

ALLAN GRAY BALANCED FUND Fact sheet at 31 May 2002



Sector: Domestic-Asset Allocation-Prudential
 Inception Date: 1 October 1999
 Fund Manager: Arjen Lugtenburg
 Qualification: M Com, CA(SA), CFA

The Fund's investment strategy is to earn a higher rate of return than the market value-weighted average of the domestic prudential unit trust sector excluding the Allan Gray Balanced Fund without assuming any greater monetary risk.

Fund Details

Price: 1855.24 cents
Size: R 1 332 465 252
Minimum lump sum: R 5 000
Minimum monthly: R 500
Subsequent lump sums: R 500
No. of share holdings: 78
Compulsory charges: 0.65%
Initial Fee: NIL - 3.38% (incl. VAT)

Annual Management Fee: The monthly charge rate is directly related to the rolling two-year return of the fund compared with that of its benchmark. The limits are 0.57-1.71% p.a. (incl. VAT).

Commentary

Both the relative and absolute performance of the Fund accelerated during May. The Rand continued its recovery and investors have started to question their extremely negative sentiment towards the domestic economy. This negative sentiment is expressed by low ratings on low levels of earnings in domestic consumer and industrial shares. We continue to find these counters attractively valued, especially relative to resource counters, where we find the large internationally listed counters particularly unattractive. Recent company results and economic data e.g. retail sales, suggest a reasonably robust domestic trading environment. Our concern over valuation levels of international stockmarkets continues to be reflected in a neutral domestic asset allocation stance. The Fund's recent quarterly report, which is available by e-mail or via the website, describes in more detail our investment outlook.

Top 10 Holdings (including foreign)

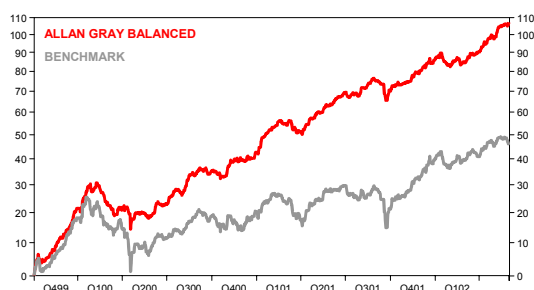
JSE Code	Company	% of portfolio
AVG	Avgold	Figures are only available at quarter end
AIN	Avmin	
ILV	Illovo	
NPK	Nampak	
NHM	Northam	
Foreign	Orbis Global Equity	
SOL	Sasol	
SBC	Stanbic	
TBS	Tigbrands	
WLN	Wooltru - N	

Asset Allocation

Sector	% of Fund
Shares (net exposure)	58.1
Property	0.7
Bonds	19.2
Money Market & Cash	16.6
Foreign	5.4
Total	100.00

Performance (net of fees, including income, assumes reinvestment of dividends)

Long-term cumulative performance (log-scale)



% Returns

	Balanced Fund	Avg Prudential Fund
Since Inception (unannualised)	107.1	46.2
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	-	-
Latest 1 year	26.5	13.9

Risk Measures

(Since incep. month end prices)

Maximum drawdown*	-12.5	-19.2
Annualised monthly volatility	10.9	12.8

* Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

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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 trusts are traded at ruling prices. A schedule of fees and charges and maximum commissions is available on request from the company/scheme. Commission and incentives may be paid and if so, would be included in the overall costs.