

MAESTRO CAUTIOUS FUND



PRESCIENT
LIFE

July
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) and 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 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 1.0% (excluding VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Life.

Fund size

R 831 057

NAV

Class A: 1.8454

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

July saw an increased level of volatility in global equity and bond markets as the continued Greek drama, the Chinese equity market gyrations and the speculation around timing of a US interest rate increase all adding to investor concern.

Developed markets were generally positive for the month as the MSCI World index rose 1.7%, the US equity market rose 2.1%, Germany 3.3%, the UK 2.7% and Japan 1.7%. Emerging markets fared significantly worse during the month as the MSCI Emerging market index fell 7.3%. The dramatic 14.3% decline in the Chinese equity market and some country specific issues contributed to investors shying away from this segment of global equity markets. The Russian and Brazilian markets were particularly weak, declining 8.6% and 6.0% respectively.

The dollar "DXY" index, which tracks the dollar against a basket of US trading partners' currencies, rose 1.8%. The euro declined 2.0% against the dollar and the yen 1.6%. Emerging currencies fared far worse; the rand declined 4.7% against the dollar, the rouble 6.5% and the Brazilian real 7.9%.

July was a dramatic month for commodities with significant declines seen in virtually every major commodity. The 16.0% decline in the oil price was the most significant with an Iran nuclear deal likely to result in further supply to an oversupplied market. The price of gold declined 7.1%, silver 6.8% and platinum 8.7%. Most other base metals declined around 8%, too, while the CRB Commodity index ended July down 9.9% to its lowest levels in over 13

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

- Leonard Bernstein

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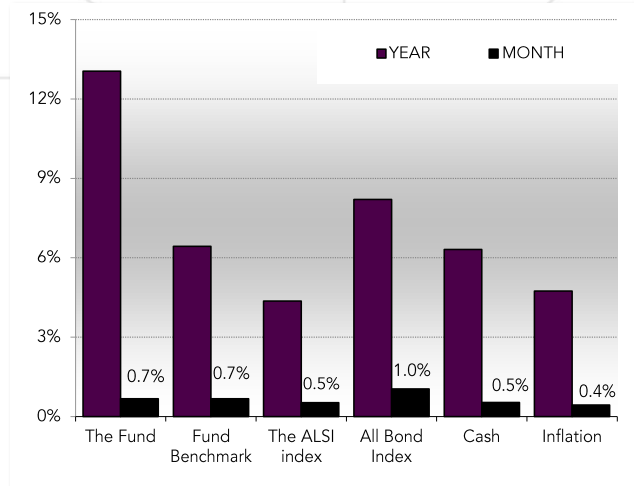


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years. Soft commodities didn't fare much better with Corn falling 9.4%, soybeans 6.0% and sugar 9.9%.

Local market returns



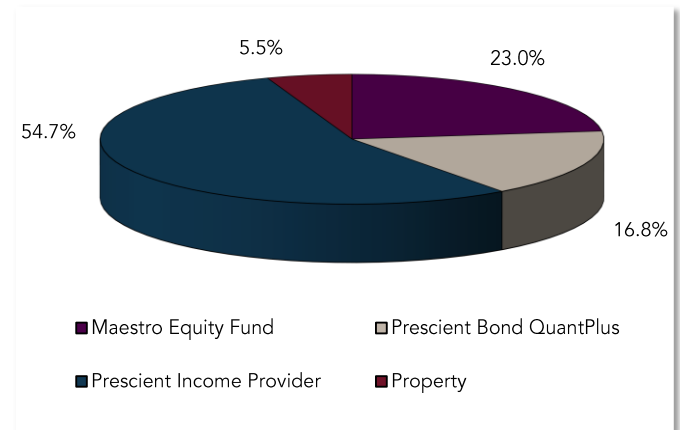
Turning to the South African equity market, the All Share index (Alsi) ended the month 0.5% higher. The Basic materials index recorded its third down month in a row, losing 5.2%. The Gold index fell 21.9% bringing its 2015 return so far to -30.0%. The Financial index fared fairly well despite the weaker rand, ending the month 3.8% higher and the Industrial index rose 1.2%. The All Bond index also managed quite well in the face of the weak rand and a 0.25% increase in the repo rate; it rose 1.0% in July.

Monthly fund returns

During July the Maestro Cautious Fund's NAV increased 0.7% versus the Fund's benchmark return of 0.7%. The [Maestro Equity Prescient Fund](#) increased 0.2% versus the 0.5% increase in the All Share index. The [Prescient Income Provider Fund](#) returned 1.1% against its benchmark of 0.6%. The [Prescient Bond QuantPlus Fund](#) returned 1.1% versus

its benchmark return of 1.0%. The Maestro Cautious Fund does not invest into the [Central Park Global Balanced Fund](#).

Asset allocation



Largest Holdings

Investment	% of Fund
Prescient Flexible GI	10.4%
Pivotal	7.3%
ABSA AB011 FRN Tier2 Bond 211	2.7%
Steinhoff	2.0%
Naspers	1.7%
Nedbank FRN Non-demat 260	1.6%
Firstrand FRB16 FRN 080720	1.6%
Nedbank FRN Non-demat 190	1.4%
Nedbank Eskom GG CLN 200	1.4%
Firstrand FRN 160418 Jb3+112.5	1.3%
Total	31.3%

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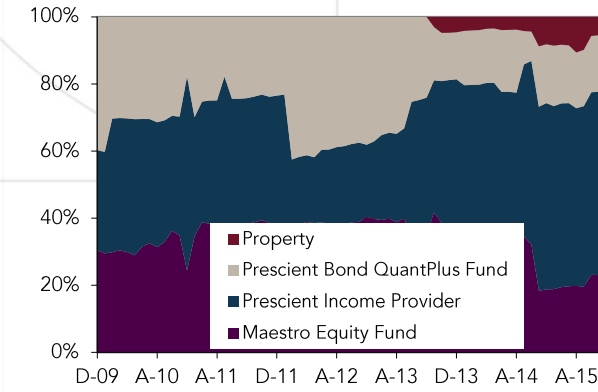
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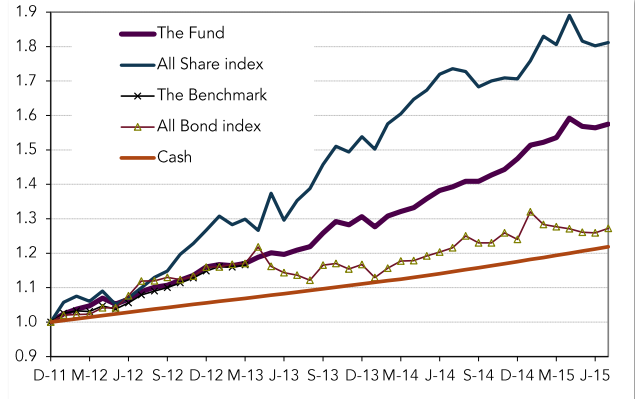
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Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 years	5 years
Maestro Cautious Fund	0.7	13,1	13,1	11.8
Maestro Cautious Fund Benchmark	0.7	6,4	9.5	9.9

Monthly and annual average return (%)

Investment	Year to Date	2014	2013	2012	2011	2010
Maestro Cautious Fund	6,1	12,9	12,6	16,1	2,9	12,8
Maestro Cautious Fund Benchmark	4.2	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).

