

MAESTRO CAUTIOUS FUND



PRESCIENT
LIFE

April
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 consisting of 30% All Share Index, 30% All Bond Index (ALBI), 40% Short term fixed income (STEFI) index.

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 Cautious Fund is a Fund of Funds with an annual management fee of 1.0% (excl VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Life.

Fund size

R 828 320

NAV

Class A: 1.8655

Long term insurer

Prescient Life Limited
(Reg no: 2004/014436/06)

Auditor

KPMG Inc.

Portfolio manager

Maestro Investment Management (Pty) Limited

Enquiries

David Pfaff
Maestro Investment Management
Box 1289
CAPE TOWN
8000
Email: david@maestroinvestment.co.za
Tel: (021) 674 9220

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Market Overview

April proved to be a volatile month although at the end of it the monthly returns proved far better than they "felt". The main features during the month included a weak dollar (it posted its first monthly decline since June last year), a weak German equity market (the Dax posted its first decline this year but is still up 16.8% since end-December) and strong emerging markets (the MSCI Emerging market index rose 7.5% in April). The MSCI World index ended the month 2.2% higher, leaving the US equity gain of 1.0% virtually unnoticed.

On the back of evidence that the US economy is not growing nearly as fast as had been hoped, the dollar declined against most other currencies, and emerging ones in particular. This in turn assisted emerging equity markets, which had been under pressure for some time, in posting sizable gains. It also helped certain commodity prices recover some lost ground. The euro rose 3.5% against the dollar during April and sterling rose 3.8% against it. The Brazilian real and the Russian rouble rose 8.5% and 12.0% respectively against the greenback. Even the rand strengthened against the weak dollar, although by only 1.5%.

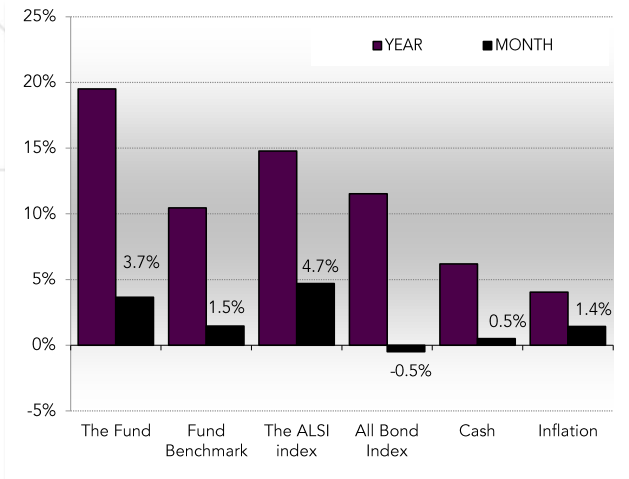
In the bond market, the Barclays Capital Global Aggregate Bond index ended the month 1.1% higher, thanks to the performance of emerging bonds; the US bond market actually declined during the month.

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

- Leonard Bernstein



Local market returns

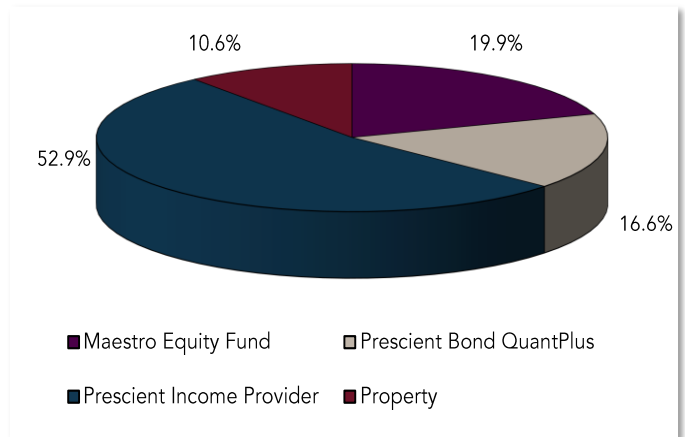


Turning to the South African markets, the All Share index rose 4.7% during April, bringing its year-to-date and annual gain to 10.8% and 14.8% respectively. The basic material index rose 9.1%, while the financial and industrial indices rose 4.2% and 4.1% respectively. Not surprisingly the large cap index, up 5.2%, easily trumped the small and mid-cap indices, which rose 4.1% and 2.1% respectively. The mid-cap index was dragged lower by weakness in the listed retailer space. The All Bond index declined 0.5%.

During April the Maestro Cautious Fund's NAV increased 3.7% versus the return of the Fund benchmark of 1.5%. The [Maestro Equity Fund](#) rose 4.0% versus the 4.7% return in the All share index. The [Prescient Income Provider Fund](#) returned 0.6% against its benchmark of 0.5%. The [Prescient Bond QuantPlus Fund](#) was flat against its benchmark that declined -0.5%.

The Maestro Cautious Fund does not invest into the [Central Park Global Balanced Fund](#).

Asset allocation



Largest Holdings

Investment	% of Fund
Pivotal	10.6%
Prescient Flexible GI	9.7%
ABSA AB011 FRN Tier2 Bond 211	2.9%
Steinhoff	1.8%
Nedbank FRN Non-demat 260	1.8%
Nedbank FRN Non-demat 190	1.5%
Firstrand FRN 160	1.5%
Naspers	1.4%
Std Bank FRN 2 Tier Bond SBK21 280	1.4%
Std bank FRN 2 Tier Bond SBK15 230	1.4%
Total	34.0%

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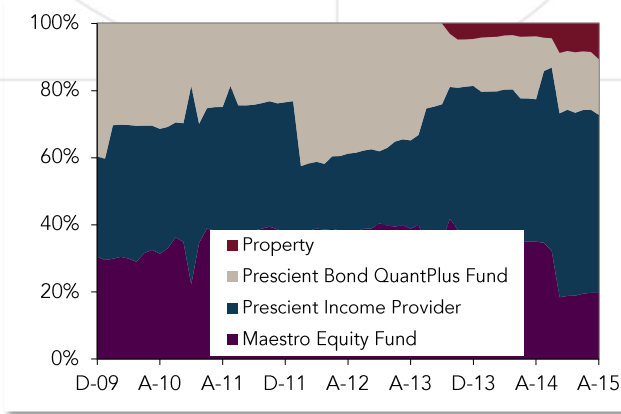
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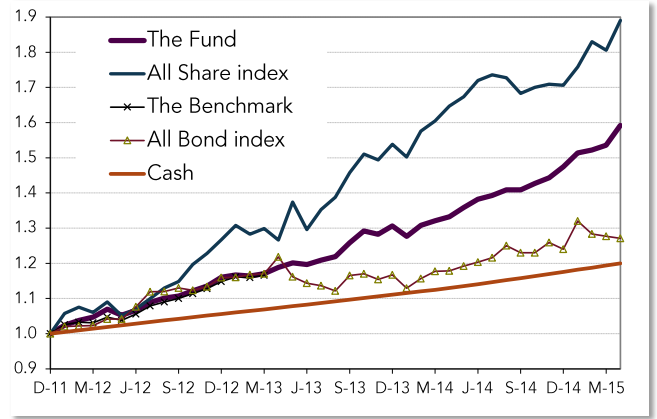
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Historic sector allocation



Historic performance



Monthly and annual average returns (%)

Investment	1 month	1 year	3 years	5 years
Maestro Cautious Fund	3.7	19.5	14.2	12.3
Maestro Cautious Fund Benchmark	1.5	10.5	10.8	10.4

Calendar year performance (%)

Investment	Year to Date	2014	2013	2012	2011	2010
Maestro Cautious Fund	8.0	12.9	12.6	16.1	2.9	12.8
Maestro Cautious Fund Benchmark	4.8	8.8	8.7	14.8	5.9	13.7

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).

