

# Plexus Flexible Income Fund



<b>Fund manager</b>	Plexus Asset Management (Pty) Ltd	<b>Statutory charge</b>	Not applicable
<b>Industry sector</b>	Domestic - Fixed Interest - Varied Specialist	<b>Performance fee</b>	15% of outperformance of benchmark over rolling 12-month periods.
<b>Risk factor</b>	Low	<b>Income declaration</b>	28 Feb, 31 May, 31 Aug and 30 Nov
<b>Minimum investment</b>	Subject to LISP minimums	<b>Income payment dates</b>	Fifth working day of Mar, Jun, Sep and Dec
<b>Initial charge</b>	0,29% (VAT inclusive)	<b>Last income payments</b>	8.16c (30/04/09), 18.48c (31/08/2009)
<b>Annual service fee</b>	1,20% (VAT inclusive)	<b>Inception date</b>	10 November 2004
<b>Valuation time of fund</b>	15:00 (Quarter end: 17:00)	<b>Fund size</b>	R244 004 246
<b>Trading closing time</b>	16:45	<b>Opening price</b>	1065.55c
<b>TER</b>	Not available	<b>Trustee</b>	Standard Trust Limited, PO Box 54, Cape Town, 8000

## TER

The Total Expense Ratio (TER) for this portfolio/ class of participatory interest cannot be accurately determined. The TER of this class of participatory interest / portfolio will be higher than the quoted service charge of the manager.

## Objective

The investment objective of the Plexus Flexible Income Fund is to provide income and/or capital preservation. The manager shall seek to achieve this objective through active management of a portfolio of assets which will consist of cash, assets in liquid form, a diversified range of fixed-interest securities, including loan stock, financially sound preference shares, debentures, debenture stock and debenture bonds, unsecured notes, whether or not they have inherent option rights or are convertible. The portfolio can also invest in property securities (including collective investment schemes in property), participatory interests in collective investment schemes with similar investment policies, whether listed or not, derivatives, and other financial instruments allowed by the Act, from time to time, considered to be consistent with the portfolios' objective.

## Mandate

The fund holds a diversified range of domestic fixed-interest and property securities as well as financially sound preference shares. The fund follows a flexible strategy on duration and exposure to these assets is managed actively according to market and economic conditions and relative fixed-interest and property sector prospects. The fund is suitable for investors with compulsory retirement or discretionary funds.

## Performance benchmark

Performance is measured against the STeFI Composite Index (before costs) over a rolling 12-month period, multiplied by a factor of 1,20.

## Comments

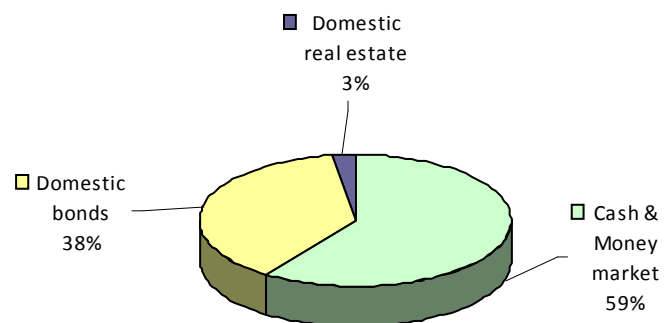
Global stock markets took a much needed breather in January. The turnaround in the 10-month upward trend (since March 2009) came in mid-January and was sparked by China where government had initiated measures to cool down the economy. This reignited investors' concerns regarding the extent and sustainability of the still fragile global economic recovery, and risk aversion returned to the markets. The MSCI World Index declined by 4,2% and the MSCI Emerging Markets Index by 5,7% in US dollars.

The FTSE/JSE All Share Index could not escape the negative investor sentiment and yielded a total return of -3,5% for the month in line with other emerging markets. Financials, however, managed to buck the trend, yielding a total return of 1,2%. The SA Industrial Index yielded a return of -2,7%. Mining shares (-6,8%) and gold shares (-8,4%) took a beating on the back of lower commodity prices. As far as market cap performance is concerned, small (-0,5%) and mid-caps (-2,1%) once again outperformed large caps (-3,8%).

The SA bond market yielded a flat return for the month of January. The shorter end of the market outperformed cash, which yielded 0,6%, but long-dated bonds (12+ years) ended up on a negative return of -0,9%.

The rand declined against all the major currencies during January mainly on the back of heightened risk aversion.

## Asset allocation



## Top 10 Holdings

Funds	%
Prescient Investment Management (Pty) Limited	49.16
Atlantic Asset Management (Pty) Ltd	48.83
Investec Absolute Income Fund	1.48
Cash	0.54

## Historic performance\* (p.a.) PERIOD ENDED 31/01/2010

	1 Year	3 Years	5 Years
Plexus Flexible Income Fund	7.7%	7.7%	8.0%
Benchmark	9.6%	11.5%	10.3%

\* Source: MoneyMate. The above portfolio performance is calculated on a NAV-to-NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income.

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the company/scheme. Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. This fund may be closed.

Company/scheme: PSG Collective Investments, 1st Floor, PSG House, Alphen Park, Constantia Main Road, Constantia, 7806. Member of the Association for Savings & Investments SA.



PSG COLLECTIVE INVESTMENTS LTD