



Sector: Foreign Asset Allocation Flexible Sector
 Inception Date: 3 February 2004
 Fund Manager: Stephen Mildenhall
 Qualification: B Com(Hons), CA(SA), CFA

The central objective is to provide investors with the opportunity for offshore diversification, a hedge against Rand depreciation and steady capital growth over time at no greater than average risk of loss.

Fund Details

Price: 923.72 cents
Size: R 1 549 032 836
Minimum lump sum: R 25 000
Debit order: None
Subsequent lump sums: R 2 500

Annual Management Fee: No fee. The underlying funds, however have their own fee structure.

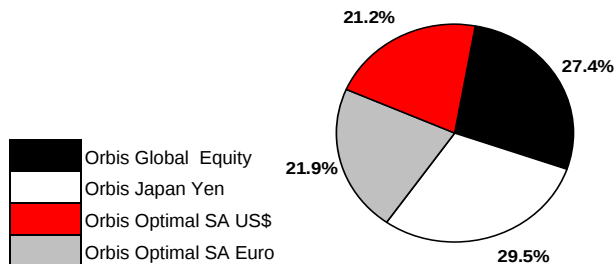
Status of the Fund: Currently open

Commentary

The Fund invests in a balanced portfolio of Orbis' equity and absolute return funds. Currently, the Fund is underweight global equities as certain major stockmarkets (and especially the USA) are considered to be expensive. Within equities, the Fund is very overweight Japan and other Asian equities, and very underweight the USA. During 2005 Asian equities have substantially outperformed US equities and this together with fundamentally driven share selection drove the Fund's outperformance of its benchmark. While Asian equities are still expected to outperform over the long-term, a near-term correction would not be surprising given the large recent increases in their prices. The Fund continues to hold an overweight position in Asian equities (and increasingly non-Japanese Asian equities) given their long-term attractiveness.

Allocation of Offshore Funds

Offshore Holdings	% of Offshore Holdings
Orbis Global Equity	27.4%
Orbis Japan Yen	29.5%
Orbis Optimal SA US\$	21.2%
Orbis Optimal SA Euro	21.9%
TOTAL	100.0%

**Performance**

Fund return in Rands (%)	AGGF*	B/Mark**
Since Inception (unannualised)	8.5	5.1
Latest 1 year	24.8	17.1

Fund return in Dollars (%)	AGGF*	B/Mark**
Since Inception (unannualised)	20.2	16.4
Latest 1 year	10.7	3.9

* Allan Gray-Orbis Global Fund of Funds

** Benchmark: 60% of the FTSE World Index and 40% of the JP Morgan Government Bond Index Global.

Target Market

The Allan Gray-Orbis Global Fund of Funds invests in the range of Orbis funds. The Fund will always hold 85% offshore. The Allan Gray Global Fund of Funds is suitable for those investors:

- seeking to invest locally in Rands and benefit from offshore exposure;
- wanting to gain exposure to markets and industries that are not available locally;
- who desire to hedge their investments against Rand depreciation.

Allan Gray Unit Trust Management Limited

JC de Lange, RW Dower, GW Fury, ED Loxton, WJC Mitchell (Chairman), ER Swanepoel (Non-Executive)
 Tel 0860 000 654, Fax 0860 000 655, info@allangray.co.za, www.allangray.co.za

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