

Kagiso Top 40 Tracker Fund

as at September 2010

Fund category Domestic - Equity - Large Cap
Fund description Provides low-cost passive access to the JSE Limited and aims to replicate the movements of the FTSE/JSE Top 40 Index over time.
Launch date 01 August 1997

Portfolio manager Aslam Dalvi
Fund size R62.50 million
NAV 3563.40 cents
Benchmark FTSE/JSE Top 40 Index
Class A

Portfolio detail

Effective asset allocation exposure

As at 30 September 2010

Domestic assets	100.00%
◆ Equities	94.65%
Oil & Gas	5.60%
Basic Materials	39.43%
Industrials	2.61%
Consumer Goods	14.48%
Healthcare	0.56%
Consumer Services	7.12%
Telecommunications	7.14%
Financials	17.70%
◆ Real Estate	1.47%
◆ Cash	3.88%

Top 10 holdings

As at 30 September 2010

	% of Fund
BHP Billiton	14.14%
Anglo American	10.71%
SABMiller	7.86%
MTN	6.27%
Sasol	5.60%
Compagnie Financiere Richemont	5.00%
Standard Bank	4.96%
Naspers	3.58%
FirstRand	3.52%
Anglogold	3.30%
Total	64.93%

Income distributions

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2010	01 Oct 2010	33.54	31.26	2.28
31 Mar 2010	01 Apr 2010	16.69	13.83	2.86
30 Sep 2009	01 Oct 2009	27.12	22.60	4.52
31 Mar 2009	01 Apr 2009	100.12	90.63	9.49

Monthly performance returns

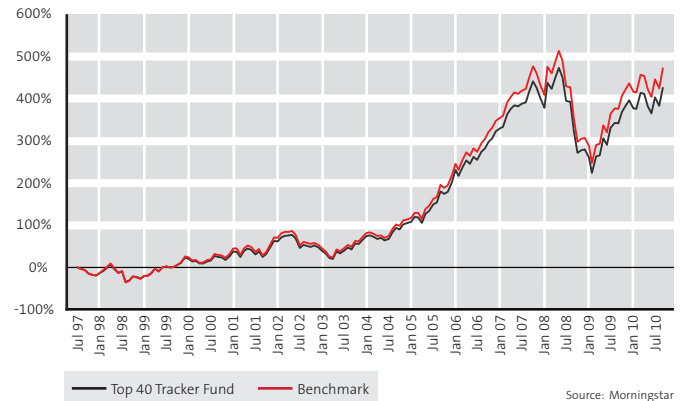
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2010	(3.83%)	(0.23%)	7.99%	(0.45%)	(5.71%)	(3.54%)	8.16%	(4.06%)	9.03%			
2009	(4.84%)	(10.40%)	12.27%	0.50%	11.22%	(3.84%)	10.21%	2.88%	(0.25%)	6.22%	2.99%	2.56%
2008	(4.76%)	12.44%	(2.66%)	4.81%	4.44%	(4.08%)	(10.06%)	(0.52%)	(14.19%)	(11.93%)	1.57%	0.51%

Fees (excluding VAT)

Initial fee	0.00%
Annual management fee*	0.50%
* A portion of Kagiso's annual management fee may be paid to administration platforms like ULSP's as a payment for administration and distribution services.	
Total Expense Ratio (TER) ²	0.70% per annum

Performance and risk statistics¹

Cumulative performance since inception



Performance for various periods

	Fund	Benchmark	Outperformance
Since inception (unannualised)	425.61%	471.16%	(45.55%)
Since inception (annualised)	13.43%	14.15%	(0.72%)
Latest 5 years (annualised)	13.43%	14.10%	(0.67%)
Latest 3 years (annualised)	0.51%	1.22%	(0.71%)
Latest 1 year (annualised)	19.09%	20.00%	(0.91%)
Year to date	6.14%	6.67%	(0.53%)
2009	30.56%	31.73%	(1.17%)
2008	(24.45%)	(23.58%)	(0.87%)
2007	18.85%	18.97%	(0.12%)
2006	40.16%	40.90%	(0.74%)

Risk statistics since inception

	Fund	Benchmark
Annualised deviation	22.14%	23.17%
Sharpe ratio	0.11%	0.13%
Maximum gain	36.54%	37.42%
Maximum drawdown ³	(43.55%)	(43.42%)
% Positive months	58.23%	58.86%

³ Maximum % decline over any period

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). Kagiso Collective Investments Limited is a subsidiary of Kagiso Asset Management to which the investment of its unit trust funds is outsourced. The Kagiso Islamic Equity Fund is a Collective Investment Scheme portfolio (unit trust) registered in terms of the Collective Investment Schemes Control Act under the Kagiso Unit Trust Scheme. 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 Kagiso Collective Investments before 2pm 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 30 September 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 September 2010. 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.

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as at September 2010

World markets rallied strongly over the quarter as key central banks committed to provide additional stimulus in an effort to further support the economic recovery and asset markets. In US dollar terms the MSCI World index closed the quarter up 13.9%. Emerging markets in general outperformed its developed peers with the MSCI Emerging Market index closing the quarter up 18.2%.

Our local bourse ended the quarter up 24.9% in dollar terms buoyed by our currency which strengthened further over the quarter. The rand ended the quarter at 6.96 to the US dollar, 9.7% stronger than its June 2010 closing level.

In rand terms, the FTSE/JSE All Share index ended up 13.3% with all sectors delivering solid returns over the quarter. Locally industrials and financials were the top performing sectors with a more favorable interest outlook and corporate action news flow (proposed buyout of Massmart by Wal-Mart Stores Inc and the takeout of Dimension Data by Nippon Telegraph and Telephone) providing a strong underpin to performance over the quarter.

Resources generally lagged the market given the negative impact of the currency although stronger commodity prices provided some support. Within resources, the precious metal sectors underperformed (Platinum index down 2.3%, Gold index down 1.0%) while the diversified miners, paper companies and industrial metal sectors outperformed.

The FTSE/JSE Industrial index ended the quarter up 18.5% while the FTSE/JSE Financials index delivered a return of 15.2%. The FTSE/JSE Resources index ended the quarter up 7.1%.

The Kagiso Top 40 Tracker Fund continued to closely track its benchmark, the FTSE/JSE Top 40 index which delivered a return of 13.4% over the quarter. Significant index changes over the quarter saw the fund trading frequently and marginally detracted from overall performance.

Portfolio manager

Aslam Dalvi