

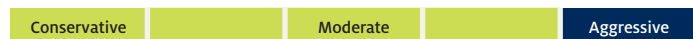
### Portfolio objective

This portfolio is predominantly invested in rand-hedge securities, in respect of which the principal business operations are conducted wholly or mainly outside of South Africa or in respect of which the operating and investment income is substantially derived from international trade or determined by currencies other than the rand. Subject to exchange control regulations, offshore exposure will comprise Select Shares in the Dow Jones Global Titans Index. The objective of the portfolio is for high growth potential of internationally diversified companies, which provides a hedge against further rand devaluation.

### Portfolio facts

<b>Fund Managers</b>	STANLIB Wealth Management
<b>Underlying Managers</b>	STANLIB Asset Management
<b>Launch Date</b>	November 1999
<b>Fund size</b>	R 19 887 532,36
<b>Classification</b>	Worldwide Equity
<b>Benchmark</b>	80% FTSE/JSE All Share Index 15% Dow Jones Global Titans Index 5% Alex Forbes Money Market Index
<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 (3rd quarter)

**Kent Grobbelaar and Robin Eagar**  
STANLIB Asset Management

#### Fund Review

The S&P500 index lost 14.3% for the 3rd quarter, its worst since December 2008. August and September were particularly volatile months, with the VIX index of implied volatility rising off its low of 16.5 at June end and not declining below 30 for the rest of the quarter. The 2nd quarter earnings reports by listed companies were broadly favourable with 71% beating investor expectations. However, investors were nervous and commodity and cyclical sectors were particularly hard hit. The US dollar rallied over the quarter as investors sought refuge at the expense of emerging market currencies. Over the quarter the Rand depreciated by 16.5% against the dollar, making it the worst performing currency year to date. Oil markets had to contend with two positively correlated drivers, namely a weakening growth outlook and the return of Libyan supply. This caused spot Brent crude oil to weaken by 4.6% during the quarter. Spot gold gained 7.4% over the quarter but was volatile.

On the South African side of the Fund we made no changes to the holdings. Within the Fund we continue to favour oil, diversified mining houses, and mobile telephone sectors. Based on this the Fund has large exposures to Sasol (oil play), BHPBilliton and Anglo American (diversified mining houses) and MTN (mobile telephones). We continue to favour MTN because of its growth profile in Nigeria and Iran coupled to its increasing dividend payout ratio. BHPBilliton is a well managed, massively cash generative mining company that has exposure to many various commodities. BHPBilliton continues to pay decent dividends and buy back shares, which underpins shareholder value.

The offshore component of the Fund remains invested in the counters that make up the constituents of the Dow Jones Titans Index. At a sectoral level the Fund has exposure to financials, IT, healthcare and telco's shares. Offshore shares invested in the Fund include APPLE Inc, Bank of America and Vodafone Group Plc. These are all large cap, liquid shares.

#### Looking Ahead

Going into the 4th quarter of 2011, our preference is for global equities versus South African equities. We are of the opinion that the easy returns have been generated in the South African market, while the global equity valuations still remain compelling. Should the South African Rand continue to depreciate against foreign currencies during 2011, this will assist the performance of the Fund's offshore component.

### 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

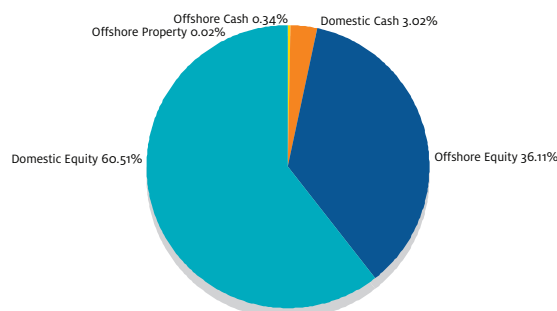
	Since inception	1 Year	3 Years	5 Years
<b>Single Premium Policies</b>				
Endowment	7.49%	10.05%	5.54%	2.58%
Retirement	8.12%	10.68%	6.05%	2.96%
<b>Annual Premium Policies</b>				
Endowment	7.77%	10.05%	6.29%	3.16%
Retirement	8.46%	10.68%	6.80%	3.56%
<b>Monthly Premium Policies</b>				
Endowment	7.83%	7.65%	8.69%	3.29%
Retirement	8.54%	8.19%	9.30%	3.70%

#### Dollar returns

	Since inception	1 Year	3 Years	5 Years
<b>Single Premium Policies</b>				
Endowment	5.03%	-3.84%	13.32%	0.04%
Retirement	5.65%	-3.29%	13.88%	0.41%
<b>Annual Premium Policies</b>				
Endowment	5.30%	-3.84%	14.13%	0.61%
Retirement	5.98%	-3.29%	14.68%	0.99%
<b>Monthly Premium Policies</b>				
Endowment	5.37%	-5.94%	16.71%	0.73%
Retirement	6.05%	-5.47%	17.36%	1.13%

**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 10 holdings

#### LOCAL

MTN Group Limited	9.85%
Sasol Ltd	9.06%
SAB Miller	8.51%
BHP Billiton	8.44%
Anglo American Plc	8.07%

#### FOREIGN

SPDR DJ Global Titans ETF	4.49%
Exxon Mobil Corp.	2.07%
Apple Inc.	1.85%
Intl Business Machines Corp	1.35%
Chevron Corporation	1.12%