

KAGISO ISLAMIC EQUITY FUND

CLASS A as at 31 January 2010

KAGISO
Asset Management

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	R12.35 million
NAV	120.32 cents
Benchmark	Domestic Equity General Funds Mean

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Jan 2010
Domestic Assets	100.00%
Equities	77.74%
Oil & Gas	8.36%
Basic Materials	25.44%
Industrials	2.03%
Consumer Goods	17.54%
Health Care	7.07%
Telecommunications	10.65%
Technology	6.65%
Preference Shares & Other Securities	3.51%
Cash	18.75%

TOP 10 HOLDINGS

As at 31 Jan 2010	% of Fund
MTN Group Ltd	10.29%
Sasol Limited	8.36%
Tongaat Hullett Ltd	6.91%
Tiger Brands Ltd	6.02%
Illovo Sugar Ltd	4.61%
Mondi Plc	4.31%
Arcelormittal SA Ltd	4.19%
Cipla Medpro South Africa Ltd	4.18%
DATATECLTD	3.71%
New Gold Issuer Ltd	3.51%
Total	56.09%

MONTHLY COMMENTARY

In rand terms, the South African equity market (ALSI) shed 3.5% over January, compared with losses of 1.2% and 2.6% for the MSCI World and MSCI EM indices respectively. The ALSI posted a US\$ total return of -6.4%, while developed and emerging markets returned -4.1% and -5.6% respectively.

Technology (6.5%) and financials (1.2%) were the only industry groups to post positive total returns over the month. Telecoms, basic materials and health care were the worst-performing groups, posting total returns of -6.8%, -6.1% and -5.3% respectively. Within the equity sectors, software (6.5%), banks (4.3%), personal goods (4.3%), industrial metals (3.9%), food producers (3.3%) and food & drug retailers (3.3%) produced the highest total returns over the month. Fixed line telcos (-11.4%), media (-9.6%), industrial transport (-9.2%), gold mining (-8.4%) and construction & materials (-7.7%) showed the worst performance for January.

Mondi Plc, Shoprite, Stanbank, Didata and Kumba Iron Ore were the top performing shares within the ALSI Top 100 universe. Group 5, Grindrod, Murray and Roberts, JD Group and Telkom were the worst performers over the month. The rand depreciated by 2.9% against the dollar in January 2010 as the USD rebounded against global currencies.

The Kagiso Islamic Equity Fund closed the month at 120.32, a gain of 20.3% since the fund's inception on 13 July 2009.

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.

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2010	(0.08)%												(0.08)%
Fund 2009								4.98%	0.45%	5.27%	(0.89)%	2.43%	12.70%

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.

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 January 2010 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 December 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 TER's. 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.

CORONATION
FUND MANAGERS