



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 391 922

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

November proved to be another characteristic "2010 month" in equity markets. On the face of it the market was relatively stable – the movements in absolute terms were not that large – but nothing could be further from the truth. The fact is global equity markets were still running flat out on an overdose of "QE2" in the early days of November, but that began to fizzle out when a modicum of rationality prevailed. Investors also began questioning the value of intentionally de-basing your own currency, which is the *de facto* effect of QE2 and in any event, had anyone even stopped to ask whether or not Quantitative Easing actually works. So the dollar soon stopped dropping and markets stopped their relentless upward march.

At that stage an old ingredient was added to the cocktail, namely sovereign risk, more specifically Irish debt concerns, which undermined the euro even further and really rattled equity markets. Bond markets at that stage were already taking a body blow; the European debt concerns (at a country and banking industry level) merely added more fuel to the fire. Add to the mix the odd missile lobbed over the border by North Korea and finally concerns about Chinese inflation (more about that in December's *Intermezzo*) and the final outcome was a volatile month with some significant casualties. Markets were actually quite weak in the last few days and the monthly return of many equity markets actually slipped into negative territory only on the last day of November.

To sum up the November market activity, equity markets rose strongly in the first few days of the month, then retreated, then declined and bounced along the lower levels. The "flow of funds" seemed to be away from emerging markets (bonds and equities) and towards that nebulous, vague concept of "safe havens". By that market commentators mean gold and the dollar

MONTHLY FUND RETURNS

During November the Maestro Balanced Fund's NAV increased 0.6% versus the -0.7% return of the Fund benchmark.

The return on the *Maestro Equity Fund* was flat versus the -0.8% and -0.5% returns of the Maestro equity benchmark and the All Share Index respectively.

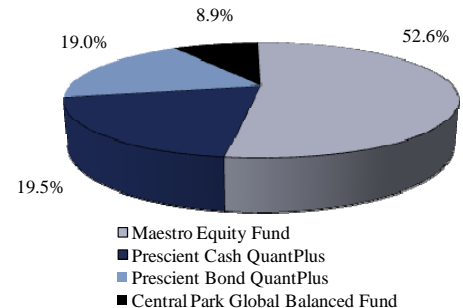
The *Prescient Cash QuantPlus Fund* returned 0.6% against its benchmark of 0.5%.

The *Prescient Bond QuantPlus Fund* returned -1.6% against its benchmark of -2.0%.

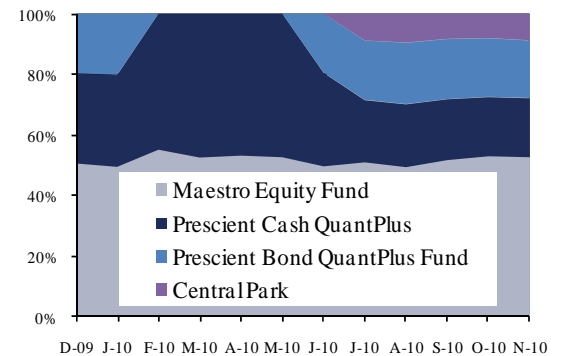
LARGEST INDIVIDUAL HOLDINGS

BHP Billiton plc	3.2%
Mr Price	2.7%
Naspers	2.5%
Steinhoff	2.5%
Capitec Bank	2.5%
Aspen	2.4%
Implats	2.3%
Cashbuild	2.3%
Kumba	2.1%
RSA 10.5% R186	2.1%
Total %	24.6%

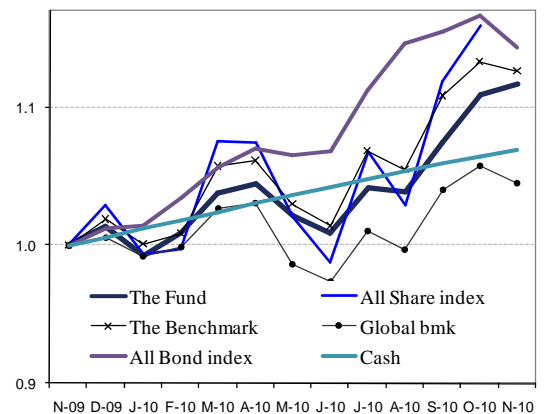
ASSET ALLOCATION (% OF FUND)



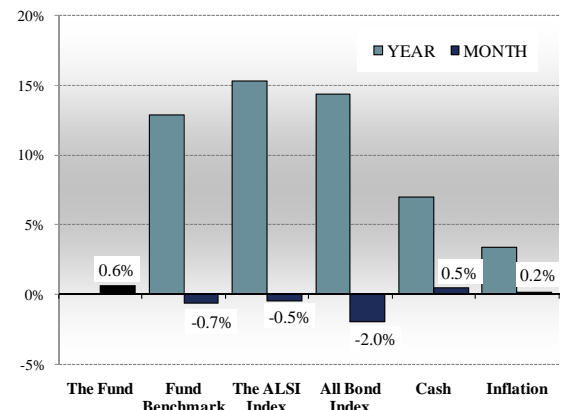
HISTORIC ASSET ALLOCATION (% OF FUND)



HISTORIC PERFORMANCE



MARKET RETURNS





MAESTRO
Balanced Fund

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												1.89%	N/A
2010	NAV Fund ¹	0.9929 -2.06%	1.0089 1.61%	1.0375 2.83%	1.0449 0.71%	1.0217 -2.22%	1.0091 -1.23%	1.0417 3.23%	1.0387 -0.29%	1.0746 3.45%	1.1095 3.25%	1.1166 0.64%		10.1%*
	Maestro Balanced Benchmark	-1.75%	0.78%	4.80%	0.35%	-2.94%	-1.55%	5.36%	-1.23%	5.06%	2.25%	-0.65%		10.7%*

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).