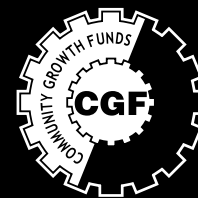


COMMUNITY GROWTH FUND OF FUNDS



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COMMENTARY – SEPTEMBER 2011

Global Economy

The third quarter of the year 2011 was dominated by a slowing US recovery and debt ceiling squabbles in Washington, which all culminated in the S&P downgrade of US debt. At the same time, Europe's debt woes deepened and troubling signs emerged about China, raising doubts about the strength of the global economic growth. In a move to avert the worst, the US Federal Reserve and the European Central Bank intervened to provide dollar liquidity to European markets. Other positive moves were France and Germany voting in favour for the expansion of the European bail-out fund.

Global Markets

Despite the efforts by the authorities to allay fears, risk aversion continued to dominate global equity markets. This resulted in a strong sell-off of emerging market equities, which for the third consecutive quarter in 2011 underperformed the developed world — year to date MSCI World Developed Markets outperformed MSCI World Developing Markets by 9.9%. Within the developed markets the worst performance came from Europe, Euro Stoxx 50 (down 22.7%), driven mainly by both Germany and France (the German Dax and French Cac were down 21.2% and 22.4% respectively). Poor performance from emerging markets was driven by mainly Russia (-31%), Brazil (-26.9%) and China (25.2%) respectively.

Domestic Economy

Following the disappointing growth numbers in Q2, expectations were that the economy would pick up momentum in Q3. However, the economic data released during the quarter painted a different picture – manufacturing and mining data was weaker than expected. It was not all doom and gloom though, as vehicle and retail sales rebounded well during the quarter. Credit data indicated that the SA consumer is not out of the woods yet while corporate credit grew solidly. Inflation pressures still lingered amid rising soft commodity prices (especially food). However, the risks abated due to relatively subdued expected economic growth.

OUTLOOK

As mentioned in our previous communication, the global economy will continue to grow in the near term, albeit at a slower pace than when it was recovering from the recession. The Eurozone is expected to enter recession amid the sovereign debt and banking crisis whilst the US is expected to grow at stall speed. Emerging markets are expected to grow at better rates than their developed counterparts. The high oil price, rising interest rates in developing markets and austerity measures in most developed economies will lead to even slower global growth going forward. The South African economy is also expected to grow at a moderate pace going forward, in line with the global economy.

RISK FACTOR

This is a medium to higher risk fund. The fund is exposed to share price movements, which are affected by the activities of individual companies, general market conditions as well as global and local political and economic changes.

INVESTMENT AIM

This general equity unit trust fund aims to provide long-term capital growth while promoting sustainable and responsible investing. The fund invests in JSE-listed companies that are viable and sustainable, and have a clear commitment to job creation, skills development, affirmative action, sound environmental practices and effective corporate governance. It also aims to achieve long-term investment returns in excess of inflation.

* The Community Growth Funds have been managed with social and environmental dimensions since 1992 by the Community Growth Management Company Limited (Comanco). Comanco is a jointly owned company between Unity Incorporated (representing a group of seven trade unions) and Old Mutual Investment Group (South Africa). Comanco is a member of the Association of Collective Investments, SA.

UNDERLYING FUND RETURNS to 30 September 2011

| | 3 Mths | 1 Yr | 2 Yrs |
|------------------------------------|--------------|--------------|--------------|
| Community Growth Equity Fund | -8.0% | -3.3% | 5.9% |
| FTSE/JSE All Share Index | -5.8% | 3.6% | 12.0% |
| Community Growth Gilt Fund | 2.6% | 6.1% | 11.4% |
| BEASSA All Bond Index | 2.8% | 5.9% | 10.5% |
| Community Growth Money Market Fund | 1.3% | 5.6% | 6.4% |
| STeFI | 1.4% | 5.9% | 6.6% |
| IDEAS Managed Fund | 4.1% | 11.4% | 13.4% |
| CPI + 7% | 2.8% | 12.4% | 11.3% |
| Total Portfolio | -4.2% | -3.2% | 5.4% |
| Benchmark | -2.5% | 4.9% | 11.5% |

Note:

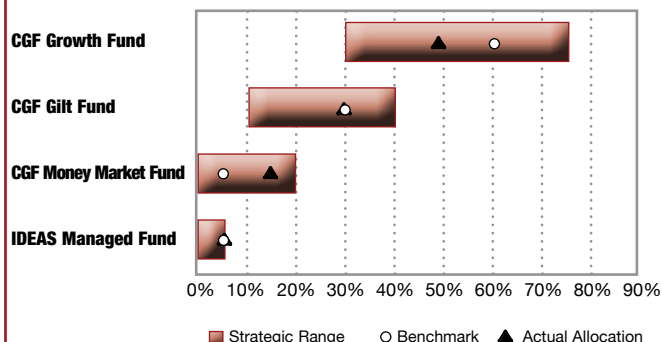
- Unit trusts: Figures as at 30 September 2011, based on lump sum investment excluding initial charges (NAV-NAV prices). All fund and Benchmark returns are nett of fees. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Sources: Fund Returns – Morningstar as at 30 September 2011; Fund Benchmark Returns – Old Mutual Investment Group's Internal Performance System as at 30 September 2011.
- IDEAS Managed Fund: Performance returns are time-weighted and gross of charges; data source: Old Mutual Investment Group & Statistics SA.

PAST PERFORMANCE as at 30 September 2011

| | Actual | Benchmark |
|----------|--------|-----------|
| 3 Months | -4.2% | -2.5% |
| 1 Year | -3.2% | 4.9% |
| 2 Years | 5.4% | 11.5% |

Note: The performance return is time-weighted, gross of charges and includes capital and income. The portfolio was launched on 1 April 2005. Data Source: Old Mutual Investment Group's Internal Performance System as at 30 September 2011.

FUND ALLOCATION as at 30 September 2011



Notes: The performance benchmarks used are published indices except for the IDEAS Managed Fund where the benchmark is CPI+7%.

In the 1st quarter 2007, the gilt and money market asset allocation ranges for the CGF Fund of Funds were changed and aligned to OMIGSA's balanced fund ranges.

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