PSG Asset Management

March 2013

PSG Equity Fund

Portfolio information

Fund Manager	Shaun le Roux (since 2002)
Fund Size	R833.7 million
Launch Date	31 December 1997
Initial Fee incl. VAT	Fund Manager: 0% Advisor: Max 2.28%
Annual Management Fee	Class A : 1.71% Class B : 1.14% + 22.8% of outperformance of the benchmark
Minimum investment	R2000 lump sum, or R250 monthly debit order
Risk Profile	High
Benchmark	FTSE/JSE All Share Index
Sector	South African - Equity - General
Distribution per Unit	Class A : 2.40c on 28 Feb 13 Class A : 3.88c on 31 Aug 12 Class B : 2.39c on 28 Feb 13 Class B : 5.15c on 31 Aug 12 Class C : 0.00c on 28 Feb 13 Class C : 0.00c on 31 Aug 12 Class D : 4.65c on 28 Feb 13 Class D : 5.93c on 31 Aug 12
Total Expense Ratio	Class A : 1.74% Class B : 1.33% Class C : 2.72% Class D : 1.00%

The PSG Equity Fund has Total Expense Ratio's (TER) as listed above. For the period from 1 January 2012 to 31 December 2012 on an annualised basis, the percentages above of the average Net Asset Value of the portfolio was incurred as charges, levies and fees. A Higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TER's. Included in the TER of Class B of 1.33% is a performance fee of 0.15% of the Net Asset Value of the participatory interest of the portfolio.

Investment Objective and Mandate

The PSG Equity Fund is a general equity fund and the manager in selecting securities for the portfolio, will seek to offer investors long-term capital growth and earn a higher total rate of return than that of the South African equity market as represented by the All Share Index including income, without assuming greater risk.

Fund Manager Commentary

We strongly suspect that the average investor on the JSE over-estimates the correlation between the index, as represented by the FTSE/JSE All Share Index (ALSI), and the performance of the South African economy. In fact, the ALSI by far prefers a weaker rand to a stronger rand, and a weaker rand usually coincides with poor relative domestic economic performance. On a crude measure, 71% of the Top 40's market capitalization comprises companies that generate the majority of their revenue in currencies other than the rand; these include Resource companies and large cap rand hedge industrials such as SAB, Richemont, MTN and Naspers . This partly explains the strong performance of the JSE over the past two years as the share prices of the large cap industrials, in particular, have benefited from substantial rand weakness.

It is our view that the vast majority of the larger JSE-listed industrial stocks are overpriced, particularly the SA consumer stocks. It would appear to us that many South African investors are avoiding SA consumer stocks but remain invested in overpriced rand hedge industrials on the basis of them offering poor future returns but being the "best of a bad bunch" on offer on the JSE. We take comfort in our ability to extend our reach into attractively valued quality stocks, both offshore and locally, and as a result do not suffer the same restriction. Our team has been picking stocks offshore for more than six years and our domestic and global equity processes are fully integrated. We have made full use of our funds' offshore allowances in order to directly invest into attractive opportunities on foreign stock exchanges.

On the domestic front, our relatively low assets under management allow us to build conviction in names outside of the Top 40.

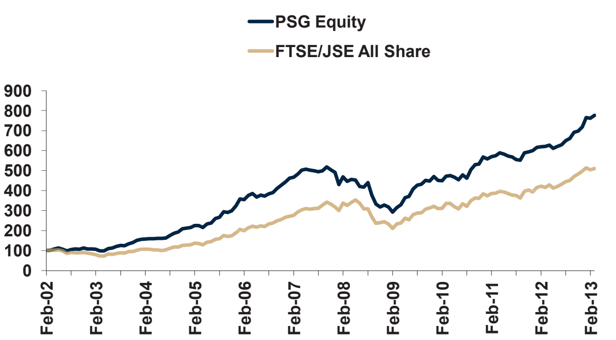
Asset Allocation

Local Resources	14.9%
Local Financials	8.0%
Local Industrials	43.6%
Local Cash	1.1%
Offshore Equity	32.2%
Offshore Cash	0.2%
Total	**100.0%**

Performance

Returns	Class A	Benchmark
Manager Inception (01 March 2002)	20.3%	15.8%
5 Years	11.7%	9.3%
3 Years	18.1%	14.9%
1 Year	25.1%	22.5%

Performance Graph



Top 10 Holdings

1. Steinhoff International Holdings Limited	6. Alstom
2. Anglo American Plc	7. Cisco Systems Inc
3. Microsoft Corp	8.Lab Corp of America Holdings
4. Walgreen Co	9. Berkshire Hathaway Inc
5. Tesco Plc	10.BP Plc

Conflict of Interest Disclosure

The Fund may from time to time invest in a portfolio managed by a related party. A process is in place to ensure the same selection criteria apply to all portfolios when selecting the underlying portfolios. PSG Collective Investments Limited or the Fund Manager may negotiate a discount in fees charged by the underlying portfolio. All discounts negotiated are re-invested in the Fund for the benefit of the investor. Neither PSG Collective Investments Limited nor the Fund Manager retains any portion of such discount for their own accounts. PSG Asset Management (Pty) Ltd (FSP no 29524) and PSG Collective Investments Limited are subsidiaries of PSG Group Limited. The Fund Manager may use the brokerage services of a related party, PSG Online Solutions (Pty) Ltd.

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PSG Collective Investments

PSG Asset Management

March 2013

PSG Flexible Fund

Portfolio information

Fund Manager	Jan Mouton
Fund Size	R2.67 billion
Launch Date	2 November 1998
Initial Fee incl. VAT	Fund Manager: 0% Advisor: Max 2.28%
Annual Fee incl. VAT	1.14%
Performance Fee incl. VAT	7.98% above high water mark
Month end NAV Price	317.1c
Minimum investment	R2000 lump sum, or R250 monthly debit order
Risk Profile	Moderate to High
Benchmark	Inflation + 6%
Fund Category	South African – Multi Asset – Flexible
Distribution per Unit	0.00c on 28 February 2013 2.38c on 31 August 2012
Total Expense Ratio	2.12%

The PSG Flexible Fund has a Total Expense Ratio (TER) of 2.12%. For the period from 1 January 2012 to 31 December 2012, 2.12% of the average Net Asset Value (NAV) of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. Inclusive in the TER of 2.12%, a performance fee of 0.96% of the NAV of the portfolio was recovered.

Asset and Sector Allocation

Resources	15.8%
Financials	6.2%
Industrials	28.5%
Property	2.3%
Domestic Equity	**52.8%**
Resources	0.4%
Financials	11.0%
Industrials	16.3%
Foreign Equity	**27.7%**
Domestic Cash	**19.5%**
Foreign Cash	**0.0%**
Total	**100.0%**

Mandate

The fund invests in a flexible combination of investments in the equity, bond and money markets.

Investment Objective

The PSG Flexible Fund is a managed flexible portfolio and will seek to follow an investment policy which will aim to achieve superior medium to long term capital growth through exposure to selected sectors of the equity market, and/or gilt market and/or money market. The asset allocation will be actively managed and will continually reflect the portfolio manager's view of the relative attractiveness of the equity, gilt and money markets, both locally and abroad. The selected sectors of the equity portion will change from time to time in accordance with changing market conditions and economic trends.

Fund Manager Commentary

We strongly suspect that the average investor on the JSE over-estimates the correlation between the index, as represented by the FTSE/JSE All Share Index (ALSI), and the performance of the South African economy. In fact, the ALSI prefers a weaker rand to a stronger rand, and a weaker rand usually coincides with poor relative domestic economic performance.

On a crude measure, 71% of the Top 40's market capitalization comprises companies that generate the majority of their revenue in currencies other than the rand; these include resource companies and large cap rand hedge industrials such as SABMiller, Richemont, MTN and Naspers. This partly explains the strong performance of the JSE over the past two years as the share prices of the large cap industrials, in particular, have benefited from substantial rand weakness.

It is our view that the vast majority of the larger JSE-listed industrial stocks are overpriced, particularly the SA consumer stocks. It would also appear that many South African investors are avoiding SA consumer stocks but remain invested in overpriced rand hedge industrials on the basis of being the "best of a bad bunch" on offer on the JSE, even though the expected returns might be quite poor. We take comfort in our ability to extend our reach into attractively valued quality stocks, both offshore and locally, and as a result don't suffer the same restriction. Our team has been picking stocks offshore for more than six years and our domestic and global equity processes are fully integrated. We have made full use of our funds' offshore allowances in order to directly invest into attractive opportunities on foreign stock exchanges.

On the domestic front, our relatively low assets under management allows us to build conviction in names outside of the Top 40 and, as always, our flexible mandate allows for 20% of the fund to wait patiently in cash.

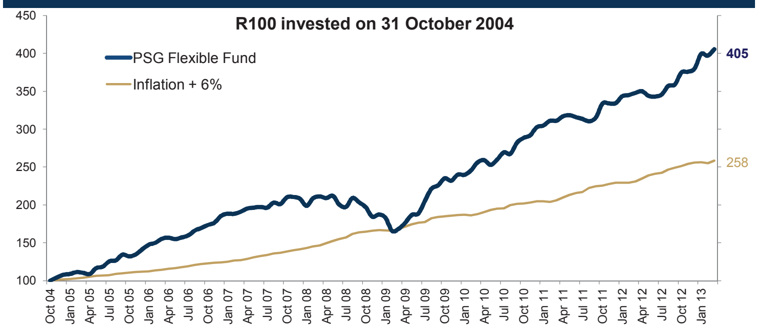
Performance Tables (after fees)

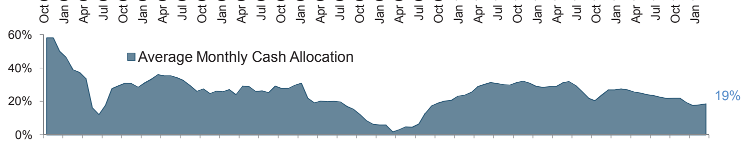
Annualised Performance	**Fund**	**Benchmark**
Current manager (since 1 Nov 2004)	18.1%	11.9%
5 Years	13.9%	12.0%
3 Years	16.5%	11.2%
2 Years	14.2%	12.0%
1 Year	16.6%	11.8%

Over the last 5 years	**Fund**	**Sector Average**
Volatility	11.1%	9.3%
Sharpe Ratio	0.6	0.3

Top 10 Holdings

1. Steinhoff Int Holdings Ltd	6. EOH Holdings Ltd
2. Anglo American Plc	7. Grindrod Ltd
3. Berkshire Hathaway Inc	8. Super Group Ltd
4. Sasol Ltd	9. Eqstra Holdings Ltd
5. Tesco Plc	10. ING Group NV





All performance data are net of fees, include income, assumes reinvestment of income, on a NAV to NAV basis.
Source: © 2013 Morningstar, Inc. All Rights Reserved and Stats SA (benchmark one month lagged).

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PSG Asset Management

March 2013

PSG Balanced Fund

Portfolio information

Fund Manager	Paul Bosman and Jan Mouton	
Fund Size	R1.72 billion	
Launch Date	1 June 1999	
Initial Fee incl. VAT	Fund Manager:	0%
	Advisor:	Max 2.28%
Annual Fee incl. VAT	Class A : 1.71% Class B : 1.14% + 7.98% of out-performance of High Watermark	
Minimum investment	R2000 lump sum, or R250 monthly debit order	
Risk Profile	Moderate - High	
Benchmark	CPI + 5%	
Sector	South African - Multi Asset - High Equity	
Distribution per Unit	Class A : 34.59c on 28 Feb 13 Class B : 47.29c on 28 Feb 13 Class A :46.51c on 31 Aug 12 Class B : 52.39c on 31 Aug 12	
Total Expense Ratio	Class A : 1.70% Class B : 0.97%	

The PSG Balanced Fund has a Total Expense Ratio (TER) as listed above. For the period from 1 January 2012 to 31 December 2012 on an annualised basis, the above percentages of the average Net Asset Value of the portfolio was incurred as charges, levis and fees. A Higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's.

Asset Allocation

Local Equity	36.9%
Local Cash	25.5%
Local Bonds	10.8%
Local Property	2.0%
Offshore Equity	24.8%
Total	**100.0%**

Performance

Returns (annualised)	**Class A**	**Benchmark**
Since Inception	15.4%	10.6%
5 Years	10.0%	11.0%
3 Years	13.9%	10.2%
1 Year	16.8%	10.8%

Investment Objective and Mandate

The PSG Balanced Fund will be a specialised portfolio, having the primary objective of long term growth of capital and a reasonable level of income for investors. The manager shall seek to achieve this objective through active management of a portfolio of assets which comprise a mix of securities, non-equity securities, assets in liquid form and participatory interests in collective investment schemes or similar schemes both locally and abroad as legislation permits. The asset allocation will be actively managed and will continually reflect the portfolio manager's view of the relative attractiveness of the equity, gilt and money markets, both locally and abroad. The selected sectors within the equity portion of the portfolio will change from time to time in accordance with changing market conditions and economic trends. The fund will comply with regulations governing retirement funds.

Fund Manager Commentary

The PSG Balanced Fund aims to grow clients' capital at a rate of inflation plus 5% over the long term. The fund's mandate allows for a maximum equity exposure of 75% and offshore exposure of up to 25%. Over and above equities the fund is also allowed to invest in listed property, bonds and cash. There are mainly two ways of setting out to achieve this targeted return. The first approach, and perhaps the more intuitively obvious approach, would be to decide which blend of asset classes, given mandate restraints, is likely to result in a real return of 5%. This could be based on historical asset class returns or a projection of how macro global scenarios would influence asset class returns. This is not what we do. We ascribe to a quite different philosophy, called a "bottom-up" approach. Past financial market behaviours can be a good projector of future returns, but when they're not you could be very wrong for very long. In our view you are much better off studying seismic activities in anticipation of catastrophic events than assuming that a non-quacking earth obviously doesn't quake - by the time your desk starts shaking you might be headed for a congested exit.

So let us drill down into this bottom up approach. Our approach is to cherry pick specific investments from the different asset classes, always optimising risk and return. This is very similar to working your way through the supermarket and optimising quality and price as you work your way down the aisles. When it comes to equities, which in our mind includes listed property, we have our preferred list of companies, but only own them if the price is right. Owning overvalued equities can result in permanent or, at least very long term, destruction of wealth. Our approach to bonds is no different; we have a list of approved bond issuers but only hold them if the yields are attractive. There are many ways of defining attractive yields, for us it is vital that bonds must offer a sufficient margin above inflation. Cash is our default asset class, if we can't find what we are looking for we leave the supermarket with a loaded wallet.

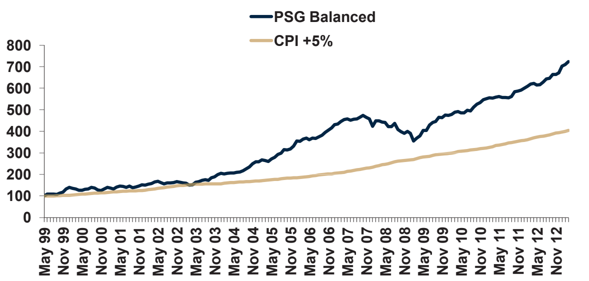
Consistently applying this approach has resulted in the fund's current construction. Many of the domestic companies we would like to own are expensive and therefore JSE listed companies comprise 37% of the fund. On the contrary, there are many high quality companies at attractive prices available offshore, especially in the Developed World and as a result we are utilising our entire 25% offshore capacity.

Bonds are not offering attractive real yields and we have only allocated 2.6% of the fund to nominal and inflation-linked bonds. The remaining portion of the 10.8% bond holding comprises of instruments which pay a floating coupon and have significantly less capital risk. As at the end of March 26% of the fund is in cash, ready to pounce should opportunities arise.

Top 10 Equity Holdings

1. Anglo American Plc	6. Tesco Plc
2. Sasol Ltd	7. Kagiso Media Limited
3. Super Group Limited	8. Heineken Holding NV
4. Steinhoff International Holdings Limited	9. Microsoft Corp
5. EOH Holdings Limited	10.Brimstone Investment Corp Ltd

Performance Graph



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PSG COLLECTIVE INVESTMENTS

PSG Asset Management

March 2013

PSG Stable Fund

Portfolio information

Fund Manager	Paul Bosman
Fund Size	R49.4 million
Launch Date	1 September 2011
Initial Fee incl. VAT	Fund Manager: 0% Advisor: Max 2.28%
Performance Fee incl. VAT	7.98% of outperformance of High Watermark
Annual Fee incl. VAT	1.14%
Minimum investment	R2,000 lump sum, or R250 monthly debit order
Risk Profile	Moderate - Low
Benchmark	CPI + 3% over rolling 3 year period
Sector	South African - Multi Asset - Low Equity
Distribution per Unit	1.08c on 28 Feb 13 1.52c on 31 Aug 12
Month end NAV Price	117.17c
Total Expense Ratio	1.93%

The PSG Stable Fund has Total Expense Ratio (TER) as listed above. For the period form 1 January 2012 to 31 December 2012 on an annualised basis, the above percentages of the average Net Asset Value of the portfolio was incurred as charges, levies and fees. A Higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's . Included in the TER of 1.93% is a performance fee of 0.28% of the Net Asset Value of the participatory interest of the portfolio.

Asset Allocation

Local Equity	**15.9%**
Resources	2.6%
Industrials	12.0%
Financials	1.2%
Foreign Equity	**16.5%**
Domestic Cash	**46.8%**
Domestic Property	**0.5%**
Domestic Bonds	**20.3%**
Total	**100.0%**

Performance

Annualised Returns	**Fund**	**Benchmark**
Since Inception	13.7%	8.4%
1 Year	14.1%	8.8%

Top 10 Equity Holdings

1. Tesco Plc	6. Roche Holding AG
2. Super Group Limited	7. Sasol Limited
3. Berkshire Hathaway Inc	8. International Business Machines Corp
4. Microsoft Corp	9. Capevin Holdings Limited
5. EOH Holdings Limited	10. Heineken Holding NV

Investment Objective and Mandate

The PSG Stable Fund will seek to generate a performance return of CPI + 3% over a rolling three year period after costs, while aiming to achieve capital appreciation with low volatility and a low correlation to equity markets through all market cycles. This fund will comply with regulations governing retirement funds.

Fund Manager Commentary

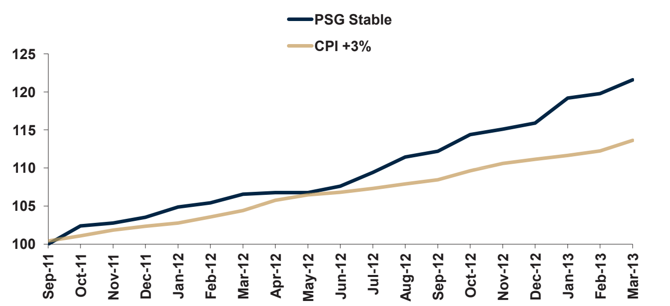
The PSG Stable Fund aims to grow clients' capital at a rate of inflation plus 3% over a rolling three year period. The fund's mandate allows for a maximum equity exposure of 40% and offshore exposure of up to 25%. Over and above equities, the fund is also allowed to invest in listed property, bonds and cash. There are mainly two ways of setting out to achieve this targeted return. The first approach, and perhaps the more intuitively obvious approach, would be to decide which blend of asset classes, given mandate restraints, is likely to result in a real return of 5%. This could be based on historical asset class returns or a projection of how macro global scenarios would influence asset class returns. This is not what we do. We ascribe to a quite different philosophy, called a "bottom-up" approach. Past financial market behaviours can be a good projector of future returns, but when they're not you could be very wrong for very long. In our view you are much better off studying seismic activities in anticipation of catastrophic events than assuming that a non-quacking earth obviously doesn't quake - by the time your desk starts shaking you might be headed for a congested exit.

So let us drill down into this bottom up approach. Our approach is to cherry pick specific investments from the different asset classes, always optimising risk and return. This is very similar to working your way through the supermarket and optimising quality and price as you work your way down the aisles. When it comes to equities, which in our mind includes listed property, we have our preferred list of companies, but only own them if the price is right. Owning overvalued equities can result in permanent or, at least very long term, destruction of wealth. Our approach to bonds is no different; we have a list of approved bond issuers but only hold them if the yields are attractive. There are many ways of defining attractive yields, for us it is vital that bonds must offer a sufficient margin above inflation. Cash is our default asset class, if we can't find what we are looking for we leave the supermarket with a loaded wallet.

Consistently applying this approach has resulted in the fund's current construction. Many of the domestic companies we would like to own are expensive and therefore JSE listed companies comprise 16% of the fund. We are finding many high quality companies at attractive prices available offshore, especially in the Developed World and as a result we have allocated 17% of the fund to such opportunities – despite the currency volatility it could introduce.

Bonds are not offering attractive real yields and we have only allocated 4.3% of the fund to nominal and inflation-linked bonds. The remaining portion of the 20.3% bond holding comprises of instruments which pay a floating coupon and have significantly less capital risk. As at the end of March 47% of the fund is in cash, ready to pounce should opportunities arise.

Performance Graph



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PSG Collective Investments

PSG Asset Management

March 2013

PSG Preferred Dividend Fund

Portfolio information

Fund Manager	Heinrich Dietzsch
Fund Size	R107.1m
Launch Date	01 November 2006
Initial Fee incl. VAT	0%
Max Advice Fee incl. VAT	2.28%
Annual Fee incl. VAT	0.97%
Minimum Investment	R2 000 lump sum or R250 monthly debit order
Risk Profile	Low to Moderate
Benchmark	60% of Prime after Costs
Sector	South African Equity Other
Distribution per Unit	0.35c on 28 Feb 13 2.20c on 30 Nov 12 0.99c on 31 Aug 12 2.40c on 30 May 12
Total Expense Ratio (TER)	1.16%

The PSG Preferred Dividend Fund has a Total Expense Ratio (TER) as listed above. For the period from 1 January 2012 to 31 December 2012 the percentage above 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. The current TER can not be regarded as an indication of future TER's.

Fund Performance

Performance	Fund	Benchmark
1 Year	3.49%	5.19%
2 Year	6.70%	5.30%
3 Year	6.21%	5.44%

All performance data are net of fees, include income, assumes investment of income, on a NAV to NAV basis. Source: © 2013 Morningstar, Inc. All Rights Reserved and South African Reserve Bank (benchmark).

Percentage Month End Yield after Costs of the Portfolio

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg. for Yr.
2008								11.5	11.7	12.6	12.2	11.6	11.9
2009	11.8	11.3	10.2	9.9	8.1	8.2	7.7	8.2	8.0	7.5	7.6	7.3	8.8
2010	7.1	7.3	6.9	6.6	6.7	6.7	6.7	6.7	6.2	6.3	5.7	5.9	6.6
2011	5.9	6.2	6.1	6.1	6.2	6.1	6.2	6.2	6.0	5.9	5.9	5.8	6.1
2012	5.7	6.0	5.8	6.3	6.2	6.6	6.2	6.4	6.1	6.1	6.5	6.7	6.2
2013	6.9	6.9	6.9										6.9

Investment Objective

The PSG Preferred Dividend Fund is a specialist portfolio. The objective of the PSG Preferred Dividend Fund is to seek to preserve capital and to maximise dividend income returns for investors. The portfolio will comprise a mix of high dividend yielding listed equity securities, listed preference shares, derivative instruments, money market instruments and assets in liquid form, both locally and abroad, thereby generating a high level of dividend income, whilst preserving capital. The portfolio will optimise the asset allocation in order to achieve the fund objective over time. The portfolio may be fully invested in listed preference shares, but may not invest more than 20% of its market value in preference shares that are convertible into ordinary shares. The exposure to securities, other than listed preference shares, will be limited to a maximum of 40% of the market value of the portfolio. The portfolio may also include participatory interests.

Fund Manager Commentary

Similar to previous months , the monthly returns on preference shares varied widely over March with Discovery Holdings preference shares returning nearly 9%, while the return on PSG preference shares was -3.4%. Returns of over 2% were earned on the preference shares of Nedbank, Grindrod, Imperial Holdings, Netcare and FirstRand.

The expected running yield of the fund equates to 81% of the prime overdraft rate.

Asset & Sector Allocation

Financials	64%
Industrials	32%
Cash	4%

Top Holdings

ABSA Bank	Invicta
Capitec Bank	Nedbank
FirstRand	PSG
Grindrod	Standard Bank
Investec Bank	Steinhoff International

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PSG Collective Investments

PSG Asset Management

March 2013

PSG Optimal Income Fund

Portfolio information

Fund Manager	Paul Bosman	
Fund Size	R96.2 million	
Launch Date	7 April 2006	
Initial Fee incl. VAT	Fund Manager:	0%
	Advisor:	Max 0.57%
Annual Fee incl. VAT	1.14%	
Minimum investment	R2000 lump sum, or R250 monthly debit order	
Risk Profile	Low - Moderate	
Benchmark	Alexander Forbes Short Term Fixed Interest (STEFI) Index	
Sector	South African - Multi Asset - Income	
Distribution per Unit	1.28c on 28 Feb 13 1.42c on 30 Nov 12 0.97c on 31 Aug 12 1.33c on 31 May 12	
Total Expense Ratio	1.24%	

The PSG Optimal Income Fund has a Total Expense Ratio (TER) as listed above. For the period from 1 January 2012 to 31 December 2012 on an annualised basis, the above percentages of the average Net Asset Value of the portfolio was incurred as charges, levis and fees. A Higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's.

Investment Objective and Mandate

The PSG Optimal Income Fund is a specialist portfolio. The objective of the portfolio is to seek to preserve capital and to maximise income returns for investors. The portfolio will comprise a mix of high yielding equity securities, property, bonds, preference shares and assets in liquid form, both locally and abroad, thereby generating both tax free and taxable income, whilst preserving capital. The fund will comply with regulations governing retirement funds.

Fund Manager Commentary

The PSG Optimal Income Fund aims to grow clients' capital at a rate in excess of cash. The fund's mandate allows for a maximum equity exposure of 20% and offshore exposure of up to 25%. Over and above equities, the fund is also allowed to invest in listed property, bonds and cash. There are mainly two ways of setting out to achieve this targeted return. The first approach, and perhaps the more intuitively obvious approach, would be to decide which blend of asset classes, given mandate restraints, is likely to result in a return comfortably above cash without taking too much risk. This could be based on historical asset class returns or a projection of how macro global scenarios would influence asset class returns. This is not what we do. We ascribe to a quite different philosophy, called a "bottom-up" approach. Past financial market behaviours can be a good projector of future returns, but when they're not you could be very wrong for very long. In our view you are much better off studying seismic activities in anticipation of catastrophic events than assuming that a non-quacking earth obviously doesn't quake - by the time your desk starts shaking you might be headed for a congested exit.

So let us drill down into this bottom up approach. Our approach is to cherry pick specific investments from the different asset classes, always optimising risk and return. This is very similar to working your way through the supermarket and optimising quality and price as you work your way down the aisles. When it comes to equities, which in our mind includes listed property, we have our preferred list of companies, but only own them if the price is right. Owning overvalued equities can result in permanent or, at least very long term, destruction of wealth. Our approach to bonds is no different; we have a list of approved bond issuers but only hold them if the yields are attractive. There are many ways of defining attractive yields, for us it is vital that bonds must offer a sufficient margin above inflation. Cash is our default asset class, if we can't find what we are looking for we leave the supermarket with a loaded wallet.

Consistently applying this approach has resulted in the fund's current construction. Many of the domestic companies we would like to own are expensive and therefore JSE listed companies comprise 8% of the fund. We are finding many high quality companies at attractive prices available offshore, especially in the Developed World and as a result we have allocated 8% of the fund to such companies despite the currency volatility it could introduce.
Government bonds are not offering attractive real yields and we therefore do not hold them at all. We have invested 19% of the fund in shorter duration corporate nominal bonds in isolated opportunities where the yield still outweighs capital risk. 28% of the fund comprises of instruments which pay a floating coupon, i.e. increases or decreases with interest rates, and therefore have significantly less capital risk than nominal bonds. The latter instruments only have credit and liquidity risk. As at the end of March, 36% of the fund is in cash - ready to pounce should opportunities arise.

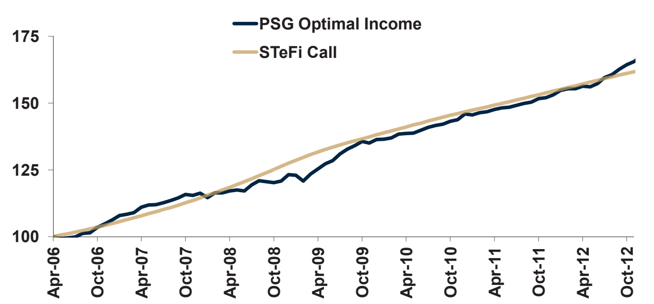
Asset Allocation

Local Equity	8.1%
Local Cash	45.6%
Local Bonds	37.8%
Offshore Equity	8.3%
Offshore Cash	0.2%
Total	**100.0%**

Performance

Returns (annualised)	**Fund**	**Benchmark**
Since Inception	8.1%	7.4%
5 Years	8.0%	6.9%
3 Years	7.4%	5.4%
1 Year	10.2%	4.9%

Performance Graph



Top 5 Equity Holdings	Top 5 Bond Holdings
1. Tesco PLC	1. MET01
2. Heineken Holding NV	2. SSA02
3. Microsoft Corp	3. IBL19
4. Capevin	4. ABFN06
5. Sasol Ltd	5. OML01

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PSG Collective Investments

PSG Asset Management

March 2013

PSG Income Fund

Portfolio information

Fund Manager	Heinrich Dietzsch
Fund Size	R35.8 million
Launch Date	1 September 2011
Initial Fee incl. VAT	Fund Manager: 0% Advisor: Max 0.57%
Annual Fee incl. VAT	1.14%
Minimum investment	R2,000 lump sum, or R250 monthly debit order
Risk Profile	Low
Benchmark	Alexander Forbes Money Market Index
Sector	South African - Interest Bearing - Variable
Distribution per Unit	1.23c on 28 Feb 13 1.27c on 30 Nov 12 1.31c on 31 Aug 12 1.34c on 31 May 12

Distributions are quarterly at the end of Nov, Feb, May and Aug

Total Expense Ratio	1.31%

The PSG Income Fund has a Total Expense Ratio (TER) as listed above. For the period from 1 January 2012 to 31 December 2012 on an annualised basis, the percentages above of the average Net Asset Value of the portfolio was incurred as charges, levis and fees. A Higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TER's.

Investment Objective and Mandate

The investment objective of the PSG Income Fund is to maximise income while achieving long term capital appreciation as interest rate cycles allow. The fund will comply with regulations governing retirement funds.

Fund Manager Commentary

As expected, the SARB kept the repo rate unchanged at its March MPC meeting. The SARB has kept its inflation forecast for 2013 at 5.90%, but it does expect it to breach the upper target band of 6% by Q3 2013. Data released during March showed that CPI for February came in higher than expected at 5.90% year-on-year vs. 5.40% for the previous month. Upside risks to inflation still persists, even more so due to the rand depreciation.

Vehicle sales for March 2013 dropped to -2.1% year-on-year (previous was 1.60%). The latest available retail sales figures also show slowing consumer demand. This is supported by a moderating PSCE number. PSCE for February came in at 7.90% year-on-year (previous was 8.60%).

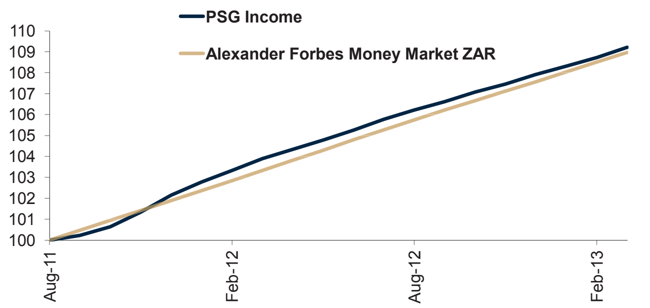
Asset Type

Listed Bonds	51%
NCDs	3%
Call and Cash	1%
Floating Rate Notes	45%
Total	**100%**

Performance

Returns (annualised)	Fund	Benchmark
Inception	**5.7%**	**5.6%**
1 Year	**5.1%**	**5.5%**

Performance Graph



Top 10 FI assets

1. FirstRand	6. Investec Bank
2. Nedbank	7. Steinhoff International
3. Standard Bank	8. Eqstra
4. Capitec Bank	9. Sanlam
5. ABSA	10. Imperial Holdings

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PSG Collective Investments

PSG Asset Management

PSG Money Market Fund A

March 2013

Portfolio Information

Manager	Heinrich Dietzsch
Total Expense Ratio % (incl. VAT)	0.59
Minimum Investment	R25000 lump sum
Fund Size (ZAR)	2 999 402 889
Inception Date	1998/10/19
Benchmark	South African - Interest Bearing - Money Market
Sector	South African - Interest Bearing - Money Market

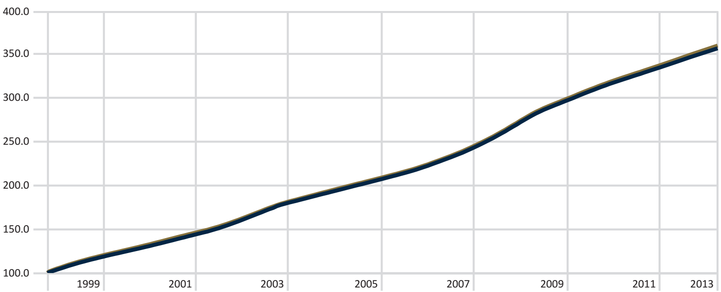
Fees and Distributions

Distribution Frequency	Daily
Initial Manco Fee %	
Max. Initial Broker Fee % (incl. VAT)	0.00
Annual Management Fee % (incl. VAT)	0.57
Latest Distribution (rands per unit)	0.0041
Total Expense Ratio % (incl. VAT)	0.59

The Total Expense Ratio listed above is annualised and is for the period 1 January 2012 to 31 December 2012. This percentage of the average Net Asset Value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. A higher TER ratio does not necesssarily imply a poor return, nor does a low TER ratio imply a good return. The current TER cannot be regarded as an indication of future TERs. Part of the Annual Annual Fee is payable to the financial intermediary.

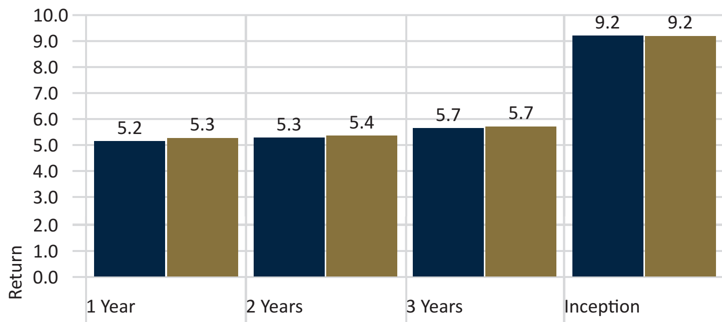
Performance Growth

Time Period: 1998/10/19 to 2013/03/31



PSG Money Market A 357.4 (ASISA) South African IB Money Market 360.5

Returns % (annualized)



PSG Money Market A (ASISA) South African IB Money Market

Fund Manager Commentary

As expected, the SARB kept the repo rate unchanged at its March MPC meeting. The SARB has kept its inflation forecast for 2013 at 5.90%, but it does expect it to breach the upper target band of 6% by Q3 2013. Data released during March showed that CPI for February came in higher than expected at 5.90% year-on-year vs. 5.40% for the previous month. Upside risks to inflation still persists, even more so due to the rand depreciation.

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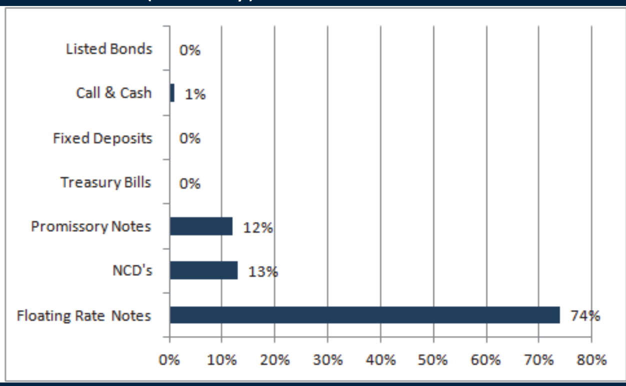
Asset Allocation (monthly)



Top 10 Holdings (monthly)

ABSA	Steinhoff International
Standard Bank	Capitec Bank
FirstRand	Eqstra
Nedbank	Growthpoint
Investec Bank	Landbank

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PSG Asset Management

March 2013

PSG Global Equity Feeder Fund

Portfolio information

Fund Manager	Greg Hopkins	
Fund Size	R31.6 million	
Launch Date	3 May 2011	
Initial Fee incl. VAT	Fund Manager:	0%
	Advisor:	Max 2.28%
Annual Management Fee	0.86% (incl VAT)	
Minimum investment	R2,000 lump sum	
Risk Profile	High	
Benchmark	MSCI World Free ZAR Index	
Sector	Global - Equity - General	
Distribution per Unit	0.00c on 29 Feb 12	
Total Expense Ratio	2.11%	

The PSG Global Equity Feeder Fund has a Total Expense Ratio (TER) as listed above. For the period from 1 January 2012 t o 31 December 2012 on an annualised basis, the percentatge above of the average Net Asset Value of the portfolio was incurred as charges, levis and fees. A Higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TERs.

Sector Allocation

Consumer Staples	18.9%
Financials	15.8%
Industrials	12.8%
Healthcare	12.3%
Cash	10.8%
Technology	10.6%
Materials	7.6%
Energy	6.5%
Utilities	2.3%
Consumer Discretionary	1.4%
Resources	1.0%
Total	**100.0%**

Investment Objective and Mandate

The PSG Global Equity Feeder Fund is a rand denominated equity Feeder Fund, feeding solely into the PSG Global Equity Fund (USD), a protected cell under the PSG Mutual Fund PCC Limited, approved for distribution in the Republic of South Africa. The portfolio aims to outperform the average of the world's equity markets, as represented by the MSCI Daily Total Return Net World USD. The portfolio's investment strategy will attempt to reduce the comparative risk (against the benchmark) of loss over an investment period of 4 or more years.

Ideal Investor

The portfolio will be best suited to investors looking for capital growth by being invested in a portfolio of equity holdings.

Fund Manager Commentary

Despite the uncertain backdrop we believe that there continues to be an opportunity to invest in high quality, household name global equities. We believe that applying a simple, consistent philosophy in the global arena will reap dividends - to invest in companies with long track records, simple to understand businesses, and a moat that provides protection against the marauding competition. The fund's holdings are focused in the developed markets where we find the best opportunities at present. They often have significant emerging market exposure (for example, Unilever has over 50% of its revenues coming from developing markets), although they continue to trade at large discounts to their emerging market peers.

We typically favour investments in industries with stable, staple-like businesses, or those that provide essential services. We expect these products will be in increasing demand as incomes continue to rise in the developing world. We also typically favour companies with rock solid balance sheets.

Our holdings in household quality names are supplemented from time to time in smaller capitalization stocks and stocks with more cyclical cash flows when we feel that we are rewarded with a significant margin of safety. The recent sell off in the markets continue to provide opportunities in this latter space, particularly in Europe.

Recession fears, sovereign debt concerns in the developed world, particularly in Europe and fears of another round of banking crises continue to weigh on equity markets. We remain sanguine about the prospects for the holdings in the fund over the medium term. Current dividend yields and future expected growth rates in dividends further support our constructive view.

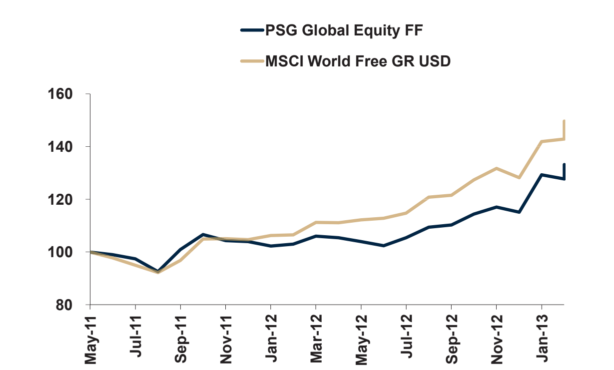
Regional Allocation

US	48.7%
Europe	21.6%
United Kingdom	15.7%
Cash	10.8%
Africa	3.1%
China	0.1%
Total	**100.0%**

Performance

Returns (annualised)	**Fund**	**Benchmark**
Since Inception	14.0%	24.4%
1 Year	25.6%	34.5%

Performance Graph



Top 10 Holdings

1. Tesco Plc	5.7%	6. Microsoft Corp	3.4%
2. Berkshire Hathaway Inc	4.9%	7. Unilever	3.4%
3. Alstom	4.6%	8. Walgreen Co	3.4%
4. Bank of New York Mellon Corp	4.4%	9. JP Morgan Chase and Co	3.3%
5. Heineken Holding NV	4.1%	10. Becton Dickinson and Co	3.1%

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PSG COLLECTIVE INVESTMENTS