

## About the portfolio

<b>Portfolio manager</b>	STANLIB Multi-Manager
<b>Launch date</b>	March 2006
<b>Classification</b>	Domestic Asset Allocation Prudential Medium Equity
<b>Risk Profile</b>	Moderate
<b>Benchmark</b>	100% (SA Large Manager Watch Survey Median)

## Risk profile

Cons	Mod	Aggr
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## The 10 largest equity holdings

MTN GROUP LTD	6.59%
ANGLO AMERICAN PLC	5.77%
STANDARD BANK GROUP LTD	5.41%
BHP BILLITON PLC	5.26%
SASOL LTD. / ORD	5.00%
RMB HOLDINGS LTD	4.41%
BIDVEST LTD ORD	4.35%
NASPERS LTD -N-	4.09%
OLD MUTUAL PLC	3.45%
SABMILLER PLC	2.85%
<b>Percentage of total equity holdings</b>	<b>47.18%</b>

## Disclosure

The information contained in this document does not constitute advice by Liberty Life. Whilst every attempt has been made to ensure the accuracy of the information contained herein, Liberty Life 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 Life, STANLIB.

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## Note

As from 28th October 2008 the portfolio's foreign investment exposure might exceed the restrictive limit of 20%, or as amended from time to time, as a result of the inward listed British American Tobacco ("BAT") shares received as part of a corporate de-merger. The South African Reserve Bank has allowed some institutional investors a grace period of 2 years to rebalance their portfolios to adhere to the foreign investment limit. The grace period for BAT expires on 27 October 2010. Records of foreign investment exposure for BAT are available upon request.

## Portfolio commentary for the fourth quarter 2009

The manager was above the benchmark for the quarter, with the outperformance stemming mainly from the equity component.

At an asset allocation level, the net effect was marginally positive, driven by the portfolio being slightly overweight equities partially offset by being overweight bonds. The manager's equity weighting changed little over the quarter and remains marginally overweight its peers.

RMBAM's outperformance was largely driven by positive share selection within equities, specifically Basic Materials, where an underweight to ArcelorMittal, AngloGold, New Gold and an overweight to Northam Platinum and Angloplats contributed positively to performance. The gold price reached a new record above \$1 200/oz, but the strength of the local currency meant the rand gold price fell well short of its record high of over R10 000/oz reached in March 2009. Despite the strong rise in the gold price, the metal's equities languished due to manager concern over operational issues. Such concerns also affected the platinum counters, still reeling from the plunge in PGM prices from mid-2008. More recently, PGM prices have begun to recover in US dollar terms, but the strength of the rand is causing headwinds. Positions in select Industrials, specifically an overweight to Bidvest and a zero weighting to Nampak, added value.

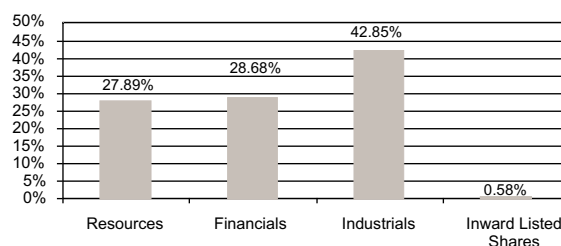
## Investment strategy

This portfolio invests into Rand Merchant Bank Asset Management's (RMBAM) local best view balanced strategy. RMBAM is a top-down investment house with the asset allocation decision the major driver of investment returns. Once a macro view and broad asset allocation decision has been determined, a portion of the funds are allocated to each equity sector team. Team heads decide on appropriate weightings within each second-tier sector and analyse shares using an internal rate of return model. Top-level risk controls are managed through tracking error. Bonds are managed purely on a top-down duration view.

## Investment returns

	3 Months	6 Months	1 Year	2 Years	3 Years
Taxed	6.23%	17.80%	23.62%	2.68%	6.94%
RA	6.38%	18.29%	24.31%	2.75%	7.13%
Untaxed	6.38%	18.29%	24.31%	2.75%	7.13%
Corporate	6.08%	17.32%	22.97%	2.82%	6.89%

## FTSE/JSE economic sector weighting



## Effective asset allocation

Asset Class	Weighting
Equity	68.95%
Property	4.49%
Bonds	11.47%
Cash	14.67%
Inward Listed Shares	0.42%
<b>Total</b>	<b>100.00%</b>