

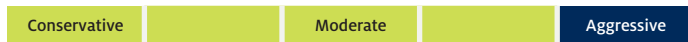
### Portfolio objective

This portfolio is an actively managed mix of high performance local and international unit trusts. A maximum of 70% of the market value of the portfolio is invested in equities, with the balance being invested in fixed interest and cash. The objective of the portfolio is to provide the investor with a high quality of portfolio combining both South African and international growth potential with guarantees on maturity at five years or more.

### Portfolio facts

<b>Fund Managers</b>	Stanlib Asset Management
<b>Underlying Managers</b>	Fidelity Investments
<b>Launch Date</b>	1 July 1998
<b>Fund size</b>	R 4 897 937.33
<b>Classification</b>	Worldwide Managed
<b>Benchmark</b>	50% Focused Fund of Funds 50% International Fund of Funds
<b>Once-off Charges</b>	
Allocation Charges and Policy Fees	As per policy quote
Bid-offer Spread	1%
<b>Recurring Charges</b>	
Liberty Active Management Fee p.a.	0.75%
Fund Manager's Management Fee p.a.	1%
Maximum Shareholders' Participation in Surplus	10%
<b>Guarantee</b>	
At Maturity	None
On Death before Maturity	The greater of: Return of premiums; or The value of investments

### Risk profile



The risk profile of this portfolio has been adjusted to reflect the applicable investment guarantee. The risk profile applies, provided the investor remains in the portfolio for the duration of its guaranteed term.

### Quarterly commentary (2nd quarter)

Paul Hansen  
STANLIB Asset Management

#### Fund Review

The second quarter was a difficult one for global stock markets as a variety of negative issues affected sentiment and economic growth, including the Japanese tsunami, the high oil and food prices, the Greek and other European debt issues. As a result the fund had a negative return of 1.4% in Rands or 1.5% in dollars. We held 30% of equities in emerging markets by quarter end, just double the 14% benchmark and we held an overweight in Japan too (about double the 8% benchmark). The Japanese Nikkei Index was at 10,500 when the tsunami struck. It then fell to 8,500 and is trading back at 10,000 by early July about 5% below its pre-earthquake level.

#### Looking Ahead

Global stock markets usually experience difficult times in the May to September period. This year has been no exception, although a nice bounce is unfolding in early July. We think on balance that we've seen the lows for the year and that the bull market remains intact, even though we may see further declines before September.

However, slow economies in the developed world, coupled with weaker oil and food prices, imply lower interest rates for longer, which is good for equities. Fortunately companies are listed on stock markets, not governments, many of which remain mired in debt.

### Disclaimer

The information contained in this document does not constitute advice by Liberty. Whilst every attempt has been made to ensure the accuracy of the information contained herein, Liberty cannot be held responsible for any errors that may occur. Past performance cannot be relied on as an indicator of future performance. Investment performance will depend on the growth in the underlying assets, which will be influenced by inflation levels in the economy and prevailing market conditions. Source: Liberty, STANLIB.

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### Returns

#### Rand returns

	Since inception	1 Year	3 Years	5 Years
<b>Single Premium Policies</b>				
Endowment	0.80%	7.58%	-1.95%	-2.85%
Retirement	1.09%	8.49%	-1.68%	-2.65%

#### Annual Premium Policies

Endowment	0.72%	7.58%	0.83%	-1.46%
Retirement	1.08%	8.49%	1.27%	-1.16%

#### Monthly Premium Policies

Endowment	0.90%	7.76%	2.08%	-1.25%
Retirement	1.26%	8.80%	2.62%	-0.94%

#### Dollar returns

	Since inception	1 Year	3 Years	5 Years
<b>Single Premium Policies</b>				
Endowment	-1.55%	-7.51%	-1.35%	-3.71%
Retirement	-1.27%	-6.73%	-1.09%	-3.51%

#### Annual Premium Policies

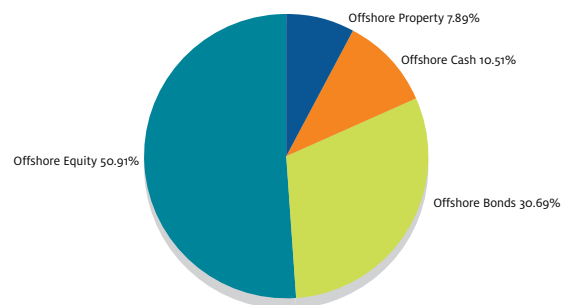
Endowment	-1.63%	-7.51%	1.44%	-2.33%
Retirement	-1.28%	-6.73%	1.88%	-2.04%

#### Monthly Premium Policies

Endowment	-1.46%	-7.35%	2.69%	-2.13%
Retirement	-1.09%	-6.46%	3.24%	-1.81%

**Please Note:** Returns in this report are calculated on a sell-to-sell basis. Sell-to-sell returns apply to allocation (investment) amounts and are gross of any bid-offer spreads. These returns are net of tax, management fees and shareholder profit participation.

### Asset allocation



### Top holdings

STANLIB International Conservative Fund Of	30.69%
Fidelity Funds- Portfolio Selector Global G	25.46%
Fidelity Funds- Japan Fund	15.52%
Fidelity Funds - America Fund (Class A)	10.44%
STANLIB Global Property Feeder Fund (Class)	9.92%
Fidelity USD Fund : Accumulating Shares	7.89%
	0.06%