

Offshore Retirement Portfolio

As at 30 November 2011

Portfolio objective

Investors in this portfolio participate in the opportunities presented by global investment markets, together with the added benefit of currency hedging where over a longer period the Rand is likely to weaken against major international currencies.

Portfolio facts

Portfolio size	R 3,886,716
Tax class	Retirement
Benchmark	The fund benchmark is a weighted average of the index or indices below: EQUITY: Free float JSE Allshare index – house core stocks only BONDS: ALBI CASH: STeFI (Short Term Fixed Interest Index -Composite)

The performance of the portfolio benchmark over time provides the basis against which the portfolio manager will be measured.

Risk profile

Conservative	Moderate	Aggressive
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Market Review (3rd Quarter 2011)

Global markets remain in turmoil. Widespread disagreements among policymakers have hampered efforts to solve Greece's debt crisis and prevent further contagion to other euro-zone countries. The US, meanwhile, considered merely an observer of the events in Europe, continues to grapple with weak economic activity and high levels of unemployment. Rising political factionalism is making it difficult to achieve sustainable solutions to the country's own debt overhang. The US government's strong bias towards short-term stimulatory policies makes an inevitable fiscal consolidation that much more painful. A lack of clarity about policy and growth continues to weigh on sentiment. The traditional tools to boost the economy have been largely exhausted or are, increasingly, out of bounds. Rising interbank spreads coupled with increasing deposits held with central banks, are clear signs that the current environment provides a fertile backdrop for a debilitating crisis. Such a crisis may be inevitable in the near term, unless there are far-reaching reforms and sufficient intervention takes place.

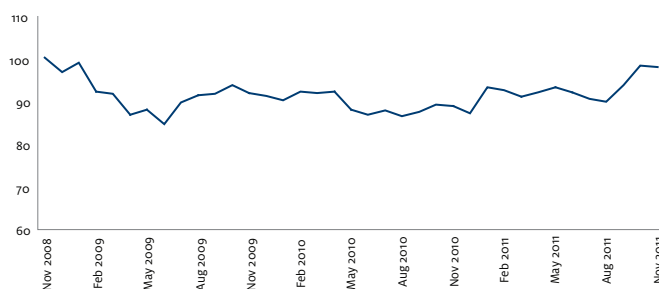
Emerging markets are not immune to the financial and economic woes of developed countries. Weak equity markets, falling commodity prices and a reversal of the strong currency gains have characterised the last few months. Economic activity is moderating across developing economies. Weak offshore demand has dampened production without any meaningful uptick in domestic consumption. China, for now, maintains its restrictive stance against a backdrop of strong government-led investment and rising consumption growth. The Chinese inflation rate remains elevated, though largely driven by food and energy prices. Credit growth is slowing, while some sectors of the housing market have responded to tighter policies.

Risk assets experienced a torrid third quarter. Equities slumped, commodities retreated sharply, credit spreads widened materially and currencies depreciated against the US dollar. The traditional safe haven assets performed well: both US Treasury yields and German Bunds fell to record lows, closing the quarter at 1.9%. Gold added a further US\$125, up 8.2%, despite the slump in September. The US dollar gained 6% in trade-weighted terms over the quarter. With fears of a sharp growth slowdown and a high probability of an imminent recession in some regions, commodity prices could not hold on to the elevated levels reached in the first half of the year. Copper declined 23.3%, platinum fell 11.6% while Brent crude closed 5.3% lower. The MSCI World Index ended the quarter 16.5% weaker and emerging markets tumbled 22.5%. The FTSE 100 Index dropped 15.5%, the Dax 30 Index slumped 31%, while the Nikkei 225 Index outperformed meaningfully, closing 7.1% weaker. The S&P 500 Index shed 13.9%. (All returns are quoted in US dollars.)

South Africa remains subject to global pressures, the uncertainty about the crisis in Europe, the structural impediments to a more meaningful global recovery and asset market volatility. The South African Reserve Bank, concerned about global macro events, kept interest rates on hold at record lows. Citing a slightly higher inflationary trajectory and its continued willingness to consider all eventualities, the Bank heeded calls to maintain its mandated policy objective of stable inflation. The slump in the rand, along with the depreciation of other emerging market and commodity currencies, added support to the decision. Domestic growth remains sluggish, with manufacturing and mining output particularly weak. With average house prices falling, personal debt to income ratios high and job growth mostly absent, private sector investment continues to languish. SA GDP growth estimates for the year have now slipped to well below the 3% mark, with forecasts for 2012 being revised downward towards 3.5%. The All Bond Index gained 2.8% over the quarter and cash, as measured by the STeFI Index, edged 1.4% higher. The listed property sector rose 2.2%, buoyed by firmer bond yields.

The FTSE/JSE All Share Index closed the quarter down 5.8%, with significant rand weakness partially offsetting the sharp fall in commodity prices. The index lost 21.3% in US dollars. Significant dispersion marked the quarterly performances, with sectors most exposed to the SA economy generally outperforming the broader market. The food and general retail sectors fared particularly well, closing 6.4% and 1.7% higher, respectively. Banks lost 3.3%, while short-term insurers gained 6.9% over the three months. The health care sector, up 2.5%, continued its recent strong performance. Commodity-exposed rand hedge stocks fared poorly over the quarter, but even here there was significant dispersion. The diversified miners lost 17.3% and the platinum miners shed 9.7%, while the gold sector posted one of its strongest relative performances, gaining 19.5% over the review period.

Performance



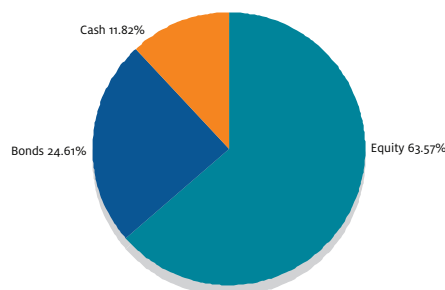
*3 year cumulative performance

Returns

Single Investment	Growth over the preceding	Monthly Investment
-0.22%	Month	-0.22%
10.03%	Quarter	7.51%
5.82%	Half Year	10.87%
12.11%	Year	14.67%

Single Investment	Compound growth per annum	Monthly Investment
-0.04%	3 Year	5.97%
-1.74%	4 Year	2.50%
-0.35%	5 Year	1.18%
1.04%	10 Year	2.22%

Asset allocation



Top 5 holdings

BK Nova Scotia TD 30112011-01122011 At o	3.8%
Apple Inc Common Stock NPV	1.9%
Chevron Corp Common Stock USD.75	1.9%
State Street Trust Company USD Income Ac	1.9%
Occidental Petroleum Corp Common Stock U	1.9%

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Disclaimer

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