

## Fund Factsheet

June 2011



### INVESTMENT OBJECTIVE

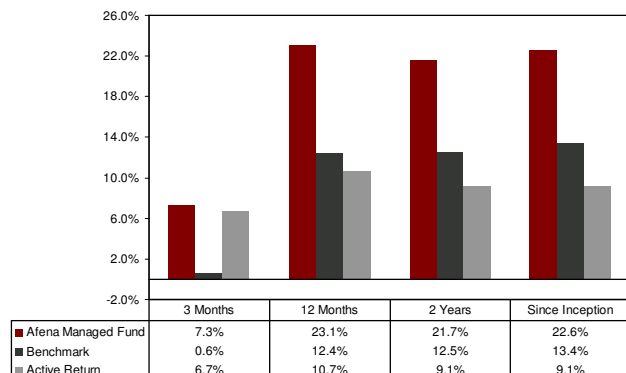
We believe equities generate the best long term real returns versus bonds and cash. We also believe that equity valuation is the best indicator of when to be or not to be invested in the equity market. Therefore a quality and proven equity valuation competency can be used to construct a multi asset portfolio with a capital growth priority when equity valuations are favourable and capital preservation priority when equity valuations are unfavourable, thus generating significant alpha from asset allocation and equity stock picking. The Afena Managed Fund aims to generate equity like returns, or better, at significantly less risk than the equity market. The Fund is an actively managed domestic multi asset class fund that invests in equities, bonds, property and cash and has an inflation plus 5% performance target over rolling five year periods. The Afena Managed Fund complies with Annexure A to Regulation 28 of the Pension Funds Act and is therefore suitable for retirement fund investors.

### PORTFOLIO COMMENT

The last quarter saw the fund perform exceptionally well. The key drivers of this performance were a number of individual stock picks coming to fruition and the sale of the fund's Brait Nil Paid Letters at a very attractive price. These factors, combined with a generally conservative equity allocation, enabled the fund to post a healthy positive gain over the quarter while the general equity market was flat.

The fund's equity positioning continues to be cautious with both the equity allocation being low (the local equity weight is only 37%, with an additional 18% sitting in international equity) and the stock selection within the equity space being defensive. There are two primary reasons for this guarded stance: One, we do not think the current equity valuations are attractive and two, we are unsure how the current global economy will unfold.

### INVESTMENT PERFORMANCE (net of fees)



Inception Date 1 May 2009

### TOP FIVE SHARES

Share Name	% of Fund
Pan African Resources PLC	4.8%
Remgro LTD	3.9%
MTN Group Limited	3.4%
Adcorp Holdings LTD	2.9%
Mustec LTD	2.8%

**PRESCIENT**  
MANAGEMENT COMPANY

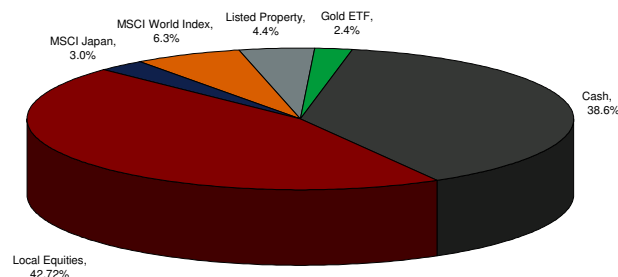
The Afena Managed Fund is managed by Afena Capital and is structured as a white-label portfolio operating under Prescient Management Company.

### FUND CHARACTERISTICS

Fund Manager	Andrew Joannou
Fund Classification	Domestic Asset Allocation Prudential Variable Equity
Benchmark	Median of the Domestic Asset Allocation Prudential Variable Equity Sector
Fund Size	R15.4 million
Fund Launch	14 April 2009
Income Distribution	Annually (1 April)
Initial Fee	0%
Annual Management Fee	1.5% (excl VAT)
Risk Profile	Moderate to High
Minimum Investment	R100 000 (lump sum)
Total Expense Ratio*	2.31% (1 July 2010 to 30 June 2011)

\*A Total Expense Ratio (TER) is a measure of a portfolio's assets that are forgone as operating expenses. The current TER disclosed is expressed as a percentage of the average Net Asset Value of the portfolio for the period from 1 January 2010 to 31 December 2010. Included in the TER is the proportion of costs incurred as charges, levies and fees in the management of the portfolio. 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. The current disclosed TER is applicable to class A1 units.

### ASSET ALLOCATION



### AFENA CAPITAL

Afena Capital is an independent investment management firm that was established in November 2005 and is 100% owned by management and staff. The firm was founded by a team of entrepreneurial investment professionals who shared a common long term vision to build a trusted, professionally managed, quality investment management firm. The firm focuses on producing excellent long term investment returns, providing quality service to its clients and offering professional management of investment portfolios on behalf of third party clients. We currently employ 14 full time staff members and manage segregated and pooled portfolios on behalf of institutional and private investors. On 30 June 2011, total assets managed by Afena Capital stood at R17.7 billion.

Collective Investment Schemes in Securities (unit trusts) are medium- to long-term investments. The value of participatory interests (units) may go up or down and past performance is not necessarily a guide to future returns. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accrued and less any permissible deductions from the portfolio, divided by the number of units in issue. Permissible deductions may include management fees, brokerage, security transfer tax, auditor's fees, bank charges and trustee fees. The fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees and charges and maximum commissions is available from Afena Capital. Commissions and fees may be paid and if so, are included in the overall costs. Forward pricing is used. In order to receive the price of the day, all transactions must be received before 13h00. Afena Capital and Prescient are members of the Association for Savings and Investments South Africa. Afena Capital is licensed as a Discretionary Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act, 2002. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. The investor furthermore agrees that Afena Capital and Prescient will not be liable for the consequences of market influences and consequent changes in unit prices.