



MAESTRO

Balanced Fund

PRESCIENT
LIFE

December 2013

INVESTMENT OBJECTIVE

The Fund's objective is to produce above average long-term returns whilst simultaneously aiming to assume less risk than is 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 (STFI) 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 17 679 037

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

2013 ended with another month of developed markets outperforming emerging market equities as the MSCI World index rose 2.0%, significantly outperforming the MSCI Emerging market index, which declined 1.5%. The US market was strong, rising 2.5% and the Japanese market surged 4.0%, spurred by the sharp (5.7%) depreciation in the yen relative to the dollar. Within emerging markets, China declined 4.7% and Brazil 1.6%. India on the other hand rose 1.8% and Russia 2.6%. Global bonds finished off a poor year's performance as the Barcap Global Aggregate index declined 0.6%. The Fed's announcement saw more weakness in the price of precious metals as the gold and silver prices declined 3.5% and 1.3% respectively. Greater economic activity in the US and China saw strong performances from base metals as copper, nickel and aluminium rose 5.4%, 4.9% and 3.4% respectively. Overall the CRB Commodity Index, a proxy for global commodities, rose 3.3% during the month. The rand declined 19.0%, 20.5% and 22.5% against the dollar, sterling and the euro, respectively. Emerging market currencies were weak throughout 2013.

Turning to the local investment markets, the All share index rose 3.0% for the month, led by the industrial index which rose 3.8%. The financials index rose 2.4% and the basic material index rose 2.1%, although that was insufficient to move it into positive territory for 2013. The large, mid and small cap indices for 2013 were 22.8%, 13.0% and 26.3% respectively. Financials ended the year up 19.1%, while the All bond index managed a 0.7% annual return – not dissimilar to the global bond market. 2013 is a year that most bond investors would like to forget.

MONTHLY FUND RETURNS

During December the Maestro Balanced Fund's NAV increased 3.0% versus the 2.2% return of the Fund benchmark.

The return on the [Maestro Equity Fund](#) was 3.5% versus the 3.0% return of the All Share Index.

The [Prescient Income Provider Fund](#) returned 0.9% against its benchmark of 0.4%.

The [Prescient Bond QuantPlus Fund](#) returned 1.2% against its benchmark of 1.1%.

The [Maestro Central Park Global Balanced Fund](#) returned 5.0% in rands against its benchmark of 4.1%.

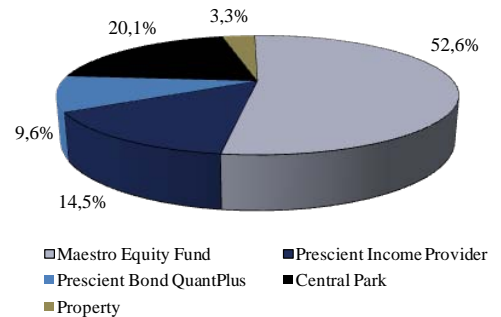
LARGEST INDIVIDUAL HOLDINGS

MTN	3,7%
Naspers	3,3%
Billiton	3,1%
Steinhoff	2,9%
Richemont	2,7%
Aspen	2,5%
Prescient Flexible Global Income	2,5%
Sasol	2,4%
Mr Price	2,1%
Standard Bank	1,7%

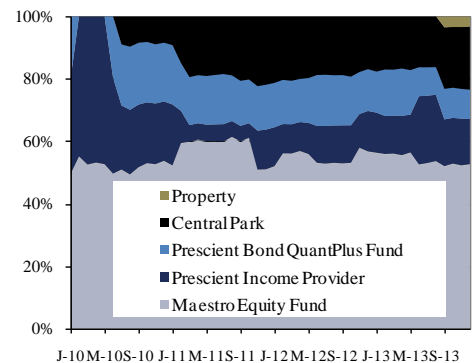
Total percentage

27,0%

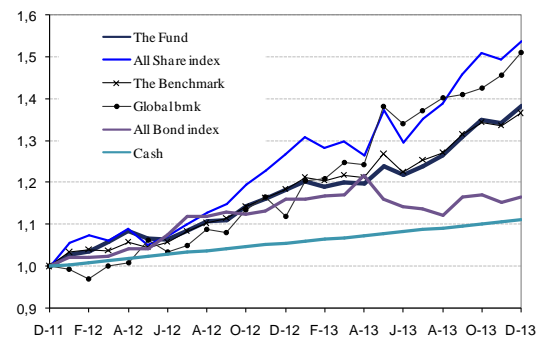
ASSET ALLOCATION (% OF FUND)



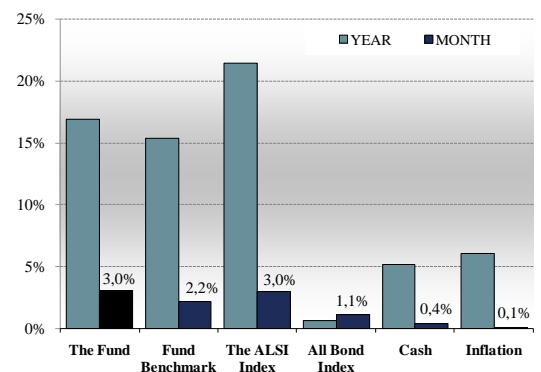
HISTORIC ASSET ALLOCATION (% OF FUND)



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 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	1.1173	1.1107	1.1119	1.1116	1.1647	1.1482	1.1459	0.0%
	Maestro Balanced Benchmark	-2.48%	0.63%	-0.27%	1.88%	-0.09%	-0.84%	-0.59%	0.11%	-0.03%	4.78%	-1.42%	-0.20%	6.3%
2012	NAV Fund ¹	1.1780	1.1882	1.2123	1.2441	1.2218	1.2196	1.2437	1.2682	1.2731	1.3103	1.3309	1.3558	18.3%
	Maestro Balanced Benchmark	2.80%	0.87%	2.03%	2.62%	-1.79%	-0.18%	1.98%	1.97%	0.39%	2.92%	1.57%	1.87%	18.9%
2013	NAV Fund ¹	1.3796	1.3651	1.3761	1.3720	1.4191	1.3961	1.4215	1.4485	1.4996	1.5474	1.5385	1.5851	16.9%
	Maestro Balanced Benchmark	1.76%	-1.05%	0.81%	-0.30%	3.43%	-1.62%	1.82%	1.90%	3.53%	3.19%	-0.58%	3.03%	15.4%

¹Fund not available to the public

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).