

## Performance and risk statistics<sup>1</sup>

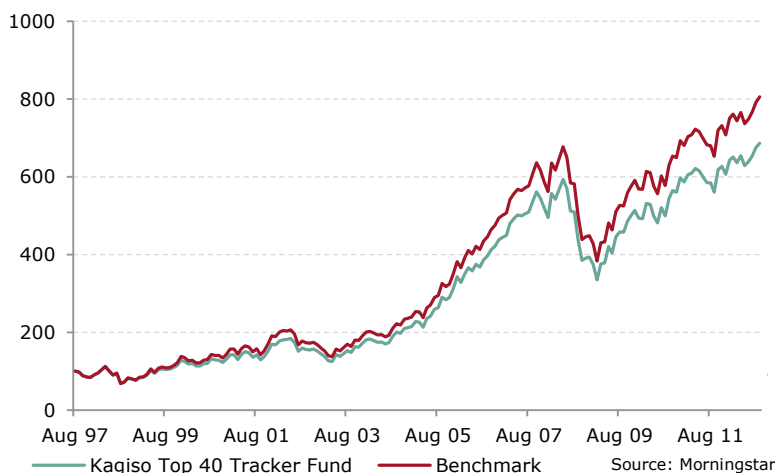
	Fund	Benchmark	Outperformance
1 year	22.5%	23.4%	-0.9%
3 years	14.5%	15.3%	-0.8%
5 years	5.0%	5.8%	-0.8%
Since inception	13.3%	14.5%	-1.2%


All performances annualised

	Fund	Benchmark
Annualised deviation	21.1%	21.9%
Sharpe ratio	0.2	0.2
Maximum gain*	36.5%	37.4%
Maximum drawdown*	-43.6%	-43.4%
% Positive months	58.6%	58.6%

\*Maximum % increase/decline over any period

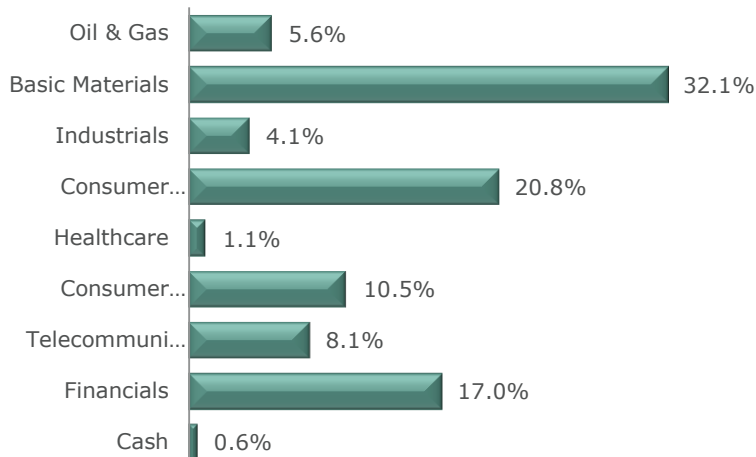
Cumulative performance since inception



<b>Portfolio manager</b>	Aslam Dalvi
<b>Fund category</b>	Domestic - Equity - Large Cap
<b>Fund objective</b>	To track the movements and replicate the performance of the FTSE/JSE Top 40 Index over time.
<b>Risk profile</b>	 Medium - High
<b>Suitable for</b>	Investors who are seeking to own the entire stock selection of the JSE/FTSE Top 40 at a low cost, and who seek long-term capital growth with no short-term income requirements. Investors would be able to withstand short-term market fluctuations in pursuit of maximum capital growth over the long term.
<b>Benchmark</b>	FTSE/JSE Top 40 Index
<b>Launch date</b>	1 August 1997
<b>Fund size</b>	R66.6 million
<b>NAV</b>	4257.22 cents
<b>Distribution dates</b>	30 June, 31 December
<b>Last distribution</b>	30 June 2012: 65.78 cpu
<b>Minimum investment</b>	Lump sum: R5 000; Debit order: R500
<b>Fees (excl. VAT)</b>	Initial fee: 0.00% Financial adviser fee: max 0.00% Ongoing advice fee: max 0.25% pa Annual management fee: 0.50%
<b>TER<sup>2</sup></b>	0.69% per annum

Unconventional thinking. Superior performance

## Effective asset allocation exposure\*



\* Please note that effective asset allocation exposure is net of derivative positions.

The Kagiso unit trust fund range is offered by Kagiso Collective Investments Limited (Kagiso), registration number 2010/009289/06, a voting member of the Association for Savings and Investment SA (ASISA). Kagiso is a subsidiary of Kagiso Asset Management (Pty) Limited [a licensed financial services provider (FSP No. 784)], the investment manager of the unit trust funds. Unit trusts are generally medium to long-term investments. The value of units will fluctuate and past performance should not be used as a guide for future performance. Unit trusts are traded at ruling prices and can engage in scrip lending and borrowing. Exchange rate movements, where applicable, may affect the value of underlying investments. Different classes of units may apply and are subject to different fees and charges. A schedule of the maximum fees, charges and commissions is available upon request. Commission and incentives may be paid, and if so, would be included in the overall costs. All funds are valued and priced at 15:00 each business day and at 17:00 on the last business day of the month. Forward pricing is used. The deadline for receiving instructions is 14:00 each business day in order to ensure same day value.

<sup>1</sup> Performance is quoted from Morningstar as at month-end for a lump sum investment using Class A Net Asset Value (NAV) prices with income distributions reinvested. NAV refers to the value of the fund's assets less the value of its liabilities, divided by the number of units in issue. Performance figures are quoted after the deduction of all costs incurred within the fund.

<sup>2</sup> The Total Expense Ratio (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 2012. 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.

## Top ten equity holdings

	% of fund
BHP Billiton	12.9
SABMiller	10.5
Anglo American	8.0
MTN	7.1
Richemont	6.1
Sasol	5.6
Naspers	4.9
Standard Bank	3.9
Firststrand/RMB	3.7
Anglogold Ashanti	2.6
<b>Total</b>	<b>65.3</b>

## Commentary

Despite mixed economic data, further policy easing by central banks saw markets close the quarter in positive territory. International Markets were generally up during the quarter, with the exception of Japan, which was down 1.5%. The US (S&P 500 Index) was up 5.8%, the UK (FTSE 100 Index) was up 3.1% and the MSCI Emerging Markets Index was up 7.9% (in US dollar terms).

Commodity prices strengthened this quarter, with most commodities relevant to South African miners gaining - platinum was up 16.8%, gold was up 11.1% and copper was up 6.8%. After a significant fall last quarter, the oil price (Brent Crude) increased by 16.1%.

The rand weakened by 1.8% against the US dollar and 3.2% against the euro. Inflation has dropped back into the upper region of the South African Reserve Bank's target band, where we expect it to remain in the medium term. The Reserve Bank dropped the repo rate by 50bps in July, and left it unchanged at their most recent Monetary Policy Committee meeting. Interest rates are currently at multi-decade lows.

This quarter was characterised by significant labour unrest within the local resources sector, which placed South Africa high on the international news agenda. The unprecedented tragedy that occurred at Lonmin's Marikana mine was the catalyst for further strikes, which have subsequently spread to other sectors of the local economy. Despite this, the South African equity market held up well over the quarter and reached an all-time high during September.

The FTSE/JSE All Share Index gained 7.3% during the quarter, with the recent material sectoral diversion continuing - industrials were up 10.5%, financials were up 6.5% and resources were up 2.9%.

The fund continues to closely track its benchmark, the FTSE/JSE Top 40 index, and delivered a return only marginally below that of the benchmark. All index changes that occurred during the quarter were timeously acted upon so as to minimise the relative risk in the fund.

**Portfolio manager**  
Aslam Dalvi