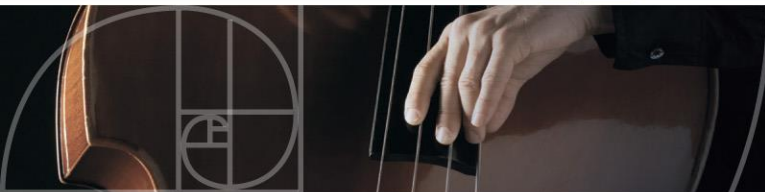


# MAESTRO BALANCED FUND



PRESCIENT  
LIFE

December  
2015

#### 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.

#### The Fund benchmark

The Fund measures itself against a benchmark 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 license 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 white label under the Prescient Life License.

#### Fee structure

There is no initial fee charged. The Maestro Growth Fund is a Fund with an annual management fee of 1.5% (excluding VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Life.

#### Fund size

R 26 555 792

#### NAV

Class A: 1.8916

#### 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

Two major events dominated global and local markets during December. On the global front, the US Federal Reserve increased US interest rates by 0.25% for the first time in nearly a decade. On the local front, President Jacob Zuma replaced Finance Minister Nhlanhla Nene with ANC MP David van Rooyen then back tracked after public outcry and brought back Pravin Gordhan to the post not without causing turmoil in the local equity, bond and currency markets.

Global markets were generally weak during December with the MSCI World index declining 1.9% but again outperforming the MSCI Emerging market index which declined 2.4%. For 2015 as a whole the outperformance of developed markets has been dramatic with the MSCI World index declining 2.7% but the MSCI Emerging market index fell a massive 17.0%!

The US equity market lost 1.6% during the month and the German market 5.6% despite the weaker euro. The Hong Kong and Japanese markets ended the month 0.4% and 3.6% lower respectively. As far as emerging markets are concerned, China rose 2.7% but India lost 0.1%, South Africa 1.7%, Brazil 3.9% and Russia 10.6%.

The US dollar was generally weak as the trade weighted dollar index fell 1.5% on the month. The rand was particularly weak declining 6.9%. Global bond markets weathered the Fed action rather well as the Barclays Capital Global Aggregated Bond index rose 0.5% in December

"To achieve great things, two things are needed; a plan, and not quite enough time."

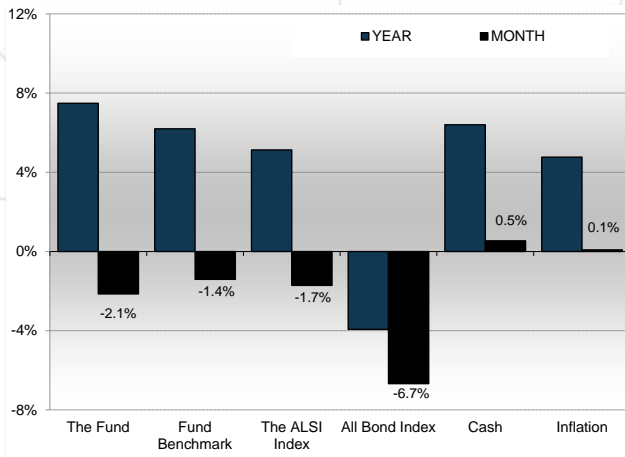
- Leonard Bernstein



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**Local market returns**



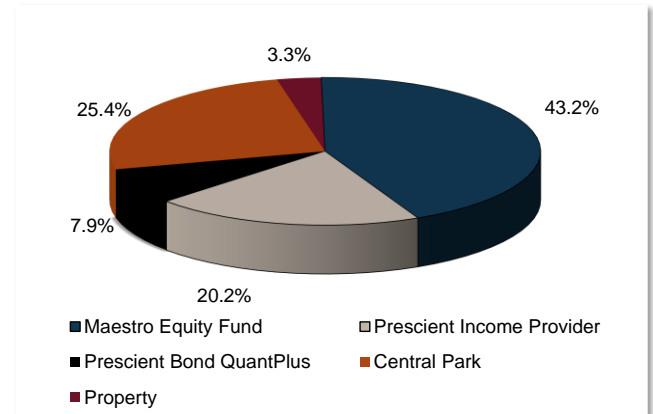
Turning to the SA equity market, financials bore the brunt of the local market turmoil and the decline in the rand with the Financials index declining 6.4% during the month. The Basic Materials and Industrial indices declined 2.0% and 0.3% respectively. The Gold index rose 18.8%. All this resulted in the All Share index declining 1.7% for the month and taking its 2015 gain to 5.1%. The Top40 (large cap) index lost 1.1% outperforming the mid and small cap indices which lost 4.2% and 8.9% respectively. The All bond index declined a dramatic 6.7% during December.

**Monthly fund returns**

During December the Maestro Balanced Fund's NAV decreased by 2.1% versus the Fund's benchmark which decreased by 1.4%. The [Maestro Equity Prescient Fund](#) declined 4.6% versus the 1.7% decline of the All Share index. . The [Prescient Income Provider Fund](#) returned 0.3% against its benchmark return of 0.6%. The [Prescient Bond QuantPlus Fund](#) declined 5.6% versus its benchmark decline of 6.7%. [Central Park Global Balanced Fund](#) produced a rand

return of 4.2% versus the 6.4% increase of the rand benchmark.

**Asset allocation**



**Largest Holdings**

Investment	% of Fund
Pivotal	4.6%
Naspers	4.2%
Steinhoff	3.4%
Prescient Flexible GI	2.8%
Mediclinic	2.5%
RSA 10.50% R186 211226	2.0%
Aspen	1.9%
EOH	1.9%
Woolworths	1.8%
AdaptIT	1.7%
<b>Total</b>	<b>26.7%</b>

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- Leonard Bernstein

# MAESTRO BALANCED FUND

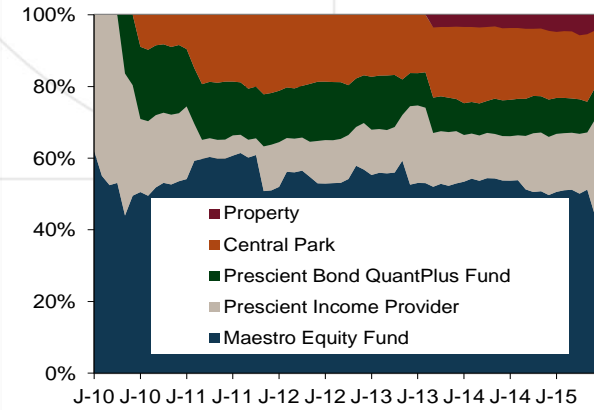
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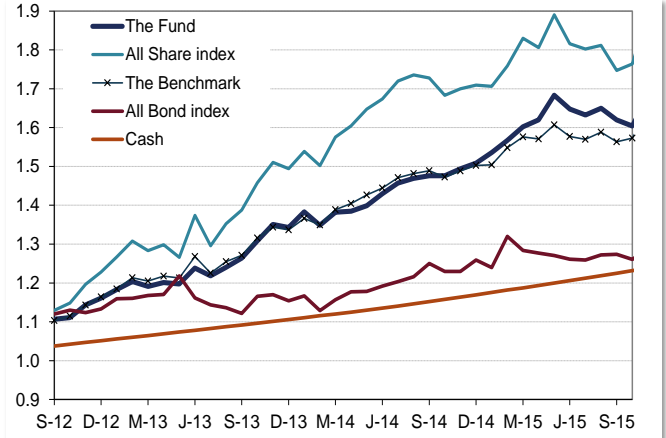
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2015

## Historic sector allocation



## Historic performance



## Monthly and annual average return (%)

Investment	1 month	1 year	3 years	5 years
Maestro Balanced Fund	-2.1	7.5	11.7	10.6
Maestro Balanced Fund Benchmark	-1.4	6.2	10.5	11.2

## Monthly and annual average return (%)

Investment	2015	2014	2013	2012	2011	2010
Maestro Balanced Fund	7.5	11.0	16.9	18.3	0.0	13.0
Maestro Balanced Fund Benchmark	6.2	10.1	15.4	18.6	6.1	14.0

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).



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