

ALLAN GRAY BALANCED FUND Fact sheet at 30 June 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: 1805.10 cents
Size: R 1 391 804 750
Minimum lump sum: R 5 000
Minimum monthly: R 500
Subsequent lump sums: R 500
No. of share holdings: 79
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

The domestic economic picture continues to improve. The Rand is consolidating and inflation is approaching peak levels. We have probably seen the last interest rate increase. The weak Rand has stimulated exports and the trade surplus is expanding. The outlook for the domestic economy is good. The same cannot be said for the major economies of the world. The US economic recovery is haphazard despite aggressive monetary stimulus (low interest rates). We however find that the ratings on shares do not reflect this situation with domestic shares generally cheaply rated while the offshore listed discount a robust world economy. We continue to regard valuation levels on developed country stockmarkets, ex Japan, as excessive. The Fund is therefore overweight in domestic industrials and underweight in the offshore listed, which are mainly resource stocks. Asset allocation remains neutral. 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)

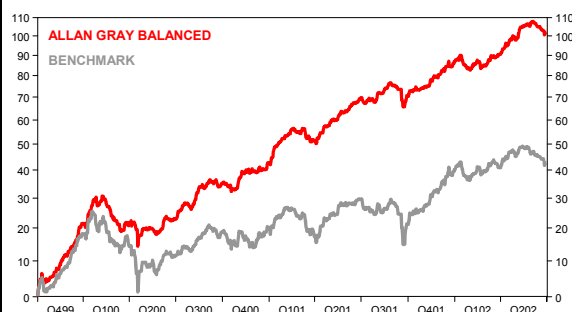
JSE Code	Company	% of portfolio
Foreign	Orbis Global Equity	4.89
SOL	Sasol	4.08
TBS	Tigbrands	3.51
NPK	Nampak	3.24
SBK	Stanbic	2.36
WHL	Woolies	2.17
NHM	Northam	1.91
AVG	Avgold	1.55
ILV	Illovo	1.54
NPN	Naspers - N	1.47

Asset Allocation

Sector	% of Fund
Shares (net exposure)	56.7
Property	0.6
Bonds	18.3
Money Market & Cash	19.5
Foreign	4.9
Total	100.00

Performance (net of fees, including income, assumes reinvestment of dividends, on a sell to sell basis)

Long-term cumulative performance (log-scale)



% Returns

	Balanced Fund	Avg Prudential Fund
Since Inception (unannualised)	101.5	42.7
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	-	-
Latest 1 year	18.8	10.3

Risk Measures

(Since incep. month end prices)

Maximum drawdown*	-12.5	-19.2
Annualised monthly volatility	11.2	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. Different classes of units apply to this Fund and are subject to different fees and charges. 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.