



MAESTRO

Balanced Fund

PRESCIENT
LIFE LIMITED

May 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

R9 877 398

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

There were at least two dominant factors that influenced markets during May; the effects of both were negative. Firstly, after weeks of fore-warning, investors finally got the message that the global economy was slowing. This manifestation came in the form of overwhelming evidence of deteriorating economic conditions. And secondly, ongoing concerns, however valid or legitimate, about the impact of the sovereign debt crises in Europe, added to the negative sentiment. The result was a pullback in equity markets around the world, although they ended off their lowest levels. The dollar strengthened; despite all its problems, it remains the only global currency and a transmission mechanism for "safe havens". On the back of concerns about the global economic slowdown, commodity prices weakened, emerging market currencies weakened and bond markets rose. The MSCI World index declined 2.5% and the Emerging market index fell 3.0%. The SA market declined 4.3% in dollar terms. The euro declined 3.1% against the dollar, sterling fell 1.3% and the rand 3.5%. Within the commodity space, the gold price ended the month virtually unchanged, as did palladium and platinum, while oil declined 7.3% and silver 20.6% (although off a ridiculously high base – silver rose 161.6% in the year to end-April). On the local equity market, despite the 3.5% decline in the rand the basic material index fell 2.4%. The gold index fell 4.9% despite all the hype about the rising gold price. The industrial and financial indices posted returns of 0.7% and 0.4% respectively, which cushioned the All share index's decline to only 0.8%.

MONTHLY FUND RETURNS

During May the Maestro Balanced Fund's NAV decreased 0.1% versus the -0.1% return of the Fund benchmark.

The return on the *Maestro Equity Fund* was -1.1% versus the -0.2% and -0.8% returns of the Maestro equity benchmark and the All Share Index respectively;

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

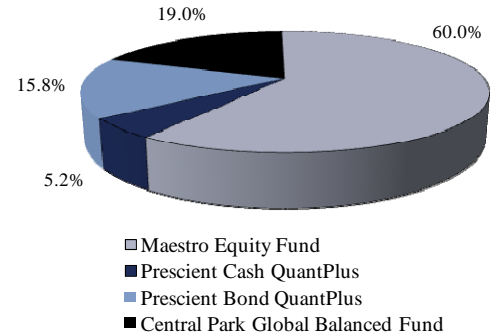
The *Prescient Bond QuantPlus Fund* returned 1.2% against its benchmark of 1.4%.

The *Maestro Central Park Global Balanced Fund* returned -2.5% against its benchmark of -1.2%.

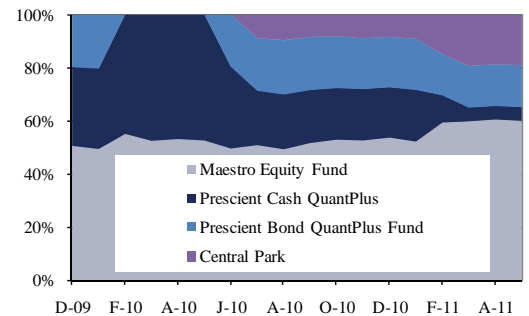
LARGEST INDIVIDUAL HOLDINGS

| | |
|--------------------------------------|--------------|
| BHP Billiton Plc | 4.9% |
| Capitec Bank Holdings Ltd | 3.5% |
| Mr Price Group Ltd | 3.2% |
| Cashbuild Ltd | 3.2% |
| Exxaro Resources Ltd | 2.9% |
| Steinhoff International Holdings Ltd | 2.9% |
| Naspers Ltd - N Shares | 2.9% |
| Kumba Iron Ore Ltd | 2.8% |
| Impala Platinum Holdings Ltd | 2.7% |
| MTN Group Ltd | 2.4% |
| Total percentage | 31.4% |

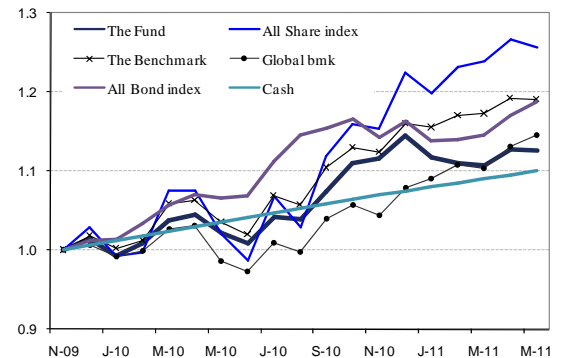
ASSET ALLOCATION (% OF FUND)



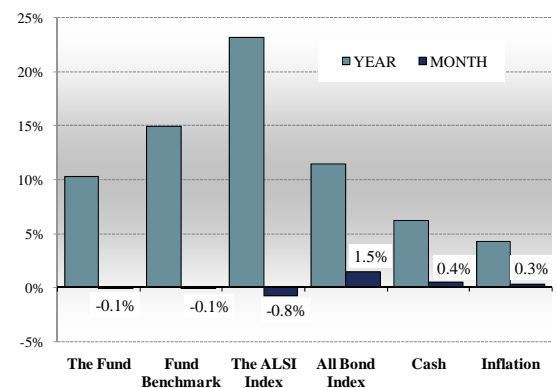
HISTORIC ASSET ALLOCATION (% OF FUND)



HISTORIC PERFORMANCE



MARKET RETURNS





MAESTRO

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HISTORIC RETURNS – CLASS A2

| | | 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 | | | | | | | | | | | | 1.80% | N/A |
| 2010 | NAV Fund ¹ | 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 ¹ | 1.1170 | 1.1100 | 1.1070 | 1.1279 | 1.1268 | | | | | | | | -1.6%* |
| | Maestro Balanced Benchmark | -2.48% | 0.63% | -0.27% | 1.88% | -0.09% | | | | | | | | 2.6%* |

¹Fund 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).