



# MAESTRO

Equity Fund

PRESCIENT  
MANAGEMENT COMPANY

July 2008

## INVESTMENT OBJECTIVE

The Fund's objective is to produce above average long-term returns by investing in the South African equity market. It will simultaneously aim to assume less risk than the risk inherent in the market itself. The Fund adopts a conservative investment philosophy.

## FUND BENCHMARK (BMK)

The Fund will measure itself against the FTSE-JSE All Share Index. It will also use an internal benchmark, the Maestro Equity Benchmark, which consists of an equal weighting of the FTSE-JSE Top40 and Findi30 indices which effectively yields an index that is roughly equally weighted between the resource, financial and industrial sectors.

## LEGAL STRUCTURE

The Fund is a scheme in the nature of a trust known as a collective investment scheme. The portfolio manager is Maestro Investment Consulting, an approved Financial Services Provider in terms of the Financial Services and Intermediary Act, operating under licence number 739, and the Financial Institutions (Protection of Fund) Act. This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.

## FEE STRUCTURE

The maximum initial fee is 2.0%. The annual investment management fee is 1.75%. The annual total expense ratio (TER) for period ended 30 June 2008, in respect of class A, was 2.17%.

## FUND SIZE

R21 360 688

## MANAGEMENT COMPANY

Prescient Management Company Ltd  
PO Box 31142, Tokai, 7945

## TRUSTEE AND AUDITOR

Trustee: Nedbank Limited  
Auditor: KPMG Inc.

## PORTFOLIO MANAGER

Capstone 96 (Pty) Ltd trading as Maestro Investment Consulting

## ENQUIRIES

Maestro Investment Consulting  
Box 1289  
CAPE TOWN  
8000  
Fax: 021 674 3209  
Email:  
[equityfund@maestroinvestment.co.za](mailto:equityfund@maestroinvestment.co.za)

## MARKET OVERVIEW

The decline in global markets experienced so far this year continued into July. Fears relating to the disintegration of the US financial system in particular gathered momentum but were arrested when the US government undertook to honour its commitments in terms of two large "parastatals" (Freddie Mac and Fannie Mae). This triggered a remarkable turnaround in financial shares across the world; at the same time resource companies were sold down heavily. As US financials soared the dollar strengthened and the oil price declined. It ended down 11.3%, which in turn had an effect on gold (-1.3%) and platinum (-14.8%) prices and sowed weakness across the entire commodity complex. As US financial shares took off, local financials followed suit. More importantly the entire resource complex turned around and headed lower. The basic materials index declined 19.4% and financials rose 12.5% (the banks index rose 21.1%). Industrials remained largely sidelined; that index rose only 0.1% while the mid and small cap indices rose 3.6% and 0.1% respectively. When all was said and done the All Share index ended July 8.7% lower, resulting in its annual return declining from 10.1% to end-June to -0.4% at the end of July. The biggest surprise on the markets though was the extraordinary strength of the rand, despite the firm dollar. It gained 7.2% against the greenback, which of course assisted the financial sector and hindered the materials sector even further. When reviewing the SA equity market weakness in July one should bear in mind that global markets were weak and very volatile too. The MSCI World index declined 2.5% and the Emerging market index declined 4.2%.

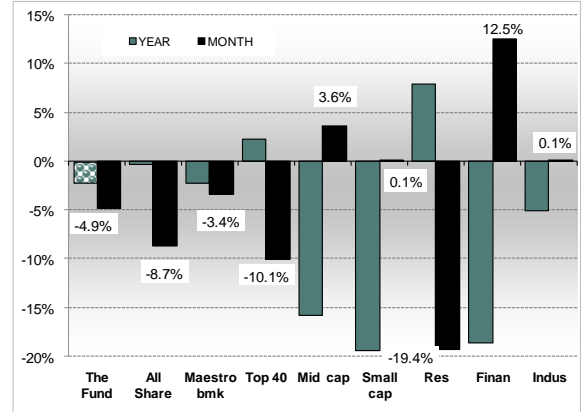
## INVESTMENT ADVISOR'S COMMENT

During July the NAV declined 4.9%; the Maestro equity benchmark and All Share Index fell 3.4% and 8.7% respectively. There were no changes to the Fund's portfolio during the month. The leading losers during July are dominated by materials companies. Exxaro declined 24.5% on the month, Anglo 23.0%, Implats 20.5%, Kumba 18.7%, Billiton 17.5% and Sasol 14.3%. The winners included Aspen up 32.0%, Mr Price 30.4%, Firstrand 25.7%, Standard Bank 19.1% and Abil 17.6%.

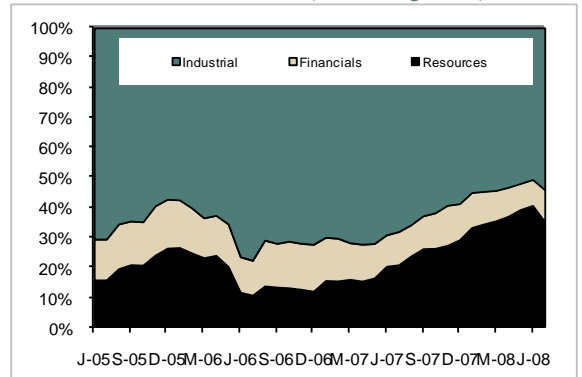
## LARGEST INDIVIDUAL HOLDINGS

BHP Billiton plc	5.7%
Exxaro Resources Ltd	5.4%
Grindrod Ltd	5.0%
Arcelor Mittal SA Ltd	5.0%
Sasol Ltd	4.8%
MTN Group Ltd	4.5%
Kumba Iron Ore Ltd	4.2%
Richemont	3.7%
Steinhoff	3.5%
Standard Bank	3.4%
<b>Total (% of Fund)</b>	<b>45.2%</b>

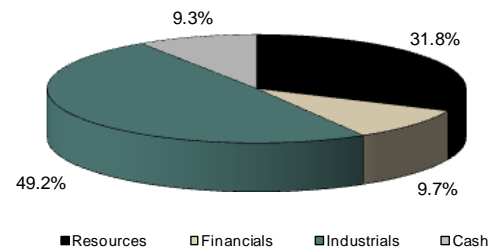
## MARKET RETURNS



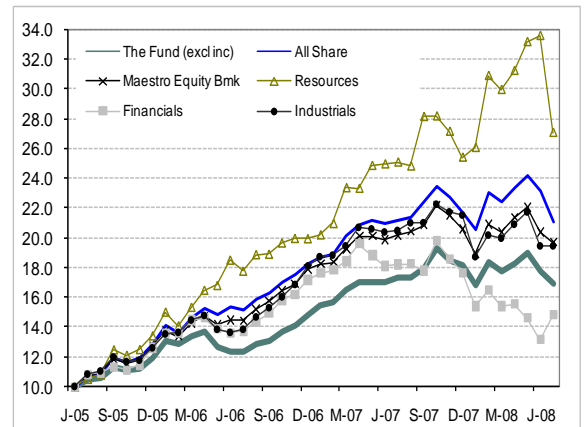
## SECTOR ALLOCATION (% OF EQUITY)



## ASSET ALLOCATION (% OF FUND)



## HISTORIC PERFORMANCE





MAESTRO

Equity Fund

PRESCIENT

MANAGEMENT COMPANY

July 2008

HISTORIC RETURNS – CLASS A

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year
2005	NAV Fund <sup>1</sup>						1000.00	1052.64	1064.69	1133.23	1112.53	1123.78	1201.08	
	All Share Maestro Equity Bmk							5.26%	1.14%	6.44%	-1.83%	1.01%	6.88%	20.10%**
	All Share Maestro Equity Bmk							7.20%	2.01%	9.70%	-2.42%	2.30%	8.08%	29.42%**
2006	NAV Fund <sup>1</sup>	1304.49	1292.39	1343.91	1347.50	1267.41	1234.21	1232.41	1292.71	1313.47	1369.63	1414.76	1482.83	
	All Share Maestro Equity Bmk	8.61%	-0.93%	3.99%	2.08%*	-5.94%	-2.62%	-0.15%	4.89%	1.61%	4.28%	3.29%	4.74%	25.57%
	All Share Maestro Equity Bmk	9.24%	-3.22%	7.11%	4.27%	-2.70%	3.39%	-1.48%	5.44%	2.36%	4.56%	2.66%	4.17%	41.24%
2007	NAV Fund <sup>1</sup>	1551.44	1569.60	1646.48	1699.85	1698.82	1703.96	1731.96	1734.23	1792.24	1928.09	1849.07	1812.33	
	All Share Maestro Equity Bmk	4.70%	1.17%	4.90%	4.28%*	-0.06%	0.30%	1.64%	0.13%	3.35%	6.93%	-4.21%	-2.10%	22.51%
	All Share Maestro Equity Bmk	2.22%	1.52%	6.37%	3.49%	1.74%	-0.94%	0.95%	0.67%	5.02%	4.78%	-3.17%	-4.40%	19.18%
2008	NAV Fund <sup>1</sup>	1659.39	1815.66	1756.22	1824.88	1892.31	1767.12	1680.10						
	All Share Maestro Equity Bmk	-7.67%	9.41%	-3.27%	4.76%*	3.70%	-6.62%	-4.92%						-5.75%***
	All Share Maestro Equity Bmk	-5.58%	12.44%	-3.04%	4.21%	3.71%	-4.37%	-8.71%						-2.88%***
	All Share Maestro Equity Bmk	-8.02%	10.40%	-2.55%	4.82%	3.10%	-7.43%	-3.37%						-4.34%***

<sup>1</sup>Fund not available to the public  
 \*Adjusted for income distribution  
 \*\* 6-month period  
 \*\*\*Year to date

Collective Investment Schemes (Unit trusts) should be considered as medium to long-term investments. The value of participatory interests (units) may go up as well as down and past performance is not necessarily a guide to future performance. Collective Investment Schemes (Unit trusts) are traded at the ruling price and can engage in scrip lending and borrowing up to 10% of the market value of the portfolio to bridge insufficient liquidity. Collective Investment Schemes (Unit trusts) 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, Market securities tax, VAT, Auditor's fees, Bank Charges, Trustee and Custodian fees and the annual Management fee) from the portfolio divided by the number of participatory interests (units) in issue. Fluctuations or movements in exchange rates may cause the value of any underlying international investments to go up and down. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year. A schedule of fees, charges and maximum commissions is available on request from Prescient Management Company Ltd and/or Maestro Investment Consulting. Commissions and incentives may be paid and if so, are included in the overall cost. Forward pricing is used. Maestro Investment Consulting and Prescient Management Company are members of the Association of Collective Investments.