

**FUND DETAILS**

Portfolio Manager	Daniel Malan
Sector	Worldwide Asset Allocation Flexible
Inception Date, Size	7 April 2003, R1,065 Billion
Benchmark	Inflation (CPI) + 8%
Risk Profile	Moderate
Initial Fee	No initial fee
Annual Fee	1% annual fee excl. VAT
Performance Fee Participation	20% above/below CPI + 8%
Income Declarations	31 Mar, 30 June, 30 Sep, 31 Dec
	Distributed 3 working days after declaration
	Declaration Jun 08: 22.08cpu
	Sep 08: 30.95cpu
	Dec 08: 21.53cpu
	Mar 09: 28.30cpu
	Jun 09: 21.88cpu
	Sep 09: 11.14cpu
Minimum Investment	R250 000 initial investment
Fund Status	Open
Total Expense Ratio (TER)	4.21%

**ASSET ALLOCATION**

	JULY	AUGUST
Equity	58	60
Bonds	5	5
Cash	18	15
Property	0	0
Offshore Equity	19	20

**EQUITY SECTOR ALLOCATION**

	JULY	AUGUST
Financials	30	30
Industrials	56	56
Resources	15	14

**TOP TEN STOCKS**

	JULY		AUGUST
Sun International	4.6	Sun International	5.0
Discovery Holdings	4.6	Discovery Holdings	5.0
Telkom SA Ltd	3.1	Telkom SA Ltd	3.3
Harmony Gold Mining	3.1	Old Mutual Plc	3.1
Pick 'n Pay Holdings	3.0	Imperial Holdings	3.1
Remgro LTD	3.0	Pick 'n Pay Holdings	2.9
Metropolitan Holdings	2.9	Remgro LTD	2.9
Adcock Ingram Holdings	2.9	Harmony Gold Mining	2.9
Imperial Holdings	2.8	Metropolitan Holdings	2.8
Old Mutual Plc	2.7	Tiger Brands Ltd	2.8
<b>Total</b>	<b>32.7</b>	<b>Total</b>	<b>33.8</b>

**MANDATE**

The RE:CM Global Flexible Fund is a worldwide asset allocation flexible portfolio with specific focus on generating returns in excess of inflation. The portfolio invests in a flexible combination of securities in the equity, bond, money and property markets. The portfolio is managed with assets being shifted between various investment markets to reflect the changing economic and market conditions, in order to maximise returns for investors.

**OBJECTIVE**

The investment objective of the RE:CM Global Flexible Fund is to generate returns in excess of inflation over the long-term. The primary objective of the portfolio is to seek above average returns with below average risk for investors. In the short-term, the fund aims to limit capital losses. It should be stressed that in managing this fund, your manager does take risk. This is not a guaranteed fund. Your investment can and will experience periods of flat and negative returns. While we prefer these periods to be short, strong long-term returns do not require that they be short, provided our periodic losses are not deep.

**WHO SHOULD INVEST**

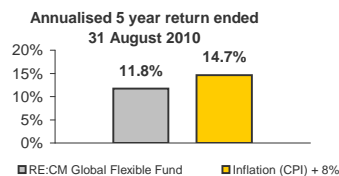
Investors seeking real returns over the medium to long-term would find this fund attractive. Institutional clients, corporates, foundations and individuals are most likely to invest in this fund.

**PERFORMANCE FEE PARTICIPATION**

An ongoing annual performance fee of 20% is levied on returns in excess of the fund's hurdle, being Inflation (CPI) + 8%. Whilst this fee is levied each day, the payment to the manager is significantly delayed, ensuring that a provision is left behind in the fund to allow clients to claw back future under performance of the hurdle.

**INVESTMENT COMMENT**

We recognise that clients may find monthly or even quarterly investment comment a useful indicator on progress made within this portfolio. However, as long-term investors, we find that commenting on investment time horizons as short as months and quarters may cause us to fall into the trap of having a short term mindset. To counter this, we provide annual reports to our clients which we also post on our website at [www.recm.co.za](http://www.recm.co.za). We further provide regular and broad investment commentary via our frequently published newsletters.



Fund returns shown are based on NAV-NAV unit prices as calculated by RE:CM, for a lump-sum investment with income distributions reinvested (after fees and costs).

With effect from 21 April 2009 the RE:CM Core Managed Fund has been renamed the RE:CM Global Flexible Fund. The investment policy of this fund has been amended to give RE:CM more flexibility in the choice of asset classes. There has been no change in the benchmark and RE:CM continues to manage this fund on a consistent basis. Therefore the performance reflected above takes history into account, as this continues to be of value to our investors.



CONTACT US: Neil Brown Tel +2721 6573453, Fax +27216741088, Web: [www.recm.co.za](http://www.recm.co.za), Address: RE:CM, P O Box 45040, Claremont, 7735

Collective Investment Schemes in Securities (Unit trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to future performance. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. The manager may borrow up to 10% of the market value of the portfolio where insufficient liquidity exists. A schedule of fees and charges and maximum commissions is available on request from the management company, RE:CM Collective Investments (Pty) Ltd (RE:CM). Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Funds are valued daily at 15h00. Instructions must reach RE:CM before 14h00 to ensure same day value. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Different classes of units apply to these portfolios and are subject to different fees and charges. Unit trust prices are calculated on a net asset value basis, defined as the total market value of all assets in the unit portfolio including any income accruals and less any permissible deductions (brokerage, uncapitalised securities tax, VAT, auditors' fees, bank charges, custodian fees, trustee fees, annual management fee and performance fees) from the portfolio divided by the number of units in issue. These portfolios may be closed. RE:CM Collective Investments (Pty) Ltd, Company Registration Number: 2004/027540/07, is a member of the Association for Savings and Investment SA (ASISA). Trustees: The Standard Bank of SA Limited, PO Box 54, Cape Town, 8000. The RE:CM Global Flexible Fund Class A has a Total Expense Ratio of 4.21%. For the period from 1 July 2009 to 30 June 2010 4.21% of the average Net Asset Value of the portfolio were incurred as charges, levies and fees related to the management of the portfolio. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. Inclusive of the TER of 4.21%, a performance fee of 2.93% of the Net Asset Value of the class of participatory interest in the portfolio was recovered.