

# **FUND DETAILS AT 31 DECEMBER 2008**

Sector: Foreign - Asset Allocation - Flexible Inception date: 3 February 2004
Fund managers: lan Liddle (The underlying Orbis funds are managed by Orbis.)

#### Fund objective:

To earn a higher rate of return than the benchmark of 60% of the FTSE World Index and 40% of the JP Morgan Government Bond Global Index, at no greater-than-average risk of loss in its sector.

## Suitable for those investors who:

- Wish to hedge their investments against any rand depreciation.
- Want to gain exposure to markets and industries that are not necessarily available locally.
- Wish to invest in rands but benefit from offshore exposure.
- Would like to invest in an offshore balanced fund.

 Price:
 R 14.27

 Size:
 R 5 845 m

 Minimum lump sum:
 R 25 000

 Minimum monthly:
 R 500

 Subsequent lump sums:
 R 2 500

 Status of the fund:
 Currently closed

 Income distribution: 01/01/08 - 31/12/08 (cents per unit)
 Total 1.72

Distributes annually. To the extent that the total expenses exceed the income earned in the form of dividends and interest, the Fund will not make a distribution.

## Annual management fee:

No fee. The underlying funds, however have their own fee structure.

## COMMENTARY

The Fund remains overweight in selected Japanese companies, specifically domestically oriented companies which have of late benefited the Fund on a relative basis. The Fund has avoided the Japanese exporters and international conglomerates, which have not only been hurt by the global slowdown but also the strengthening yen.

The Fund remains overweight the yen and underweight the US dollar, pound and euro. The yen position has contributed significantly to performance over the year and while we remain overweight the yen in the Fund, the position has been reduced given the recent strength of the yen versus Western currencies.

# **GLOBAL FUND OF FUNDS**

## **GEOGRAPHICAL EXPOSURE OF FUNDS**

Region	Share country exposure %	Fund currency exposure %	
USA	19	26	
Europe	10	22	
Japan	61	41	
Asia ex-Japan	8	10	
South Africa & other	2	1	
	100	100	

## TOTAL EXPENSE RATIO AS AT 30 SEPTEMBER 2008

	Included in TER			
Total expense ratio	Trading costs	Performance component	Fee at benchmark	Other expenses
2.23%	0.19%	0.45%	1.23%	0.36%

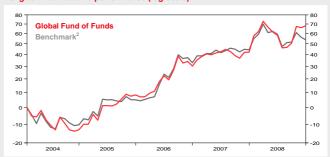
<sup>1</sup>A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. It is expressed as a percentage of the average value of the portfolio, calculated for the year to the end of September 2008. Included in the TER is the proportion of costs that are incurred by the performance component, fee at benchmark, trading costs (including brokerage, VAT, STT, STRATE and insider trading levy) and other expenses. These are disclosed separately as percentages of the net asset value. A higher TER ratio 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 TERs. The information provided is applicable to class A units.

## **ALLOCATION OF OFFSHORE FUNDS**

Foreign equity funds	%
Orbis Global Equity	33
Orbis Japan Equity (yen)	26
	59
Foreign absolute return funds	
Orbis Optimal SA (US\$)	20
Orbis Optimal SA (euro)	21
	41
Total	100

### **PERFORMANCE**

Fund performance shown net of all fees and expenses as per the TER disclosure. **Long-term cumulative performance (log scale)** 



Percentage return in Rands	Fund	Benchmark 2
Since inception (unannualised)	68.0	53.7
Latest 3 years (annualised)	15.7	13.5
Latest 1 year (annualised)	18.1	6.4

Percentage return in dollars	Fund	Benchmark 2
Since inception (unannualised)	25.7	15.0
Latest 3 year (annualised)	1.6	-0.4
Latest 1 year (annualised)	-14.3	-22.8

Risk measures (Since inception month end prices)	Fund	Benchmark 2
Percentage positive months	59.3	52.5
Annualised monthly volatility	14.4	13.7

<sup>2</sup> Benchmark: 60% of the FTSE World Index and 40% of the JP Morgan Global Government Bond Index. Source: Bloomberg, performance as calculated by Allan Gray as at 31 December 2008.

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Collective Investment Schemes in Securities (unit trusts) are generally medium - to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio divided by the number of units in issue. Declarations of income accruals are made annually. Purchase and redemption requests must be received by the manager by 14n00 each business day, Forward pricing is therefore used. Performance figures are from Allan Gray Limited (GIPS compliant) and are for lump sum investments with income distributions reinvested. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges, trustee fees and RSC levies. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees and charges and maximum commissions is available on request from the manager. No commissions or incentives are paid. The fund may be closed to new investments at any time in order to be managed in accordance with its mandate. The manager is a member of the ACI. Total Expense Ratio (TER): When investing, costs are only a part of an investment decision. The investment objective of the Fund should be compared with the investor's objective and then the performance figures and values are quoted after the deduction of costs incurred within the Fund so the TER is not a new cost.