MAESTRO EQUITY PRESCIENT FUND

Orchestrating Your Wealth

MAESTRO
Masters of Investment

PRESCIENT
MANAGEMENT COMPANY

March
2015

Minimum Disclosure Document

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.

The Fund benchmark

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 30 December 2014, in respect of class A was 2.05%.

Income declaration (annually)

23.78 cents per unit
31 March 2014

Fund size

R143 375 050

NAV

Class A: 3 177.76c

Management company

Prescient Management Company (RF) (Pty) Ltd
PO Box 31142, Tokai, 7945

Trustee and auditor

Trustee: Nedbank Limited
Auditor: KPMG Inc.

Investment manager

Maestro Investment Management (Pty) Ltd

Enquiries

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Market Overview

March proved to be a tough month for markets to negotiate, both globally and locally. Expectations that US interest rates may rise sooner rather than later resulted in a firm US dollar which caused investors to focus on its depressing effect on US corporate earnings and on the effects of the resultant weak euro on European exporters. The rand, euro and pound sterling declined 4.0%, 3.5% and 4.2% against the dollar respectively.

The effects of the strong dollar were felt in the US equity market as the S&P 500 declined 1.6% while the weak euro continued to boost German exporters resulting in the DAX rising 5.0% during March. Within the emerging market universe, the Chinese equity market outperformed, gaining 13.2% in March as investors discount probable stimulatory policy to arrest the decline in economy activity. The Indian equity market declined 4.8% (but is still up 25.2% over the past year), Russia fell 2.0%, Brazil lost 0.8%, Turkey lost 5.9% and Greece 11.9%.

Commodities were weak in the face of a strong dollar as the prices of gold, platinum and palladium declined 2.4%, 4.9% and 9.0% respectively. Oil fell 9.4% after its 18.7% February surge, while industrial metals were also weak. Iron ore continued to plunge, falling 17.1% in March, bringing its annual return to -54.7%. The CRB and S&P GSCI commodity indices declined 4.4% and 4.5% respectively for the month.

US bond yields declined slightly and prices rose

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

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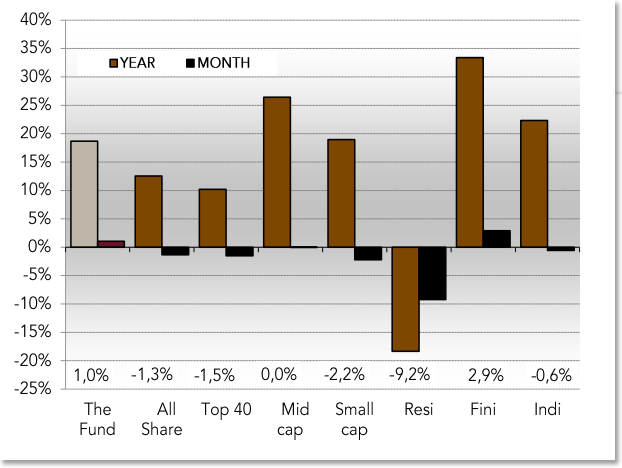
0.5% although the Barclays Capital Global bond index declined 1.0%.

Local market returns



Turning to the local equity market, the All share index (Alsi) declined 1.3%, led by the basic materials index, which ended down 9.2%. The gold index fell 10.7%. Financial shares continued to head higher, rising 2.9% - their year-to-date gain is now 11.2% - while industrials lost 0.6% (year-to-date gain of 5.6%). The All bond index lost 0.5%. Across the size (market cap) spectrum, large cap shares lost 1.5%, mid caps were unchanged and small caps declined 2.2%.

Investment manager comment

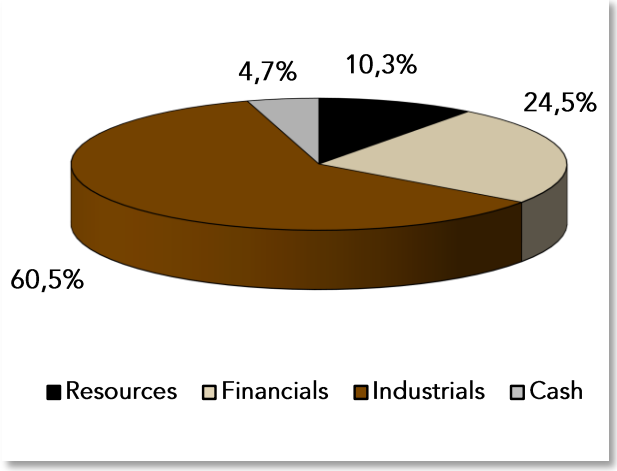
During March the Fund rose 1.1% versus the 1.3% *decline* of the Alsi. The outperformance was generated by the sector allocation of the Fund i.e. the Fund's bias in favour of financial and industrial shares and away from resource shares. The laggards in the portfolio during March included AdaptIT, which lost 11.7%, OneLogix lost 9.9%, Billiton 9.2%, Aspen 7.2%, Richemont 6.2%, Glencore 5.0% and Grindrod 4.6%. On a more positive note, EOH rose 17.5% (for a 46.4% gain on the quarter), Steinhoff rose 13.0%, Standard Bank 10.2%, Naspers 9.2% and Pivotal Property Fund 4.6%.

Largest holdings

Investment	% of Fund
Steinhoff International Holdings Ltd	9.5%
Naspers Ltd	7.5%
Aspen Pharmacare Holdings Ltd	4.8%
Medi-Clinic Ltd	4.6%
Firstrand Ltd	4.4%
EOH Holdings	4.4%
Standard Bank Ltd	4.2%
Mr Price Group Ltd	4.0%
BHP Billiton plc	3.7%
OneLogix Group Ltd	3.6%
Total	**50.7%**

During the month the Fund added to its holding in Consolidated Infrastructure Group and introduced a small holding in Hudaco Industries Ltd.

Asset allocation (% of Fund)



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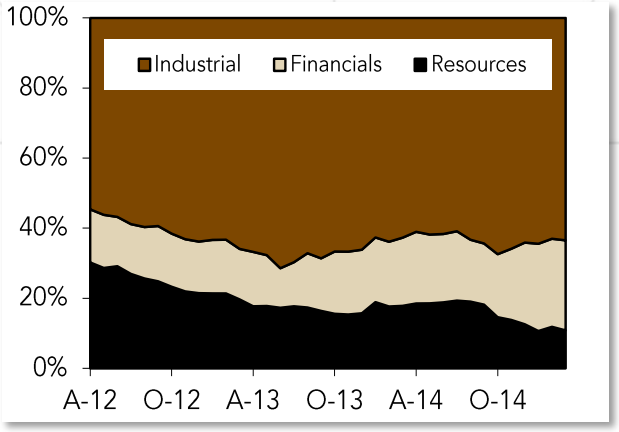
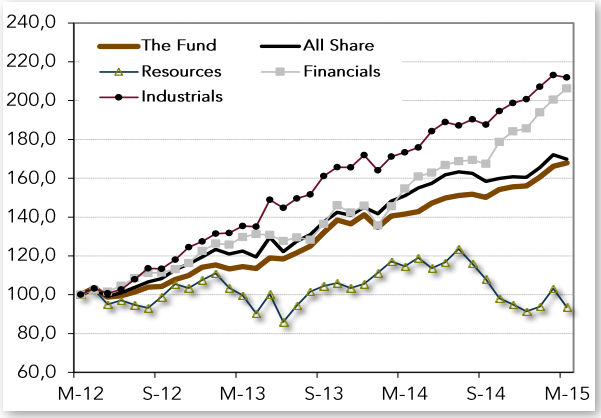
Historic sector allocation (% of Equity)



Three-year historic performance



Monthly and annual average returns (%)

Investment	1 month	1 year	3 years	5 years	7 years
Maestro Equity Prescient Fund	**1.1**	**18.7**	**18.9**	**15.4**	**10.2**
FTSE-JSE All share index	-1.3	12.5	19.4	16.1	11.7

Calendar year performance (%)

Investment	Year-to-date	2014	2013	2012	2011
Maestro Equity Prescient Fund	**7.6**	**10.5**	**23.8**	**25.5**	**-4.4**
FTSE-JSE All share index	5.9	10.9	21.5	26.7	2.6