



# MAESTRO

Equity Prescient Fund

PRESCIENT  
MANAGEMENT COMPANY

April 2014

## INVESTMENT OBJECTIVE

The Maestro Equity Prescient 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.

## 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 31 December 2013, in respect of class A was 2.05%.

## Income Declaration (annually)

23.78 cents per unit  
31 March 2014

## FUND SIZE

R125 073 773

## MANAGEMENT COMPANY

Prescient Management Company (RF) 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

Markets were generally positive during April, with the underlying driver being the growing expectations that the US economic growth will accelerate as the year progresses. The MSCI World index rose 0.8%, outperforming the MSCI Emerging market index, which rose 0.1% during the month. Within developed markets, the Japanese market fell 3.5%, while the UK, French and German markets rose 2.8%, 2.2% and 0.5% respectively. The S&P 500, a proxy for the US market, rose 0.8%, although the NASDAQ fell 2.0% as investors fled from what they regarded to be overvalued technology shares. Within emerging markets the Chinese market fell 0.3%, while the Indian, Indonesian and Brazilian markets were the bright spots as they rose 0.4%, 1.5% and 2.4% during the month. Global bonds were in favour during the month. The Emerging Market All Bond Index rose 1.1%, in line with the Barcap Global Aggregate index's gain of 1.1% and the Barcap US aggregate's rise of 0.8%. Commodities were generally strong as the CRB Commodity Index rose 5.6% during the month. Precious metals were mixed as palladium rose 3.2%, platinum rose 0.4%, gold fell 0.3% and silver fell 3.5%. Turning to the local investment markets, the All Share Index rose 2.7%, continuing its solid start to the year. During the month, we continued to see the trend that has dominated local markets this year i.e. strong resources (relative to financials and industrials) were led higher by gold miners as the gold index rose 7.3% for the month. Financials rose 4.0% during the month and industrials 1.5%. Across the size spectrum, the large caps were the worst performers, rising 2.3%. The mid and small cap rose 5.1% and 2.6% respectively. The All Bond Index rose 0.3%.

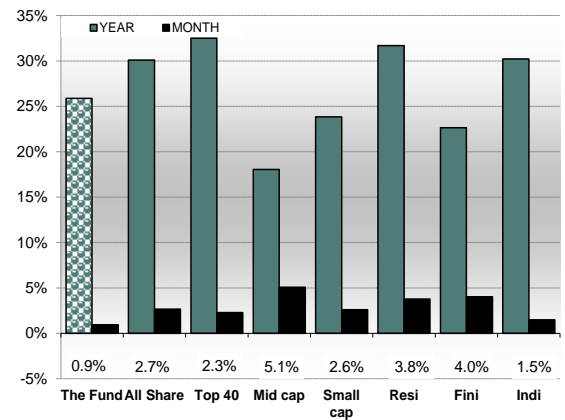
## INVESTMENT ADVISOR'S COMMENT

During April the Fund rose 0.9% versus the 2.7% return of the All Share Index. The underperformance during the month can once again be attributed to both sector weightings and stock specific issues. The Fund's underweight allocation to resources, and mainly the absence of gold shares, has significantly contributed to the underperformance this year so far. Despite the recent outperformance of gold shares, we remain unconvinced that investing in them will result in sustained outperformance over the long-term. The shares that disappointed during the month were led by Naspers, which declined 14.6% on concerns over its investment in Tencent, a Chinese technology company. Pinnacle continued its recent decline with another fall of 9.1%, Cashbuild 7.7%, AdaptIT 5.8%, Woolworths 2.6% and Grindrod 2.4%. On a more positive note, Capitec rose 17.0%, Investec 8.9%, SAB 8.7%, OneLogix 8.6% and Discovery 8.1%. During the month the holdings in OneLogix and Woolworths were added to. The relatively small holdings in Blue Label Telecoms and Cashbuild were sold out of the Fund.

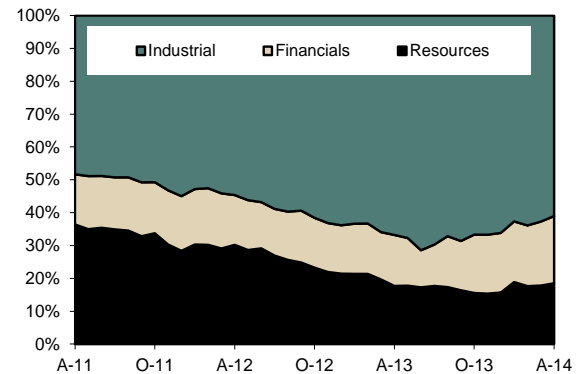
## LARGEST INDIVIDUAL HOLDINGS

MTN	7.0%
Steinhoff	6.7%
Sasol	6.4%
Billiton	9.3%
Richemont	5.4%
Aspen	5.4%
Naspers	5.2%
Coronation Fund Managers	4.1%
Mr Price	3.8%
Standard Bank	3.6%
<b>Total (% of Fund)</b>	<b>53.9%</b>

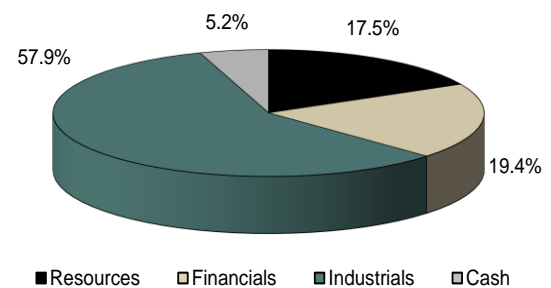
## MARKET RETURNS



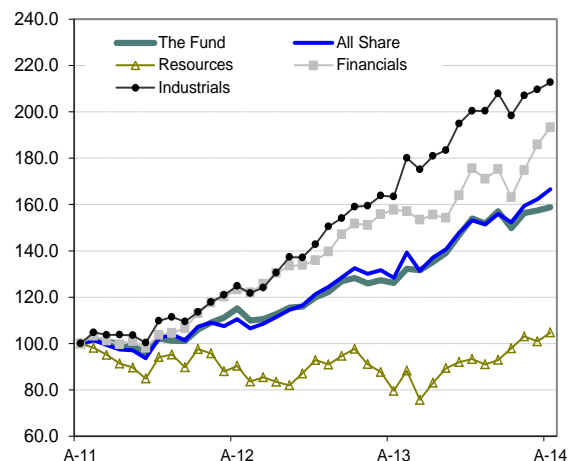
## SECTOR ALLOCATION (% OF EQUITY)



## ASSET ALLOCATION (% OF FUND)



## THREE-YEAR HISTORIC PERFORMANCE





**MAESTRO**

Equity Prescient Fund

**PRESCIENT**  
MANAGEMENT COMPANY

April 2014

**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							5.26%	1.14%	6.44%	-1.83%	1.01%	6.88%	20.10%**
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	25.57%
	All Share	8.61%	-0.93%	3.99%	2.08%*	-5.94%	-2.62%	-0.15%	4.89%	1.61%	4.28%	3.29%	4.74%	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	22.51%
	All Share	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	-26.23%
	All Share	-7.67%	9.41%	-3.27%	4.76%*	3.70%	-6.62%	-4.92%	3.71%	-10.2%	-15.2%	-3.31%	2.51%	-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	1580.08	1537.83	1599.72	25.28%
	All Share	-3.38%	-7.15%	7.29%	4.48%*	7.19%	-0.50%	8.06%	3.50%	2.03%	0.86%	-2.67%	4.03%	32.13%
2010	NAV Fund <sup>1</sup>	1526.48	1553.66	1636.50	1642.35	1569.04	1533.46	1624.72	1568.55	1698.23	1797.59	1797.41	1882.00	18.40%
	All Share	-4.58%	1.78%	5.33%	1.00%*	-4.46%	-2.27%	5.95%	-3.46%	8.27%	5.85%	-0.01%	4.71%	18.96%
2011	NAV Fund <sup>1</sup>	1782.03	1775.13	1779.79	1806.74	1786.87	1769.82	1754.86	1733.64	1686.66	1795.11	1777.32	1775.87	-4.38%
	All Share	-2.13%	2.80%	0.54%	2.23%	-0.77%	-2.03%	-1.99%	-0.32%	-3.61%	9.34%	1.62%	-2.47%	2.57%
2012	NAV Fund <sup>1</sup>	1862.60	1915.16	1953.44	1993.18	1901.64	1929.65	1953.39	1999.45	2005.49	2074.58	2115.94	2196.12	25.51%
	All Share	4.88%	2.82%	2.00%	3.56%*	-4.59%	0.59%	2.00%	2.48%	0.30%	3.45%	1.99%	3.79%	26.69%
2013	NAV Fund <sup>1</sup>	2219.52	2179.82	2202.62	2166.02	2270.90	2259.73	2320.37	2385.83	2520.14	2643.02	2606.39	2696.20	23.77%
	All Share	1.07%	-1.79%	1.05%	-0.86%*	4.84%	-0.49%	2.68%	2.82%	5.63%	4.88%	-1.39%	3.45%	21.43%
2014	NAV Fund <sup>1</sup>	2570.76	2684.21	2701.27	2702.73									1.12%***
	All Share	-4.65%	4.41%	0.64%	0.93%*									7.05%***

<sup>1</sup>Fund not available to the public

\*Adjusted for income distribution

\*\* 6-month period

\*\*\*Year to date

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS are traded at the ruling price and can engage scrip lending and borrowing up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request. Commission and incentives may be paid and if so, would be included in the overall costs. Different classes of units may apply in a portfolio and are subject to different fees and charges. A fund of funds is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for these portfolios. A Feeder Fund is a portfolio that, apart from assets in liquid form, consists solely of participatory interests in a single portfolio of a collective investment scheme. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of any underlying international investments to go up and down. CIS 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, STT, 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. 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. Maestro is a member of the Association of Savings and Investments.