

MAESTRO CAUTIOUS FUND



PRESCIENT
LIFE

May
2017

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 2 101 991

NAV

Class A: 1.9603

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

Orchestrating Your Wealth



Market Overview

International markets continued their strong momentum into May as positive economic data releases in key economies around the world adds fundamental support to rising markets.

The MSCI Emerging Market index rose 2.8%, while the MSCI World index rose 1.8%. Emerging markets have managed to outperform developed markets each month this year. The Greek equity market rose 8.9% and Turkey 3.1%, despite all that is taking place in those economies. The Indian equity market rose 4.1% but the Chinese market fell 1.2%. Within the developed market space, the Hong Kong market surged 4.3%, while the German and the US market each gained 1.3%. Tech shares drove much of the gains once again: the NASDAQ ended the month at an all-time high, having gained 2.5% on the month and 15.2% so far this year.

Global bond markets enjoyed a profitable month. The Bloomberg Barclays Global Bond index rose 1.6% and the equivalent US index rose 0.8%.

The US dollar was again weak in May as it declined 2.1% against a basket of currencies. The euro gained 3.3% against the greenback, while sterling declined 0.2%. Despite the weaker dollar, commodity markets were on the back foot too: oil continued its slippery slide downhill, ending the month 1.8% lower. Oil has managed to decline each month this year, bringing the year-to-date loss to 10.1%. Copper declined 0.8% and nickel 5.3%, but it was iron ore which again grabbed the most attention, ending the month down 14.7%.

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

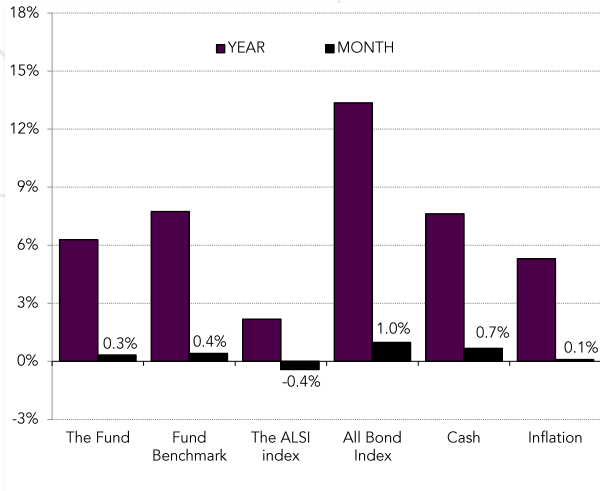
- Leonard Bernstein



PRESCIENT
LIFE

May
2017

Local market returns

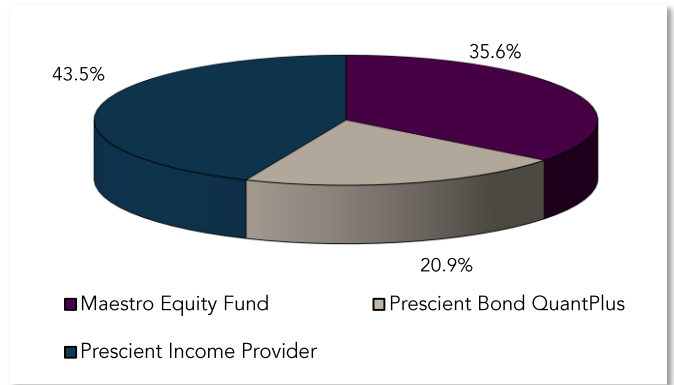


Turning to local equity markets, the All Share index (Alsi) ended 0.4% lower, thanks largely to the weaker commodity complex. The Basic Material index declined 4.1%. The Industrial Index rose 1.4%, boosted by another strong performance in Naspers (up 7.1%), again highlighting tech strength. The Mid-cap and Small-cap indices declined 4.2% and 2.6% respectively. The Financial Index declined 1.4%, on the back of a strong (3.6%) performance last month, while the All Bond index rose 1.0%, in line with global bond markets.

Monthly fund returns

During May the Maestro Cautious Fund's NAV increased by 0.3% versus the Fund's benchmark increase of 0.4%. The [Maestro Equity Prescient Fund](#) decreased by 0.7% versus the 0.4% decrease of the All Share index. The [Prescient Income Provider Fund](#) returned 1.0% against its benchmark return of 0.6%. The [Prescient Bond QuantPlus Fund](#) increased by 1.2% versus its benchmark increase of 1.0%. The Maestro Cautious Fund does not invest in the [Central Park Global Balanced Fund](#).

Asset allocation



Largest Holdings

Investment	% of Fund
Prescient Flexible GI	5.9%
Naspers	5.0%
RSA 10.50% R186 211226	1.9%
Steinhoff	1.9%
RSA 7.00% R213 280231	1.9%
Aspen	1.9%
RSA 8.50% R2037 310137	1.6%
DB X-Trackers MSCI World	1.5%
Richemont	1.4%
DB X-Trackers MSCI USA	1.4%
Total	24.2%

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

- Leonard Bernstein

MAESTRO CAUTIOUS FUND

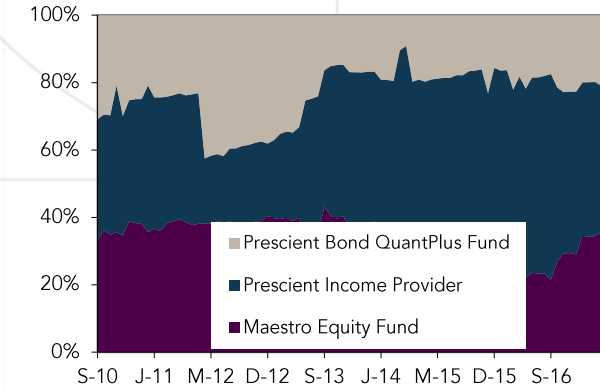
Orchestrating Your Wealth



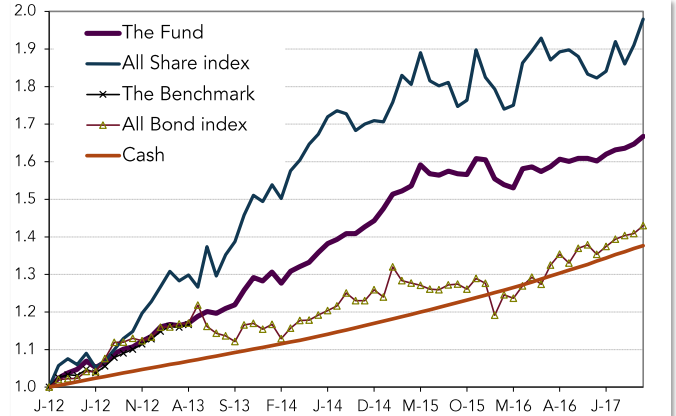
PRESCIENT LIFE

May 2017

Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 years	5 years
Maestro Cautious Fund	0.3	6.3	7.2	9.7
Benchmark	0.4	7.7	6.9	8.9

Monthly and annual average return (%)

Investment	Year to date	2016	2015	2013	2012	2011	2010
Maestro Cautious Fund	3.3	4.2	5.4	12.6	16.1	2.9	12.8
Benchmark	4.9	8.4	3.1	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).