



# MAESTRO

Balanced Fund

PRESCIENT  
LIFE

December 2011

## 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

R 14 756 443

## 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

December brought a close to 2011 which was characterised by a lot of volatility in investment markets. Despite the Festive Season, equity markets did rise towards the end of the month, restoring some form of respectability to the monthly returns, which had looked rather poor in the middle of the month. The US, German and SA equity markets were down 3.3%, 6.9% and 3.6% respectively but they ended December with returns of 1.1%, -3.1% and -2.5%. On the currency front, the euro and sterling declined 3.6% and 1.2% against the dollar but the rand firmed 0.3% against the greenback.

Global equity markets were mixed, the MSCI Emerging market index declined 1.3% and the MSCI World index 0.2%. China fell 5.7%, India 4.2%, Brazil 0.2% and Russia declined 10.3%. On the subject of Bric markets, it is strange that economies like India and China are growing very strongly but their equity markets are amongst the worst performers. The respective MSCI indices for Brazil, Russia, India and China registered declines of 24.9%, 20.9%, 38.0% and 20.3% respectively for the whole of 2011. The MSCI SA index declined 17.3%.

On the local market, the standout during the month was the small cap index, which ended up 3.8%. The mid cap index rose 1.2% but the large cap index fell 3.2%. The All share index declined 2.5%, having being dragged lower by the basic material index, which fell 5.7%. The industrial index fell 1.8% but the financial index ended up 1.9%. The gold index fell 11.1%. The All bond index ended 0.8% higher and cash generated its usual 0.5%.

## MONTHLY FUND RETURNS

During December the Maestro Balanced Fund's NAV decreased -0.2% versus the -1.1% return of the Fund benchmark.

The return on the *Maestro Equity Fund* was -0.1% versus the -2.1% and -2.5% returns of the Maestro equity benchmark and the All Share Index respectively;

The *Prescient Yield QuantPlus Fund* returned 0.5% against its benchmark of 0.5%.

The *Prescient Bond QuantPlus Fund* returned 1.1% against its benchmark of 0.7%.

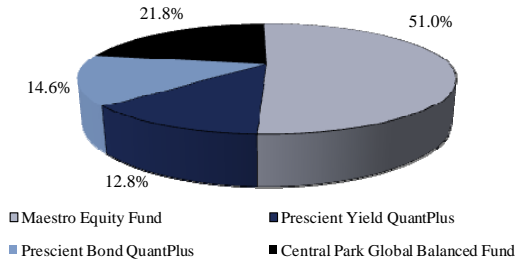
The *Maestro Central Park Global Balanced Fund* returned -1.8% in rands against its benchmark of -0.3%.

## LARGEST INDIVIDUAL HOLDINGS

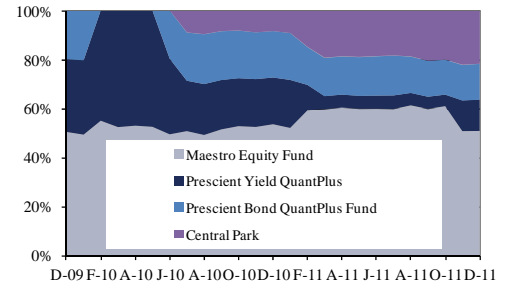
Billiton	3.7%
MTN	3.2%
Mr Price	3.0%
Capitec	3.0%
Aspen	2.7%
Sasol	2.7%
Porton Capital Tech – Series A	2.5%
Steinhoff	2.4%
Cashbuild	2.3%
Naspers	2.2%

**Total Percentage 27.6%**

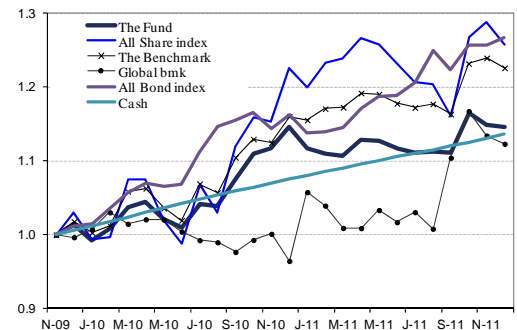
## ASSET ALLOCATION (% OF FUND)



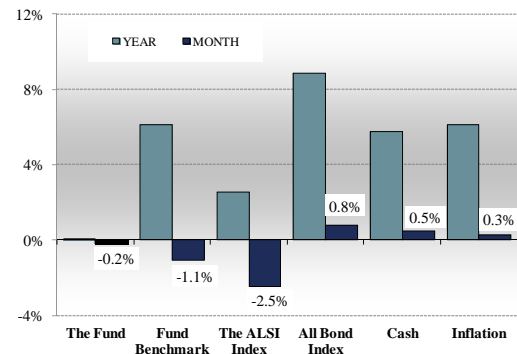
## HISTORIC ASSET ALLOCATION (% OF FUND)



## HISTORIC PERFORMANCE



## MARKET RETURNS





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**HISTORIC RETURNS – CLASS A2**

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year
2009	NAV Fund <sup>1</sup>											1.0000	1.0138	N/A
	Maestro Balanced Benchmark												1.80%	N/A
2010	NAV Fund <sup>1</sup>	0.9929	1.0089	1.0375	1.0449	1.0217	1.0091	1.0417	1.0387	1.0746	1.1095	1.1166	1.1455	13.0%
	Maestro Balanced Benchmark	-2.06%	1.61%	2.83%	0.71%	-2.22%	-1.23%	3.23%	-0.29%	3.45%	3.25%	0.64%	2.59%	14.0%
2011	NAV Fund <sup>1</sup>	-1.48%	0.94%	4.58%	0.40%	-2.53%	-1.58%	4.85%	-1.11%	4.50%	2.25%	-0.43%	3.18%	0.0%*
	Maestro Balanced Benchmark	1.1170	1.1100	1.1070	1.1279	1.1268	1.1173	1.1107	1.1119	1.1116	1.1647	1.1482	1.1459	6.1%*
		-2.48%	0.63%	-0.27%	1.88%	-0.09%	-0.84%	-0.59%	0.11%	-0.03%	4.78%	-1.42%	-0.20%	
		-0.43%	1.33%	0.17%	1.64%	-0.12%	-1.06%	-0.48%	0.42%	-1.18%	5.88%	0.63%	-1.08%	

<sup>1</sup>Fund not available to the public  
\*Year to date return

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).