

MAESTRO GROWTH FUND



PRESCIENT
LIFE

December
2014

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 60% All Share Index, 20% All Bond Index (ALBI), 10% Short term fixed income (STEFI) index and 10% against a Global Benchmark.

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 licence 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 a white label under the Prescient Life Licence.

Fee structure

There is no initial fee charged. The Maestro Growth Fund is a Fund of Funds with an annual management fee of 1.5% (excl VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Life.

Fund size

R 91 674 847

NAV

Class A: 1.8100

Long term insurer

Prescient Life Limited
(Reg no: 2004/014436/06)

Auditor

KPMG Inc.

Portfolio manager

Maestro Investment Management (Pty) Limited

Enquiries

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Market overview

December saw volatility increase dramatically in global markets, as the continued declines in the oil price, dramatic weakening of the Russian rouble, and fears about the possibility of Greece leaving the Eurozone, all added to investors' negative sentiment. Sentiment changed sharply as investors took the view that the time horizon for the US Federal Reserve raising interest rates would be pushed out. Markets rallied into year end, reversing some of their sharp losses seen earlier in the month.

Looking at the performances of global markets in 2014, we saw another year of outperformance by developed market equities over emerging market equities, as the MSCI World Index rose 2.9% ahead of the MSCI Emerging Market Index, which fell 4.6% over the year. Within developed markets, the US led the gains with the S&P 500 Index rising 14.0% ahead of the Japanese Nikkei, which rose 7.1%, and Europe was the laggard with the German DAX gaining 2.7% and the UK FTSE 100 declining 2.7% for 2014. Within emerging markets, China's Shanghai index led the gains, rising 52.9%, India's BSE rose 29.9%, and Turkey's BIST100 gained 26.4%. The notable underperformers were the Brazilian Bovespa, which declined 2.9% and Russian RTS which fell 45.4%.

Commodities were weak over the year, with big declines seen in the bulk commodity space, as the price of coal fell 25.4% and iron ore declined 45.9%. Base metals had a mixed performance, as nickel and aluminium rose 7.4% and 2.6% respectively, while

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- Leonard Bernstein

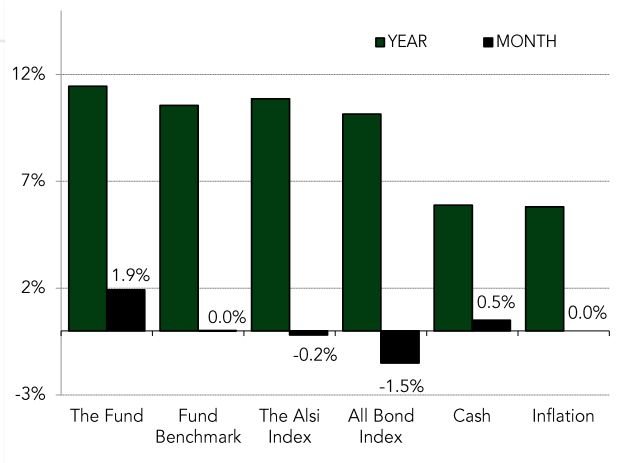
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copper declined 14.7%. Gold declined 0.2%, whereas platinum fell 10.6% and silver 19.3%. Brent crude oil declined a dramatic 47.7% in 2014.

Market returns



Turning to the local equity market, resources underperformed both financials and industrials for the fifth year in a row, as commodity prices slumped. The basic materials index declined 13.5% over the year, substantially below the 16.8% and 27.3% gains in the industrial and financial indices. The gold index rose 13.5% over the year. The small and mid-cap indices rose 20.6% and 19.6% respectively, outperforming the Top40 index's gain of 10.9%. The All bond index rose 10.2% during 2014.

Monthly fund returns

During December the Maestro Growth Fund's NAV increased 1.9% versus the flat return of the Fund benchmark. The [Maestro Equity Fund](#) rose 0.3% versus the 0.2% decline in the All share index. The [Prescient Income Provider Fund](#) returned 1.5% against its benchmark of 0.5%. The [Prescient Bond](#)

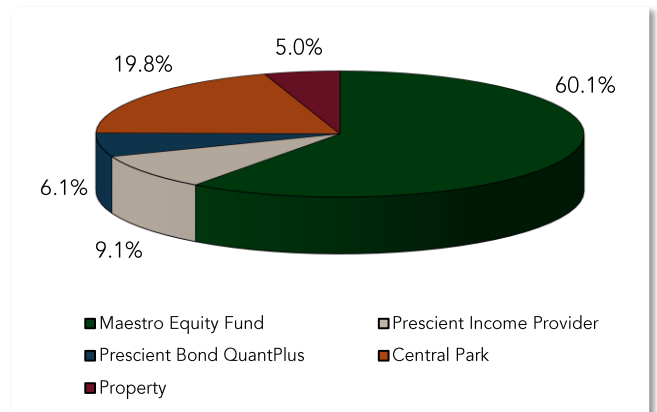
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[QuantPlus Fund](#) declined by -1.4% against its benchmark of -1.6%.

The [Central Park Global Balanced Fund](#) returned 2.8% in rands against its benchmark of 3.5%.

Asset allocation



Largest Holdings

Investment	% of Fund
Pivotal Property Fund	5.0%
MTN	4.5%
Steinhoff	4.4%
Sasol	4.1%
Naspers	3.8%
Aspen	3.6%
Billiton	3.4%
Richemont	3.2%
Mr Price	3.0%
OneLogix	2.5%
Total	37.6%

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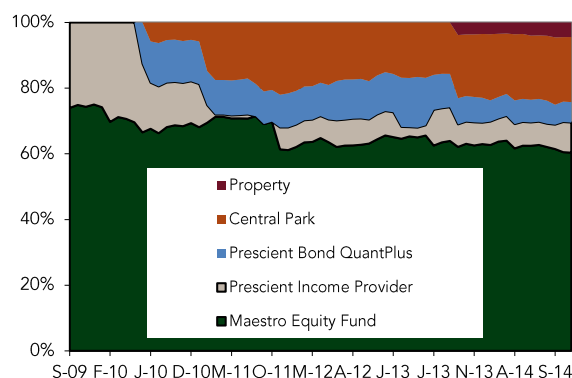
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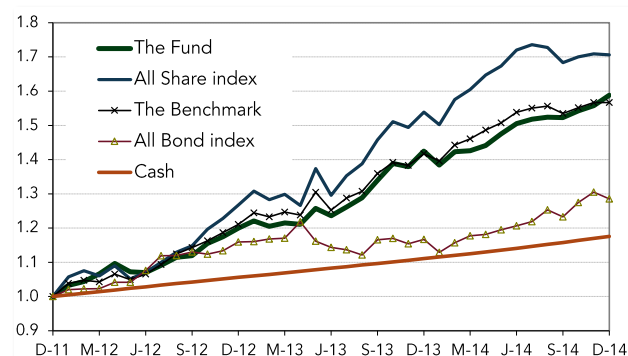
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Historic sector allocation



Historic performance



Monthly and annual average returns (%)

Investment	1 month	1 year	3 years
Maestro Growth Fund	1.9	11.5	16.7
Maestro Growth Fund Benchmark	0.0	10.6	16.1

Calendar year performance (%)

Investment	2014	2013	2012	2011	2010
Maestro Growth Fund	11.5	18.7	20.0	-1.3	14.1
Maestro Growth Fund Benchmark	10.6	17.0	21.0	5.8	15.0

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).

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