

# ALLAN GRAY STABLE FUND

Fact sheet at 31 July 2004



Sector: Domestic AA Prudential Low Equity  
 Inception Date: 1 July 2000  
 Fund Manager: Stephen Mildenhall  
 Qualification: B Com(Hons), CA(SA), CFA

The Fund aims to achieve superior after-tax returns to bank deposits and to provide a high level of capital stability. The Fund seeks to preserve capital over any two-year period and is ideal for risk-averse investors.

## Fund Details

**Price:** 1375.38 cents  
**Size:** R 2 588 709 342  
**Minimum lump sum:** R 5 000  
**Minimum monthly:** R 500  
**Subsequent lump sums:** R 500

**01/07/03-30/06/04 dividend (cpu):** Total 87.22  
 Int 63.01, Div 11.20, S24J Acc 12.24, Prop Div 0.76

**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). Should the Fund produce a return of 0% or worse over a 2-year rolling period, then the firm will forego all fees.

## Commentary

The Fund's aim is to provide a high level of capital stability. As a result, the Fund has a low equity exposure. The Fund has however marginally increased its equity exposure over the quarter, as attractive opportunities have risen. The Fund has a reasonable exposure to selected banking shares that are now offering good long-term value and attractive dividend yields. The trend towards lower dividend covers amongst South Africa's typically undergeared companies is also positive for the share component of the Fund. Following Reserve Bank approval, we have taken a portion of the assets offshore at what we believe is an attractive exchange rate.

## Top 10 Share Holdings at 30 June 2004\*

JSE Code	Company	% of portfolio
SOL	Sasol	2.91
TBS	Tigbrands	2.38
SBK	Stanbank	2.20
GRY	Grayprop	2.15
MTN	MTN - Group	2.00
ASA	Absa	1.87
HAR	Harmony	1.64
NPK	Nampak	1.52
AMSP	AngloPlattCC	1.46
TKG	Telkom	1.14

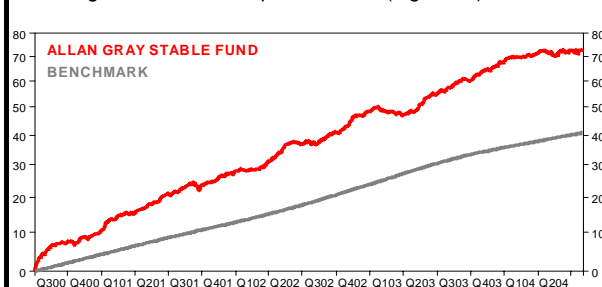
\* As of 29 February 2004, the 'Top 10 Share Holdings' table will only be updated quarterly.

## Asset Allocation

Asset Class	% of Fund
Shares	32.52
Property	4.81
Bonds	7.17
Foreign	4.83
Money Market & Cash	50.67
<b>Total</b>	<b>100.00</b>

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

Long-term cumulative performance (log-scale)



% Returns (after-tax)	Stable Fund	Benchmark*
Since Inception (unannualised)	73.1	40.7
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	12.4	8.8
Latest 1 year	9.9	7.0
<b>Risk Measures</b>		
<i>(Since incep. month end prices)</i>		
Maximum drawdown**	-2.3	n/a
Annualised monthly volatility	3.8	0.4

\*After tax return of call deposits plus two percentage points

\*\* Maximum percentage decline over any period

## 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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