERs. Coronation Management Company Ltd is a registered collective investment scheme management company, providing hosting and other administrative services for unit trust funds, including Kagiso Funds.