EQUITY FUND

FUND DETAILS AT 31 JANUARY 2010

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 159.25
Size:	R 21 257 m
Minimum lump sum per investor account:	R20 000
Minimum lump sum per fund:	R5 000
Minimum debit order per fund:	R 500
Additional lump sum per fund:	R 500
No. of share holdings:	63

Income distribution: 01/01/09 - 31/12/09 (cents per unit) Total 6.67
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 under- and outperformance of the benchmark over a rolling two-year period and a maximum fee of 3% (excl.VAT) applies.

COMMENTARY

Much is being written about the extraordinary pace of China's infrastructural development and its seemingly unquenchable thirst for steel-making raw materials and base metals. It is probably too late to make much money from this theme now. The high metal prices are generally doing their job of incentivising scrap supply and the development of new mines and so it appears that there will be an adequate supply of metals even if China continues on its current trajectory (this is especially true for iron ore). Of course, the risk is that the Chinese building boom falters (which we think would be a major negative surprise to the prevailing consensus opinion).

It is interesting to note that Chinese demand for oil is lagging significantly behind its demand for the metals. China is now buying two-thirds of global seaborne iron ore, and about 40% of the global production of most base metals such as copper, nickel, zinc, lead and aluminium. On the other hand, we estimate that it burns only about 12% of the world's annual oil production. This seems comparatively low, especially in light of our estimate that the Chinese bought close to 20% of motor vehicles produced in the world last year.

While it is certainly possible that all commodity prices may fall in dollar terms, we see less downside risk to oil prices than to metal prices. Furthermore, energy stocks around the world seem to have fallen out of favour, and a company like Sasol is trading on a significantly lower multiple of normal earnings than Anglo American or BHP Billiton (which earn a major portion of their current profits from ferrous and base metals).

The concentration of Sasol's production in South Africa, when compared to the more globally diversified Anglo and BHP, should mean that it stands to benefit more from any potential rand weakness (which we regard as more likely than rand strength from the January closing level of R7.62/$).

Sasol is now one of the top three positions in the Fund, which is significantly underweight diversified miners.

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TOP 10 SHARE HOLDINGS[1]

Company	% of portfolio
SABMiller	10.8
British American Tobacco Plc	10.2
Sasol	8.6
Anglogold Ashanti	7.2
Remgro	6.7
Sanlam	5.1
MTN Group Limited	4.7
Mondi Plc	3.8
Compagnie Fin Richemont SA	3.6
Sappi	3.2

[1]Top 10 share holdings at 31 December 2009. Updated quarterly.

TOTAL EXPENSE RATIO FOR THE YEAR ENDED 31 DECEMBER 2009[2]

Total expense ratio	Included in TER			
	Trading costs	Performance component	Fee at benchmark	Other expenses
3.09%	0.13%	1.24%	1.71%	0.01%

[2]A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. The total operating expenses are expressed as a percentage of the average value of the portfolio, calculated for the year to the end of December 2009. 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.

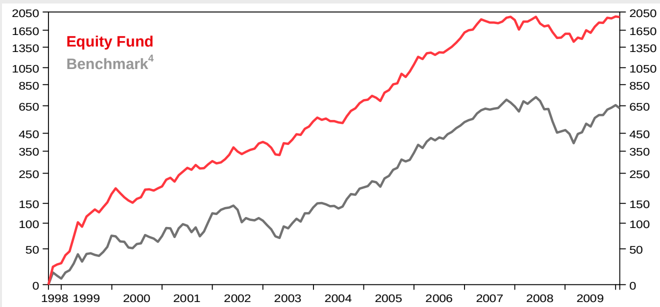
SECTOR ALLOCATION AT 31 DECEMBER 2009[3]

Sector	% of portfolio	ALSI
Oil & gas	8.6	5.0
Basic materials	22.9	40.0
Industrials	8.8	6.1
Consumer goods	28.9	12.8
Healthcare	2.1	1.8
Consumer services	4.9	8.0
Telecommunications	4.7	6.8
Financials	13.3	19.0
Technology	3.0	0.6
Fixed interest/Liquidity	2.3	-
Other	0.4	-

[3] 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 [4]
Since inception (unannualised)	1 930.8	627.7
Latest 10 years (annualised)	21.2	15.5
Latest 5 years (annualised)	20.4	19.1
Latest 3 years (annualised)	5.0	4.5
Latest 1 year	20.5	33.2
Risk measures (Since inception month end prices)		
Maximum drawdown[5]	-31.3	-45.4
Percentage positive months	66.2	60.3
Annualised monthly volatility	18.1	19.9

[4] FTSE/JSE All Share Index including income. **Source: I-Net Bridge, performance as calculated by Allan Gray as at 31 January 2010.**
[5] Maximum percentage decline over any period.