FUND DETAILS AT 31 OCTOBER 2008

Sector: Domestic - Equity - General Inception date: 1 October 1998
Fund managers: Ian Liddle, Duncan Artus, Delphine Govender, Andrew Lapping, Simon Raubenheimer

Fund objective:

The Fund aims to earn a higher total rate of return than that of the average of the South African equity market as represented by the FTSE/JSE All Share Index, including income, without assuming greater risk.

Suitable for those investors who:

- Seek long-term wealth creation.
- Are comfortable with market fluctuation i.e. short-term volatility.
- Typically have an investment horizon of five years plus.
- Seek an equity 'building block' for a diversified multi-asset class portfolio.

Price: R 140.00 R 14 130 m Size: R 10 000 Minimum lump sum: Minimum monthly: R 500 Subsequent lump sums: R 500 No. of share holdings: 55 Income distribution: 01/07/07 - 30/06/08 (cents per unit) Total 40.44 Distributes bi-annually. To the extent that the total expenses exceed the income earned in the form of dividends and interest, the Fund will not make a distribution.

Annual management fee:

The annual management fee rate is dependent on the return of the Fund relative to its benchmark, the FTSE/JSE All Share Index including income (adjusted for Fund expenses and cash flows), over a rolling two-year period. The fee hurdle (above which a fee greater than the minimum fee of 0% is charged) is performance equal to the benchmark minus 15%. For performance equal to the benchmark a fee of 1.5% (excl.VAT) per annum is payable. The manager's sharing rate is 10% of the underand outperformance of the benchmark over a rolling two-year period and a maximum fee of 3% (excl.VAT) applies.

COMMENTARY

The benchmark FTSE/JSE All Share Index continued to fall in October, and at its low for the month it was down by 45% from its peak in May. The Index last traded at this level in the first half of 2006 - the bear market has effectively wiped out the last two-and-a-half years of gains on the JSE.

The month was characterised by extreme volatility in asset prices as investors tried to adjust to the concept of a world in recession. The rand ended October at R9.78 per US dollar, but traded in a range between R8.19 and R11.85 per US dollar during the month!

The silver lining to the storm clouds is that the negative returns on the JSE have been somewhat ameliorated by our selection of stocks that we believe will prove to be relatively more resilient in a downturn, and that will benefit from a weakening rand.

Remgro and Richemont have been substantial contributors to the Fund's recent outperformance. The two companies have recently been restructured so that the Fund now holds a direct rather than an indirect interest in British American Tobacco plc (BAT). BAT has obtained a secondary listing on the JSE, and it is now one of the Top 3 positions in the Fund.

The restructuring unlocked the conglomerate discount that the market used to place on the indirectly-held BAT shares. However, Remgro continues to trade at an attractive discount (more than 20%) to the value of its underlying assets, and we continue to find it attractive.

Tel 0860 000 654 or +27 (0)21 415 2301 Fax 0860 000 655 or +27 (0)21 415 2492 info@allangray.co.za www.allangray.co.za

EQUITY FUND

TOP 10 SHARE HOLDINGS AT 30 SEPTEMBER 2008*

Company	% of portfolio		
SABMiller	10.3		
Remgro	9.5		
MTN Group	9.4		
Richemont	8.2		
Anglogold Ashanti	5.6		
Sasol	5.2		
Sanlam	5.1		
Harmony Gold Mining Co	5.0		
Standard Bank Group	4.9		
Absa Group	4.1		

^{*} The 'Top 10 Share Holdings' table is updated quarterly.

TOTAL EXPENSE RATIO*

	Included in TER			
Total expense ratio	Trading costs	Performance component	Fee at benchmark	Other expenses
2.14%	0.08%	0.33%	1.71%	0.02%

*A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. It is expressed as a percentage of the average value of the portfolio, calculated for the year to the end of September 2008. Included in the TER is the proportion of costs that are incurred by the performance component, fee at benchmark, trading costs (including brokerage, VAT, STT, STRATE and insider trading levy) and other expenses. These are disclosed separately as percentages of the net asset value. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The information provided is applicable to class A units.

SECTOR ALLOCATION AT 30 SEPTEMBER 2008*

CECTOR ALEECOATION AND CELT TEMPER 2000			
Sector	% of fund	ALSI	
Oil & gas	5.2	6.9	
Basic materials	22.5	38.0	
Industrials	11.7	8.7	
Consumer goods	21.1	13.1	
Healthcare	2.0	1.1	
Consumer services	6.9	5.9	
Telecommunications	9.4	7.3	
Financials	17.5	18.6	
Technology	2.2	0.5	
Fixed interest/Liquidity	1.0	-	
Other	0.5	-	

^{*}The 'Sector Allocation' table is updated quarterly.

PERFORMANCE

Fund performance shown net of all fees and expenses as per the TER disclosure. Long-term cumulative performance (log scale)



% Returns	Fund	Benchmark*
Since inception (unannualised)	1 510.8	455.1
Latest 10 years (annualised)	29.4	17.1
Latest 5 years (annualised)	22.7	19.9
Latest 3 years (annualised)	15.8	11.5
Latest 1 year	-20.2	-30.9
Risk measures (Since inception month end prices)		
Maximum drawdown**	-31.3	-43.7
Percentage positive months	66.9	58.7
Annualised monthly volatility	18.4	19.9

^{*} FTSE/JSE All Share Index including income. Source: I-Net Bridge, performance as calculated by Allan Gray as at 31 October 2008.

Collective Investment Schemes in Securities (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 trust prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio individed by the number of units in issue. Declaration of income accruals are made bi-annually, Purchase and redemption requests must be received by the manager by 14h00 each business day, and fund valuations take place at approximately 16h00 each business day. Forward pricing is therefore used. Performance figures are from Allan Gray Limited (GIPS compliant) and are for lump sum investments with income distributions reinvested. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges, trusted see and RSC levies. The Fund may berrow up to 10h% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fean dharges and charges and maximum commissions is available on request from the manager. Commission and incentives may be paid and if so, would be included in the overall costs. The fund may be closed to new investments at any time in order to be managed in accordance with its mandate. The manager is a member of the ACI. Total Expense Ratio (TER): When investing, costs are only a part of an investment decision. The investment objective of the Fund should be compared with the investor's objective and then the performance of the investment and whether it represents value for money should be evaluated as part of the financial planning process. All Allan ("JSE") in accordance with standard criteria. The FTSE/JSE Africa Series is the proprietary information of FTSE and the JSE. All Share Index values and constituent lists vests in FTSE and the JSE jointly. All their ribbts are reserved.

^{**} Maximum percentage decline over any period.