

Plexus Pacer Fund of Funds



Fund manager	Plexus Asset Management (Pty) Ltd	Statutory charge	Not applicable
Industry sector	Domestic — Asset Allocation — Prudential Variable Equity	Performance fee	A performance fee of 15% of outperformance of the benchmark over rolling 36-month periods
Risk factor	Moderate	Income declaration	28 February and 31 August
Minimum investment	Subject to LISP minimums	Income payment dates	Fifth working day of March and September
Initial charge	0,29% (VAT inclusive)	Last income payments	32.86c (30/04/09), 0.0 (31/08/09)
Annual service fee	1,14% (VAT inclusive)	Inception date	1 May 2009
Valuation time of fund	15:00 (Quarter end: 17:00)	Fund size	R118 966 198
Trading closing time	16:45	Opening price	1780.82c
TER	Not available	Trustee	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 Fund is to obtain long-term capital growth at moderate risk levels. The investment objective will be achieved by a diversified spread of investments similar to that usually employed by retirement funds. The Plexus Pacer Fund of Funds will invest predominantly in a range of equity, bond, money market, fixed interest, property and other permissible Collective Investment Scheme portfolios with similar investment policies. The portfolio's exposure to other portfolios with an equity nature will tend to vary between 0% and 75% depending on market and economic conditions and relative sector prospects.

Mandate

The Plexus Pacer Fund of Funds is a balanced prudential fund of funds and will comply with regulations controlling retirement funds (Regulation 28).

Performance benchmark

Performance is measured against CPI + 5% (before costs) over rolling 36-month periods.

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.

Risk aversion resulted in a flight to US treasuries, with the US dollar strengthening and bond yields in the US dropping. The USA government 30-year bond yielded a total return of 3,0% for January, but the return from global bonds was somewhat more subdued due to the stronger dollar. We continue to believe that global bond yields are in a rising trend and that this asset class is therefore not offering value at present.

The strength of the US dollar continued into the new year, reaching a six-month high against the euro on the back of greater confidence by the Federal Reserve in the economic recovery. The dollar was also stronger against the British pound but lost ground against the yen.

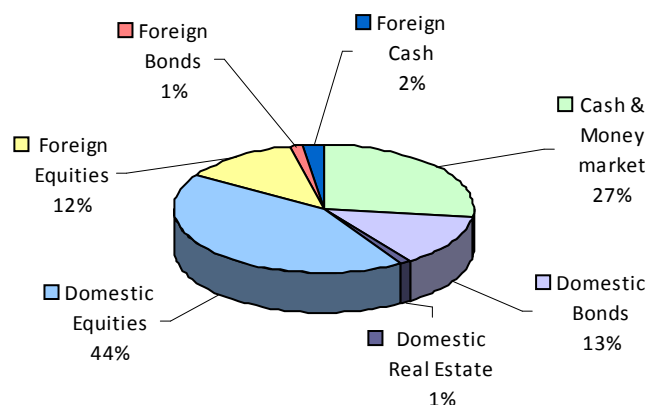
A strong US dollar put pressure on commodities during January, with the CRB Index losing 6,3% and Brent Crude 8,3%. The gold price held up relatively well in the face of a strong dollar.

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



Holdings

Funds	%	Funds	%
Plexus RAFI Enhanced SA Strategy Fund B	30.01	Investec Absolute Income Fund	7.69
Plexus Flexible Income Fund	29.95	Plexus ARP Global Income Plus Fund	3.27
Plexus Allrounder Fund	15.38	Total Cash & Money Market	0.94
Plexus ARP Global Sprinter Fund	12.76		

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

	1 Year	3 Years	5 Years
Plexus Pacer Fund of Funds	N/A	N/A	N/A
Benchmark	N/A	N/A	N/A

* 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.