



MAESTRO

Balanced Fund

PRESCIENT
LIFE LIMITED

January 2010

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 on 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

R7 586

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 month of January saw much of the gains of December being erased by weak markets locally and abroad. In January the dollar continued its strength against developed currencies, rising 3.1%, 0.8% and 2.6% against the euro, sterling and yen respectively. The weak yen failed to support the Japanese market, which declined 3.3% in January. The rest of Asia was very weak with Hong Kong down 8.0%, India lower by 6.3%, China retreated 8.8% as their Reserve Bank moved to curb bank lending by increasing the banks' reserve ratio. The MSCI World index was 4.2% lower and the MSCI Emerging market index declined 5.7%. The All share index declined 3.5% following international markets lower. Financials posted a gain of 1.2% while industrials and resources declined 2.7% and 6.1% respectively.

Poor retail numbers and a more stable outlook for consumer inflation were amongst the main reasons for the split vote in the Monetary Policy Committee (MPC) of the South African Reserve Bank (SARB). Although no interest rate cut was achieved, the meeting had a different tone than in previous months. It is believed that inflation will fall within the target range by the middle of 2010 and remain in that band until the fourth quarter of 2011. The MPC sees uncertainty surrounding the electricity price hikes as the main upside risk for inflation, this combined with a danger of a surging oil price and weak rand could cause havoc if this perfect storm collided. Governor of the SARB, Gill Marcus, reiterated that the Bank will not intervene to weaken the Rand, as there is still uncertainty as to the level that would encourage growth but not fuel inflation.

MONTHLY FUND RETURNS

During January the Maestro Balanced Fund's NAV declined 2.1% versus the -1.8% return of the Fund benchmark.

The return on the Maestro Equity Fund was -4.6% versus the -2.5% and -3.5% returns of the Maestro equity benchmark and the All Share Index respectively;

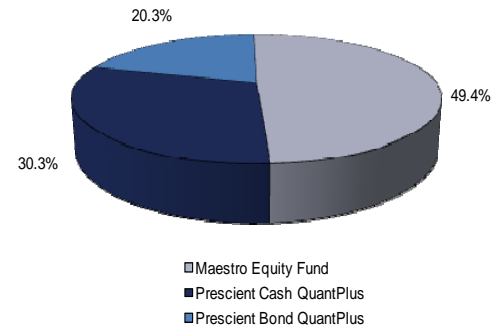
The Prescient Cash QuantPlus Fund returned 0.7% against its benchmark of 0.5%; and The Prescient BondPlus Fund returned 0.5% against the ALBI benchmark of 0.3%.

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

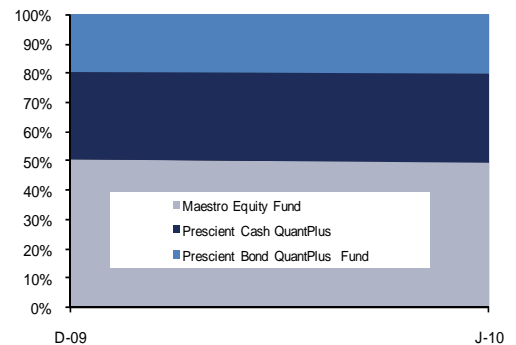
LARGEST INDIVIDUAL HOLDINGS

Standard money market – 6 to12 mths	3.8%
BHP Billiton plc	3.6%
Absa money market – 12+ mths	3.5%
Standard money market – 6 to12 mths	3.5%
Firstrand money market – 12+ mths	3.4%
Nedbank money market 3 – 12+ mths	3.0%
Mr Price	2.7%
RSA 10.5% R186 – 12+years	2.5%
Cashbuild	2.3%
Aspen	2.2%
Total %	30.6%

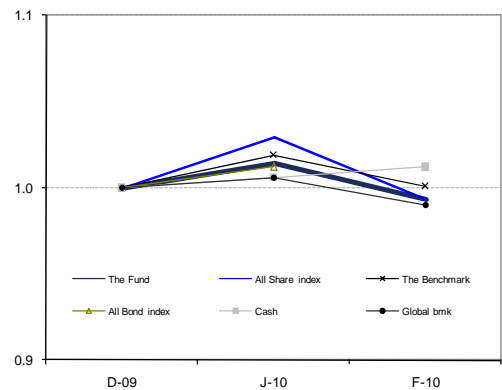
ASSET ALLOCATION (% OF FUND)



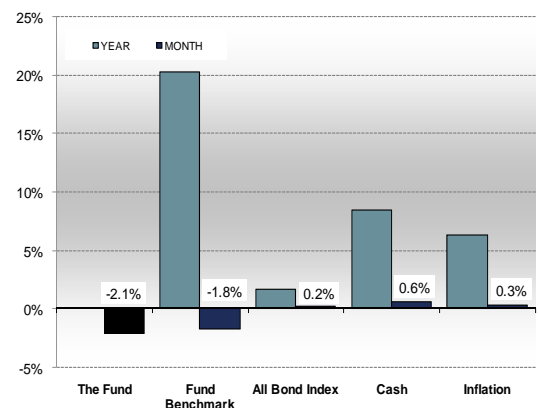
HISTORIC ASSET ALLOCATION (% OF FUND)



HISTORIC PERFORMANCE



MARKET RETURNS





MAESTRO
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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 Equity Benchmark												1.38%	N/A
2010	NAV Fund ¹	0.9929												-2.06%*
	Maestro Equity Benchmark	-2.06%												-1.75%*

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).