



# MAESTRO

Equity Fund

PRESCIENT  
MANAGEMENT COMPANY

September 2009

## 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 Management (Pty) Ltd, an approved Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act, operating under licence number 739. 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 September 2009, in respect of class A, was 2.58%.

## FUND SIZE

R24 506 322

## MANAGEMENT COMPANY

Prescient Management Company Ltd  
PO Box 31142, Tokai, 7945

## TRUSTEE AND AUDITOR

Trustee: Nedbank Limited  
Auditor: KPMG Inc.

## PORTFOLIO MANAGER

Maestro Investment Management (Pty) Ltd

## ENQUIRIES

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

## MARKET OVERVIEW

September was a frustrating month in which to manage money locally. Global markets continued to rise, particularly emerging markets, but the strength in the rand undermined the local market. Although it strengthened by "only" 2.8% against the dollar (by 5.7% against sterling), the rand lost 4.1% against the dollar in the last two days of trade during the month, but its weakness didn't lift share prices. The MSCI World and Emerging market indices rose 3.0% and 7.4% respectively. Brazil, India and Russia were particularly strong. Developed markets posted gains around 3.0%, reaching new peaks for the year and in some cases moving into positive territory on an annual basis. The dollar continued to slide, falling 1.8% against the euro. Sterling was particularly weak. The gold price rose 4.2%, but ended the month some 3.4% off its intra-month high, leading many to question whether it was capable of holding its own above the \$1 000 mark without the aid of a weaker dollar. The All Share index rose 0.2%, helped largely by the 1.4% rise in the Industrial index. The basic material and financial indices declined 0.1% and 0.2% respectively. The mid cap sector was again the best performing area of the market - rising 2.9% on the month, bringing its annual gain to a remarkable 25.4%. The small cap index rose 1.7% (its annual return to end-September is 8.8%), beating the -0.2% return of the large cap index (its annual return is 5.4%) for the second consecutive month.

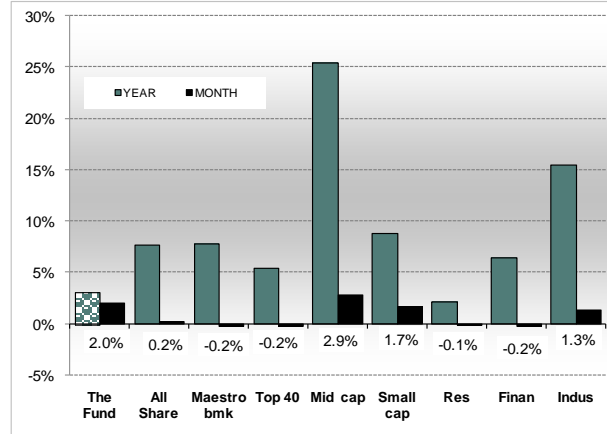
## INVESTMENT ADVISOR'S COMMENT

During September the NAV rose 2.0% versus the -0.2% and 0.2% returns of the Maestro equity benchmark and the All Share Index respectively. During September the Fund gratefully received inflows equivalent to 18% of its value. As is so often the case the negligible market returns hide the significant movement within the market during the month. The Fund's bias in favour of mid and small caps and away from resource shares stood it in good stead. Grindrod declined 7.0% and Steinhoff 5.3% - these shares were amongst the largest gainers in August. MTN declined 4.2%, Implats 3.7% and Sasol 3.6%, largely casualties of the firm rand. On a more positive note Dawn rose 16.7%, B&W 13.6%, Mr Price 11.4%, Wilson Bayly 9.7%, Blue Label 8.2%, Cashbuild 8.1% and City Lodge 7.1% - note the presence of mid and small cap shares in this list.

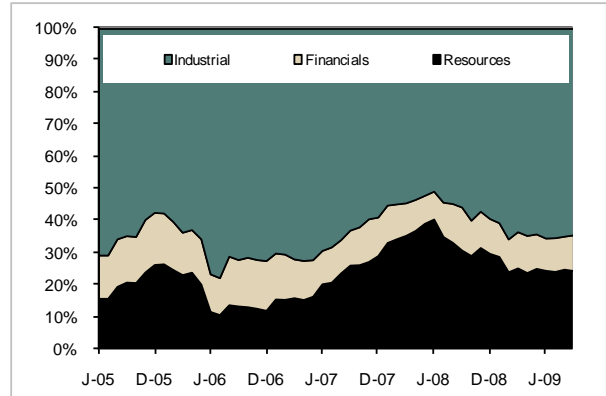
## LARGEST INDIVIDUAL HOLDINGS

BHP Billiton plc	6.0%
Cashbuild	5.3%
Aspen	4.5%
Mr Price	4.4%
Digicore	4.1%
Steinhoff	4.0%
Investec Plc	4.0%
Grindrod	3.9%
Exxaro	3.9%
Wilson Bayly Holmes	3.9%
<b>Total (% of Fund)</b>	<b>44.0%</b>

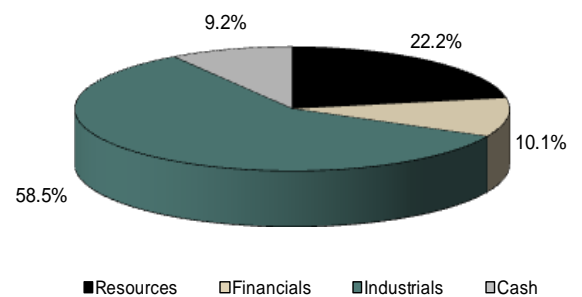
## MARKET RETURNS



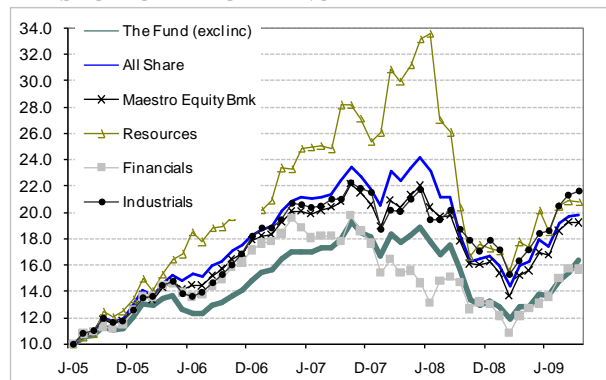
## SECTOR ALLOCATION (% OF EQUITY)



## ASSET ALLOCATION (% OF FUND)



## HISTORIC PERFORMANCE





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## 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 Benchmark							5.26%	1.14%	6.44%	-1.83%	1.01%	6.88%	20.10%**
								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 Benchmark	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%
		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 Benchmark	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%
		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	1742.42	1564.90	1326.71	1282.78	1314.95	
	All Share Maestro Equity Benchmark	-7.67%	9.41%	-3.27%	4.76%*	3.70%	-6.62%	-4.92%	3.71%	-10.2%	-15.2%	-3.31%	2.51%	-26.23%
		-5.58%	12.44%	-3.04%	4.21%	3.71%	-4.37%	-8.71%	0.30%	-13.2%	-11.7%	1.27%	1.52%	-23.22%
2009	NAV Fund <sup>1</sup>	1270.53	1179.69	1265.70	1284.41	1379.11	1373.61	1480.21	1535.59	1566.69				
	All Share Maestro Equity Benchmark	-3.38%	-7.15%	7.29%	4.48%*	7.19%	-0.50%	8.06%	3.50%	2.03%				22.7%***
		-4.26%	-9.85%	11.02%	1.55%	10.34%	-3.05%	10.08%	3.22%	0.22%				18.5%***
														18.2%***

<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, Securities Transfer 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 Management. Commissions and incentives may be paid and if so, are included in the overall cost. Forward pricing is used. Maestro Investment Management and Prescient Management Company are members of the Association for Savings and Investments SA.