

ALLAN GRAY BOND FUND

Fact sheet at 30 April 2005



Sector: Domestic - Fixed Interest - Bond
 Inception Date: 1 October 2004
 Fund Managers: Jack Mitchell (B Com) and Sandy McGregor B Sc, BA (Hons)

The objective of the Fund is to provide investors with a return superior to the All Bond Index, at no greater risk, over an interest rate cycle. The Fund will seek to preserve at least the nominal value of investors' capital.

Fund Details

Price: 1046.81 cents
Size: R 13 417 962
Minimum lump sum: R 25 000
Minimum monthly: R 2 500
Subsequent lump sums: R 2 500
No. of bond holdings: 8

01/04/04-31/03/05 dividend (cpu): Total 38.87
 Int 21.41, S24J Acc 17.46

Annual Management Fee: Performance fee orientated to outperformance of the All Bond Index over a one-year rolling period. The limits are 0.285 - 0.855% p.a. (incl. VAT)

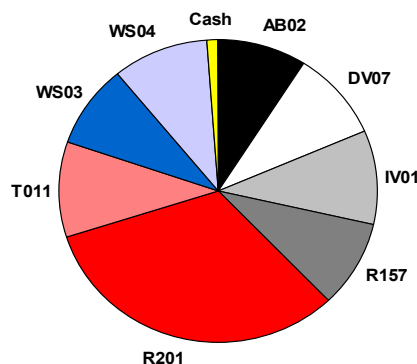
Commentary

In its first six months the Fund has underperformed its benchmark of the All Bond Index, returning 6.5% (unannualised) versus 7.7% for the Index. The reason for the underperformance was that the managers avoided the very long government bond, the R186 maturing in 2025, which is priced at a significantly lower yield than 10-year bonds. The managers feel that the R186 is mispriced and prefer to carry an extra weighting in the 2014 bond. They believe that in the longer term this strategy will provide a better combination of risk and reward.

Fund Holdings at 31 March 2005*

JSE Code	Maturity date	Coupon rate	% of portfolio
R201	21/12/2014	8.75%	32.23
T011	01/04/2010	16.50%	10.14
IV01	31/03/2012	16.00%	9.95
WS04	30/05/2016	12.50%	9.59
DV07	30/09/2010	14.50%	9.56
R157	15/09/2015	13.50%	9.20
WS03	15/09/2010	13.00%	9.15
AB02	22/03/2009	14.25%	9.07
Cash	-	-	1.11

*The 'Fund Holdings' table is updated quarterly.



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

Graph will be available after a one-year track record.

% Returns	Bond Fund	All Bond Index
Since Inception (unannualised)	9.0	10.0
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	-	-
Latest 1 year	-	-

Allan Gray Unit Trust Management Limited

JC de Lange, GW Fury, ED Loxton, WJC Mitchell (Chairman), ML Ronald*, ER Swanepoel* (*Non-Executive)

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