

# ALLAN GRAY BALANCED FUND

## Fact sheet at 31 Dec 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:** 1944.23 cents  
**Size:** R 2 026 263 552  
**Minimum lump sum:** R 5 000  
**Minimum monthly:** R 500  
**Subsequent lump sums:** R 500  
**No. of share holdings:** 87  
**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 Rand has continued to strengthen, which should relieve some of the inflationary pressures in the economy. A substantial reduction in domestic interest rates is highly likely. This is positive news for the domestic economy. We continue to find domestic industrial shares attractively priced on low to normal levels of earnings. The strong Rand is exerting pressure on resource stock prices and we are increasingly finding these counters to be attractively valued. The overall market continues to offer compelling long-term value.

### Top 10 Holdings (including foreign)

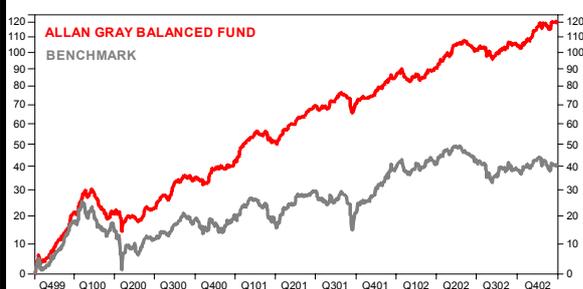
JSE Code	Company	% of portfolio
SOL	Sasol	6.06
AGL	Anglo	3.40
TBS	Tigbrands	3.33
NPN	Naspers - N	3.07
NPK	Nampak	2.75
AOD	African Rainbow	2.60
Foreign	Orbis Global Equity	2.55
NCL	Nudlicks	2.18
WAR	Wes-Areas	2.15
SBK	Stanbic	2.11

### Asset Allocation

Sector	% of Fund
Shares (net exposure)	68.66
Property	0.47
Bonds	21.95
Money Market & Cash	6.37
Foreign	2.55
<b>Total</b>	<b>100.00</b>

### 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)	119.2	39.8
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	21.6	5.8
Latest 1 year	17.3	-0.2
<b>Risk Measures</b>		
<i>(Since incep. month end prices)</i>		
Maximum drawdown*	-12.5	-19.2
Annualised monthly volatility	10.6	12.4

\* 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.