

ALLAN GRAY BALANCED FUND Fact sheet at 31 October 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: 1843.57 cents
Size: R 1 748 510 860
Minimum lump sum: R 5 000
Minimum monthly: R 500
Subsequent lump sums: R 500
No. of share holdings: 83
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

During October the Rand continued to strengthen, which should relieve some of the inflationary pressures in the domestic economy. With government easing the 2003 inflation target it is likely that we have seen the last interest rate increase. This is positive news for the domestic economy. We continue to find domestic industrial shares attractively priced on depressed earnings. The strong Rand has exerted further pressure on resource stock prices, where we are increasingly finding compelling valuations. The overall market is now considered to offer compelling long-term value, hence our relatively high share exposure. 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)

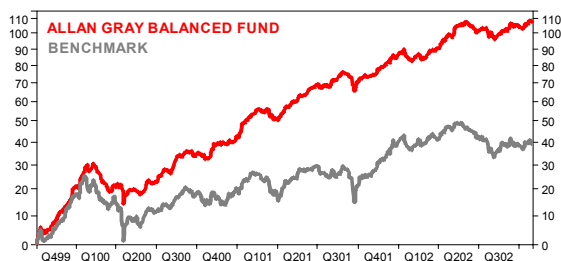
JSE Code	Company	% of portfolio
AGL	Anglo	Figures only available at quarter-end.
AMS	Angloplat	
Foreign	Orbis Global Equity	
NHM	Northam	
NPK	Nampak	
NPN	Naspers - N	
SBK	Stanbic	
SOL	Sasol	
TBS	Tigbrands	
WAR	Wes-Areas	

Asset Allocation

Sector	% of Fund
Shares (net exposure)	65.98
Property	0.52
Bonds	24.16
Money Market & Cash	5.99
Foreign	3.35
Total	100.0

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)	107.9	38.9
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	25.5	10.5
Latest 1 year	19.7	10.5
Risk Measures		
<i>(Since incep. month end prices)</i>		
Maximum drawdown*	-12.5	-19.2
Annualised monthly volatility	10.7	12.6

* Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

W J C Mitchell (Chairman), J C de Lange, M Herdman, E D Loxton, M L Ronald
 Tel: 0860 000 654, Fax 0860 000 655, info@allangray.co.za, www.allangray.co.za

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.