



INVESTMENT OBJECTIVE

The Fund's objective is to produce above average long-term returns whilst simultaneously aiming to assume less risk than that inherent in the market itself. The Fund adopts a conservative investment philosophy and is Regulation 28 compliant.

FUND BENCHMARK

The Fund measures itself against a benchmark consisting of 50% All Share Index, 20% All Bond Index (ALBI), 20% Short term fixed income (STEFI) index and 10% against a Global Benchmark.

LEGAL STRUCTURE

The Fund is a pooled portfolio on the Prescient Life Limited balance sheet. The appointed portfolio manager of the Fund is Maestro Investment Management (Pty) Limited, an approved Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act, operating under licence number 739. Prescient Life Limited is a linked insurer governed by the Long Term Insurance Act. Prescient Life Limited issues investment linked policies. This Fund operates as a white label under the Prescient Life Licence.

FEE STRUCTURE

There is no initial fee charged. The Maestro Balanced Fund is a Fund of Funds with an annual management fee of 1.5% (excl VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Life.

FUND SIZE

R8 562 385

LONG TERM INSURER

Prescient Life Limited
(Reg no: 2004/014436/06)

AUDITOR

KPMG Inc.

PORTFOLIO MANAGER

Maestro Investment Management (Pty) Limited

ENQUIRIES

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MARKET OVERVIEW

The see-saw conditions in global markets continue: after *losing* a great deal (13.1% offshore and 8.1% locally) in May and June combined, then *recovering* most of it in July (8.0% offshore and 8.0% locally), equity markets *declined* again in August (3.9% offshore and 3.6% locally). Although July's strong markets turned most indices positive for the year-to-date, August's weak markets resulted in them now being marginally down for the year-to-date.

Turning to the specifics of the SA equity market, the basic material index experienced a lot of headwind, given the increasingly prevalent view that global growth was slowing. The result being that the index fell 6.3% in August. The financial index declined 3.5% and the industrial index 1.1%. Mid and small cap shares again trumped their larger brethren; the large (Top40) index fell 4.0% and the mid cap index 1.4% while the small cap index actually rose 0.7%. By virtue of its heavy resource weighting, the All share index was dragged lower and declined 3.6%.

With an unprecedented amount of foreign capital flowing into the South African Bond market it was not unexpected that the index rose 3.0%, bring its year-to-date gain to 13.3%. This compares favourably to cash which has produced 4.7% over the same period. We continue to believe there is room for a 50bps reduction in the repo rate, which would take the rate down to 6.0%. The South African Reserve Bank (SARB) is meeting on the 9th of September. The benign inflation environment, coupled with a strong local currency provides a perfect platform for SARB to give the economy a much needed push.

MONTHLY FUND RETURNS

During August the Maestro Balanced Fund's NAV decreased 0.3% versus the -1.2% return of the Fund benchmark.

The return on the *Maestro Equity Fund* was -3.5% versus the -3.1% and -3.6% returns of the Maestro equity benchmark and the All Share Index respectively;

The *Prescient Cash QuantPlus Fund* returned 0.7% against its benchmark of 0.6%.

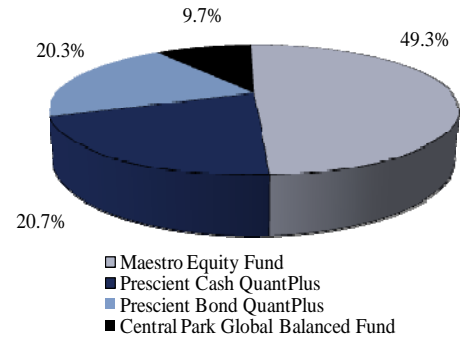
The *Prescient Bond QuantPlus Fund* returned 2.7% against its benchmark of 3.0%.

Detailed monthly fund summaries can be found by clicking on the above links.

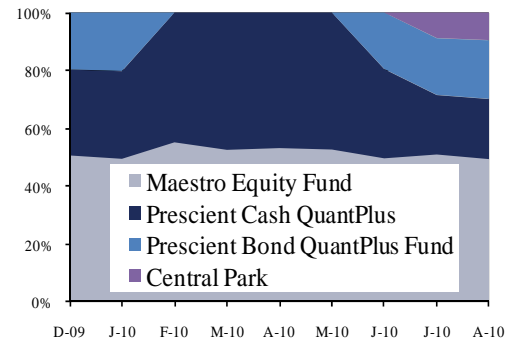
LARGEST INDIVIDUAL HOLDINGS

BHP Billiton plc	3.5%
Mr Price	2.5%
Capitec Bank	2.4%
Aspen	2.2%
Steinhoff	2.2%
Naspers	2.1%
Cashbuild	1.8%
Grindrod	1.7%
RSA 8% R204	1.7%
Anglo American	1.7%
Total %	21.8%

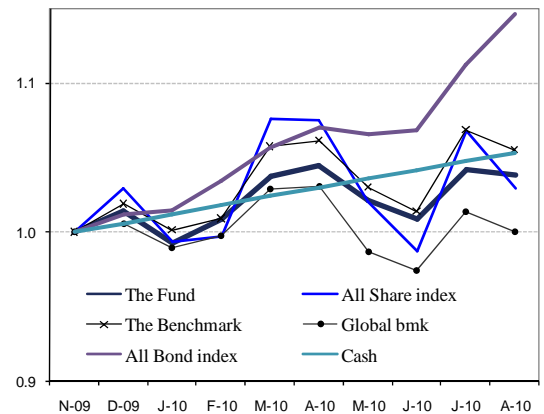
ASSET ALLOCATION (% OF FUND)



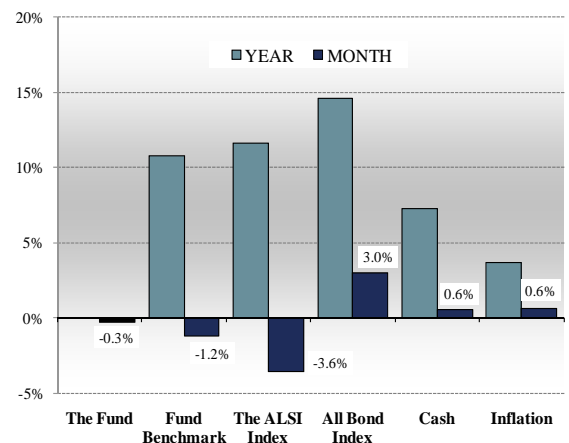
HISTORIC ASSET ALLOCATION (% OF FUND)



HISTORIC PERFORMANCE



MARKET RETURNS





MAESTRO
Balanced Fund

HISTORIC RETURNS – CLASS A

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year
2009	NAV Fund ¹											1.0000	1.0138	N/A
	Maestro Balanced Benchmark												1.89%	N/A
2010	NAV Fund ¹	0.9929	1.0089	1.0375	1.0449	1.0217	1.0091	1.0417	1.0387					2.5%*
	Maestro Balanced Benchmark	-2.06%	1.61%	2.83%	0.71%	-2.22%	-1.23%	3.23%	-0.29%					3.5%*

¹Fund not available to the public

* Year to date

Units in linked insurance policies should be considered as medium to long-term investments. The value of units may go up as well as down and past performance is not necessarily a guide to future performance. Unit prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (Brokerage, Securities Transfer Tax, VAT, Auditor's fees, Bank Charges, Custodian fees and the annual Management fee) from the portfolio divided by the number of units in issue. Fluctuations or movements in exchange rates may cause the value of any underlying international investments to go up and down. Forward pricing is used. Maestro Investment Management (Pty) Limited and Prescient Life Limited are members of the Association for Savings and Investments of South Africa (ASISA).