

MAESTRO CAUTIOUS FUND



PRESCIENT
LIFE

June
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 817 772

NAV

Class A: 1.8330

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

Global equity and bond markets were weaker during June as the crisis in Greece, the volatility in the Chinese equity markets and speculation that the US Federal Reserve will raise interest rates in September all weighed on investor sentiment.

The level of volatility in Chinese equity markets was remarkable during June as double digit percentage trading ranges were recorded on some days in the Shanghai Composite during the month. Investors concerned with inflated valuations were the sellers while those hopeful for more government stimulus to boost markets speculated that the market would move higher which exacerbated volatility.

Taking a look at equity market performances, the MSCI World and Emerging market indices declined 2.5% and 3.2% respectively. A noteworthy stand out during the month was the 4.7% increase in the German equity market. Other development markets fared worse with the UK market falling 6.6%, Hong Kong 4.3%, the US 1.9% and Japan 1.6%. Emerging equity markets saw China decline 7.3%, Indonesia 5.9%, Russia 3.0% and India 0.2%.

Within the currency space the dollar lost a bit of ground against most currencies, falling 3.1%, 1.6% and 0.3% against the pound, euro and rand respectively. Commodity prices were generally weak despite the weaker dollar. Oil declined for the second month in a row, falling 2.9%. Gold, platinum and silver were all weak declining 1.7%, 3.3% and 5.8% respectively. Base metals and bulk commodities were also weaker on the month. Soft commodity (mainly food-related) prices, however were firm.

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

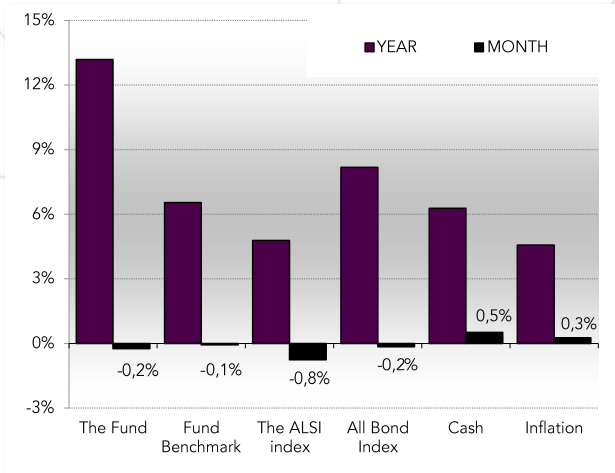
- Leonard Bernstein



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Local market returns

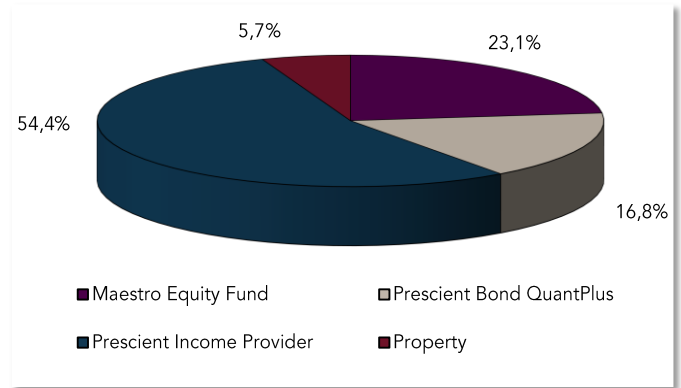


Turning to the South African equity market, the All Share index (Alsi) ended 0.8% lower, dragged down by a 4.7% decline in the Basic materials index (the Gold index fell 8.1%) but was supported by a rise of 0.6% in the Industrial index. The Financial index declined 0.5%. The All Bond index declined 0.2%, marginally less than the 0.4% decline in the Barclays Capital Global Aggregate Bond index.

Monthly fund returns

During June the Maestro Cautious Fund's NAV decreased 0.2% versus the Fund's benchmark return of -0.1%. The [Maestro Equity Fund](#) declined 0.6% versus the 0.8% decline in the All Share index. The [Prescient Income Provider Fund](#) returned 0.8% against its benchmark of 0.5%. The [Prescient Bond QuantPlus Fund](#) declined 0.1% versus its benchmark return of -0.2%. The Maestro Cautious Fund does not invest into the [Central Park Global Balanced Fund](#).

Asset allocation



Largest Holdings

Investment	% of Fund
Prescient Flexible GI	9,5%
Pivotal	7,6%
ABSA AB011 FRN Tier2 Bond 211	2,7%
Steinhoff	2,1%
Naspers	1,8%
Nedbank FRN Non-demat 260	1,6%
RSA 10.50% R186 211226	1,4%
Nedbank FRN Non-demat 190	1,4%
Firststrand FRN 160418 Jb3+112.5	1,4%
Std Bank FRN 2 Tier Bond SBK21 280	1,3%
Total	30,8%

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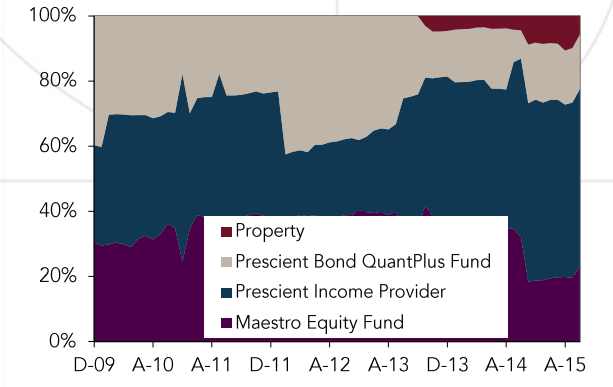
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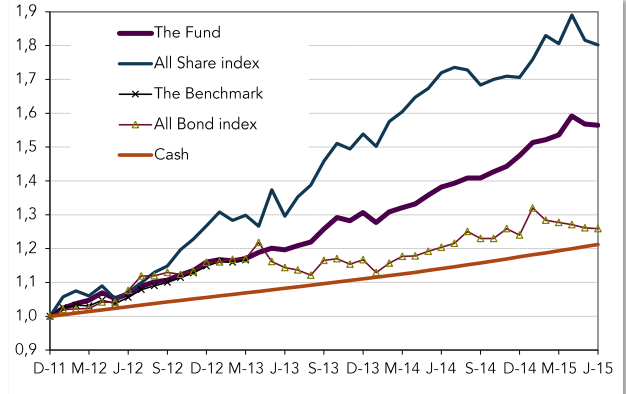
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June 2015

Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 years	5 years
Maestro Cautious Fund	-0,2	13,2	13,6	12,3
Maestro Cautious Fund Benchmark	-0,1	6,5	10,0	10,6

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	3,5	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).

