

QUARTERLY INVESTMENT REPORT

31 DECEMBER 2011



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# ENVIRONMENTAL CONSIDERATIONS TAKE CENTRE STAGE IN DURBAN

Zithulele Cindi

Chief Executive Officer, Unity Incorporation



The fact that parties to the UN Framework Agreement on Climate Change could not find common ground during their conference (COP 17) in Durban should not detract from the focus of environmental considerations in the context of sustainability.

Most investment practitioners who take the Environmental, Social and Governance (ESG) factors into account when making their investment decisions, welcomed the conference held in December 2011 as the watershed event that placed environmental considerations on the centre stage. This can be attested to judging by the number of sideline events related to the COP 17. World leaders may differ on how best to avoid funding a lasting commitment beyond the Kyoto Protocol, but ordinary citizens came to the party with their fervent desire to find lasting solutions to the impact of humanity's collective economic and industrial activities on climate change.

The UN PRI Signatories (to which we are also party) were also in attendance and actively participated in the sideline events. The exhibitions and displays clearly indicated a commitment by all and sundry to preserve the planet.

As investors who have always integrated ESG considerations into investment decisions, the CGF felt vindicated in its pioneering role of being the first socially responsible investment (SRI) fund launched in emerging markets.

In continuing with our process of integrating ESG factors into our investment decisions, we have agreed to retain **Barloworld Ltd** within the CGF Universe of shares. This was due to a much-improved score on a number of the CGF Social Criteria, compared to the last social audit held in 2004. The company improved its score on job creation from 50% in 2004 to 66% in 2011 due to, among other things, permanent employment numbers increasing by almost 7% from 2007 to 2010 – as well as their expansion plans as indicated by management. It also improved on training and skills development and the employment equity level. The score remained constant on environmental practices at 86%, while its score dropped in the social and economic empowerment area from 79% to 73%, but still remained above the all-sector average of 66%.

We are equally delighted to welcome a new entrant, **African Bank Investment Limited (ABIL)**, into the CGF family of investible shares. Some of the main reasons for its inclusion stem from its high score of 84% on job creation, its conditions of employment score of 72% and scoring 84% for its conduct on corporate governance. The increase of 395 in permanent staff numbers between 2006 and 2010, as well as projects for expansion and the evaluation of the time scale and the number of jobs likely to be created by such projects, accounts for the high score. The level of disclosures and reporting in the annual report that was in line with the King II Report

recommendations helped the company to score high on corporate governance practices. The comprehensive breakdown and disclosures on the remuneration of directors as well as the report on the company's corporate social investment and skills development spend added to their impressive score on governance.

## POSTPONEMENTS AND “REFUSENIKS”

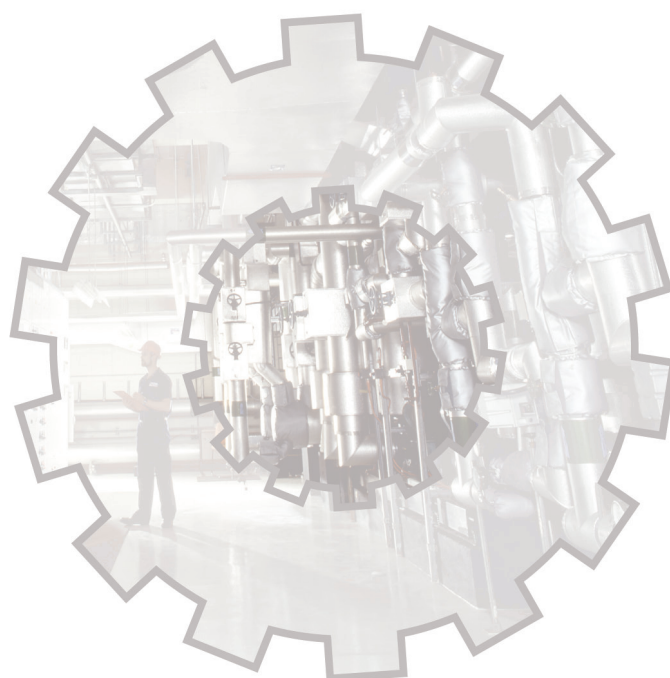
A number of companies have asked for the postponement of the assessment process due to a number of internal processes and engagements ranging from road shows to be undertaken to financial year-end pressures. Requests were received and granted to **Anglo American Plc, the Airports Company South Africa (ACSA), Discovery Holdings Limited and Investec Holdings Limited**. We will be engaging with the respective management teams and report on them in due course.

Sadly, we have to list the **Allied Electronics Corporation Limited Group (Altron)** as the only “refusenik” during this quarter. We are certain that constructive engagement with senior management will reveal that this was due to poor communication among the people who were interacting with our researchers.

Yours sincerely

**Zithulele Cindi**

**Chief Executive Officer: Unity Incorporation**



# ECONOMIC OVERVIEW AND OUTLOOK

Rian le Roux

Chief Economist, Old Mutual Investment Group



## Commentary as at 31 December 2011

### INTERNATIONAL

- ▲ Global financial markets remained very volatile in December. Nevertheless, the US S&P 500 Index ended December 0.9% higher over the month.
- ▲ Compared to the end of December 2010, the index was virtually unchanged. In comparison, the US 10-year government bond yield declined from 3.3% at the end of 2010 to below 2% by the end of 2011, yielding a 10% total return over the year. Another solid performer in 2011 was gold, with the gold price ending 2011 at US\$1 560, some 10% up on the end of 2010. But, despite being up quite sharply on the year, gold was well below the peak of around US\$1 900 reached early in September at year-end.
- ▲ The relative performance of asset classes over the past year to a large extent reflected macroeconomic developments. The deepening Eurozone government debt crisis and slowing global growth kept investors wary of risk assets such as equities. Yet, good earnings growth and very expansionary central bank policies prevented worse equity market performances in 2011. Investors' preference for "safe" assets, especially US government bonds, and hedges against a possible global financial calamity, such as gold, essentially drove the good performance of these asset classes in 2011.
- ▲ Looking into 2012, the macroeconomic environment remains very uncertain. While progress is being made, the Eurozone crisis has not been solved and panic could easily flare up again. Moreover, the Eurozone faces tough economic conditions in 2012 and has likely already entered recession. How long and severe this recession will be and how it will impact the rest of the world remains pretty uncertain. Uncertainty also surrounds the ability of US lawmakers to come up with a credible plan to contain US government debt. In addition, the slowdown in China is being watched with some concern by investors, as China has been a key driver of global growth in recent years.
- ▲ Despite all the concerns, we remain of the opinion that the world will avoid a renewed slump, that the Eurozone crisis will not degenerate into yet another global financial meltdown, and that US policymakers will eventually come up with a more credible budget plan. Add to this view sustained very expansionary policies by central banks, and 2012 could be a better year for risk assets. But, much could still go wrong.

**OMIGSA Economic Research Unit view:** *Yet, we believe that a global slump will be avoided, the Eurozone crisis will not degenerate into another financial meltdown and central banks will sustain very expansionary policies.*

### LOCAL

- ▲ 2011 was a mixed year for South Africa (SA) on the macroeconomic front. On the positive side, the economy grew by about 3%, driven by: an estimated 4.5% increase in consumption; fixed investment; moderately positive job creation; and the fact that interest rates remained flat. On the negative side, inflation broke through the 6% upper band of the inflation target range; the deficit on the current account widened quite sharply; the rand weakened considerably; and Government's projections for the budget deficit over the next few years were raised yet again.
- ▲ As is the case globally, prospects for SA are also uncertain looking into 2012. Three factors in particular will have a key impact on the local economy: the outcome of the Eurozone debt crisis, global growth and local inflation pressures. Bad outcomes globally will affect SA negatively via foreign trade (volumes and prices) and capital flows, while unexpected upward pressure on local inflation could trigger concerns over monetary policy tightening.
- ▲ Our base case view for 2012 is that, while global conditions will not be very favourable, worst case outcomes will also not unfold. On local inflation, we expect a peak between 6% and 7%, drifting lower later in the year. Should this base case scenario indeed be correct, SA should not be hit by negative external or internal economic shocks. But, at the same time, conditions will generally remain relatively difficult, making for yet another year of very subdued economic growth and very limited job creation. On the positive side it may well imply that interest rates will remain on hold for much, if not all, of 2012, especially if inflation eases later in 2012 as we currently expect.
- ▲ Looking further into the future, we maintain our long-held view that local economic growth will remain structurally capped at around 3% in the absence of considerable structural economic reforms.

**OMIGSA Economic Research Unit view:** *2012 will be another year of subdued economic growth and limited job creation. Longer term local growth will remain capped at around 3% in the absence of much-needed structural economic reforms.*

# COMMUNITY GROWTH EQUITY FUND

Godwin Sepeng

Portfolio Manager, Old Mutual Investment Group



## COMMENTARY – DECEMBER 2011

### Global Economy

The European debt woes and the resulting political impasse continued to drive global market sentiments in Q4 2011. The squabbling claimed the political careers of the Greek and Italian prime ministers. Following a series of summits, the Eurozone countries agreed on a series of measures to avoid the sovereign debt crisis, i.e. 50% cuts on private sector Greek debt holdings, to maintain a structural deficit of no more than 0.5% of GDP. Further, the new European Central Bank (ECB) President cut the policy rate 50bps to 1% and expanded funding support for banks including three-year liquidity tenders. The US economy continued to recover at a slower pace. Chinese inflation and manufacturing production slowed raising hopes of rates easing in the new year.

### Global Markets

Emerging markets underperformed the developed markets for the fourth consecutive quarter in 2011 – MSCI Emerging Markets rose 4.4% while the MSCI Developed Markets rose 7.7% in the fourth quarter of 2011. For the year 2011, emerging markets (-18.2%) have underperformed the developed (-5%) markets by 13.2 percentage points. Developed markets' good performance was driven mainly by the North American and the European regions, which produced total returns of 11.1% and 5.5% respectively. The Asia Pacific region shed 30bp over the quarter. Within emerging markets, Latin America (+8.8%) was the best performing region followed by Asia (+3.3%) and EMEA (+2.9%).

### Domestic Economy

Following the disappointing growth numbers in Q2 and Q3, expectations were that the economy would experience a technical bounce in Q4. However, the economic data released during the quarter painted a different picture – manufacturing and mining data were weaker than expected. It was not all doom and gloom though, as cement and retail sales were strong. Credit data indicated that the SA consumer is not out of the woods yet. However, their financial situation is improving as the household debt to disposable income ratio continued to fall. Also, data showed that fixed investment is improving. Inflation pressures still lingered amid rising soft commodity prices (especially food). However, the risks abated due to relatively subdued expected economic growth.

### Domestic Markets

In Q4 2011, the FTSE/JSE All Share Index (ALSI) posted a rand total return of 8.4%. The industrial (+9.2%) and the financial (+8.7) sectors led the ALSI's good performance in Q4 2011. The excellent performance from the industrial sector was driven mainly by the automobile & parts, food & drug retailers and technology hardware subsectors on the back of strong sales numbers. Within the financial sector, life insurers, non-life insurers and banks drove the performance respectively. The excellent performance within the life insurance sector was driven by Old Mutual, which was up 32.2% for the quarter on the news that it sold its Nordic business for GBP2.1 to Skandia Liv. The resources sector (+7.8) lagged the markets amid fears of concerns over global growth, in particular concerns about a loss of momentum in China.

### 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 while 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.

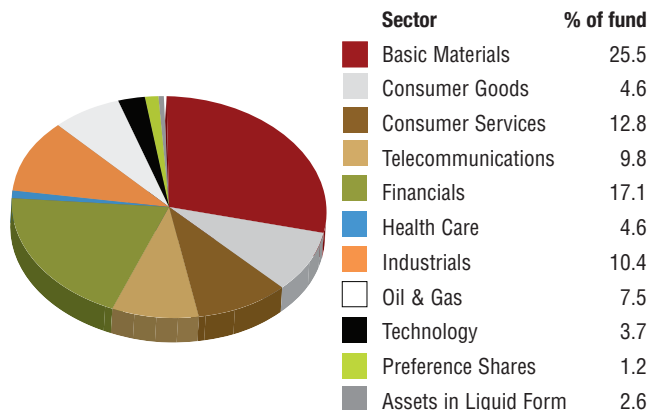
### RISK FACTOR

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.

## PORTFOLIO COMPOSITION as at 31 December 2011



## PAST PERFORMANCE

	Fund	Fund Benchmark	Category Rankings
1 Year	-1.7	1.4	75/80
3 Years	13.4	15.9	61/74
5 Years	6.7	6.9	31/57
7 Years	13.9	16.0	29/41
10 Years	14.4	13.9	22/34

Figures as at 31 December 2011, based on lump sum investment excluding initial charges (NAV-NAV prices). All fund and benchmark returns are net 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 31 December 2011; Fund Benchmark Returns – Old Mutual Investment Group's Internal Performance System as at 31 December 2011

## TEN LARGEST HOLDINGS as at 31 December 2011

Share	Market Value (R'000)	%
MTN GROUP LIMITED	210 363	9.8
ANGLO AMERICAN PLC	174 061	8.1
SASOL LTD	161 259	7.5
STANDARD BANK GROUP LTD	126 558	5.9
ANGLOGOLD ASHANTI LIMITED	125 553	5.9
BHP BILLITON PLC	117 150	5.5
OLD MUTUAL PLC	100 104	4.7
NASPERS LTD	91 967	4.3
GOLD FIELDS LTD	65 916	3.1
THE FOSCHINI GROUP LTD	54 595	2.6
<b>TOTAL</b>	<b>1 227 526</b>	<b>57.5</b>

<b>Fund Category</b>	Domestic - Equity - General
<b>Fund Benchmark</b>	FTSE/JSE All Share Index
<b>Launch Date</b>	1 June 1992
<b>Net Asset Value</b>	R2 125 million (total market value of assets + net income)
<b>Dealing Price</b>	NAV
<b>Distributions</b>	Declared 30 September Distributed 1 business day after declaration September 2006: 19.88c per unit September 2007: 22.59c per unit September 2008: 26.22c per unit September 2009: 19.73c per unit September 2010: 12.49c per unit September 2011: 20.83c per unit
<b>Minimum Investment Initial Charge</b>	Lump sum - R500. Monthly debit order - R100 Upfront charge is 3.42% (incl. VAT), which is broker commission and is deducted prior to the purchase of units.
<b>Service Fee</b>	0.57% p.a. (calculated on the market value of the fund's assets and deducted from the portfolio monthly). Additional administrative charges incurred by the Management Company are deducted from the fund's portfolio.
<b>Unit Price (cents/unit)</b>	Buy and sell: 811c
<b>Total Expense Ratio (TER)*</b>	0.58% (Annualised)
<b>Fund Code</b>	CGMG

\*From April 2007, the unit trust industry introduced a new measure called Total Expense Ratio (TER) to evaluate the effect of costs on an investment. Each fund's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that was incurred as charges, levies and fees related to the management of the portfolio.

# COMMUNITY GROWTH EQUITY FUND

Holdings as at 31 December 2011

No. of Shares as at 30/06/2011	No. of Shares as at 31/12/2011	% of Issued Share Capital	Share Code	Name of Instrument	Market Value	% of Portfolio
				<b>EXCHANGE SECURITIES LOCAL</b>	<b>1 979 048 597</b>	<b>97.43</b>
				<b>BASIC MATERIALS</b>	<b>545 385 335</b>	<b>25.53</b>
				<b>BASIC RESOURCES</b>	<b>545 385 335</b>	<b>25.53</b>
				<b>GENERAL MINING</b>	<b>291 211 320</b>	<b>13.63</b>
730 388	588 045	0.04	AGL	ANGLO	174 061 320	8.15
600 000	500 000	0.02	BIL	BHPBill	117 150 000	5.48
				<b>GOLD</b>	<b>191 468 800</b>	<b>8.96</b>
314 616	365 616	0.10	ANG	ANGGOLD	125 552 534	5.87
	529 023	0.07	GFI	GFIELDS	65 916 266	3.09
				<b>PLATINUM</b>	<b>62 705 215</b>	<b>2.94</b>
306 168	306 168	0.05	IMP	IMPLATS	51 237 215	2.40
304 000	94 000	0.05	LON	LONMIN	11 468 000	0.54
				<b>CONSUMER GOODS</b>	<b>98 031 652</b>	<b>4.59</b>
				<b>FOOD &amp; BEVERAGE</b>	<b>98 031 652</b>	<b>4.59</b>
				<b>FOOD PRODUCERS</b>	<b>98 031 652</b>	<b>4.59</b>
1 700 000	1 700 000	0.37	ILV	ILLOVO	41 735 000	1.95
749 916	749 916	0.63	OCE	OCEANA	35 995 968	1.69
1 234 167	1 234 167	0.36	RBW	RAINBOW	19 129 589	0.90
11 595	11 595	0.01	TON	TONGAAT-HULETT	1 171 095	0.05
				<b>CONSUMER SERVICES</b>	<b>272 963 597</b>	<b>12.78</b>
				<b>MEDIA</b>	<b>110 077 497</b>	<b>5.15</b>
1 000 000	1 000 000	0.80	AVU	AVUSA	18 110 000	0.84
260 391	260 391	0.06	NPN	NASPERS-N	91 967 497	4.31
				<b>RETAIL</b>	<b>109 332 819</b>	<b>5.12</b>
				<b>GENERAL RETAILERS</b>	<b>109 332 819</b>	<b>5.12</b>
3 882 933	3 882 933	0.92	ADH	ADVTECH	24 074 185	1.12
259 863	259 863	1.03	CSB	CASHBIL	30 663 834	1.44
520 000	520 000	0.22	TFG	THE FOSCHINI GROUP	54 594 800	2.56
				<b>TRAVEL &amp; LEISURE</b>	<b>53 553 281</b>	<b>2.51</b>
699 129	699 129	1.63	CLH	CITYLDG	53 553 281	2.51
				<b>TELECOMMUNICATIONS</b>	<b>210 362 509</b>	<b>9.85</b>
				<b>MOBILE TELECOMMUNICATIONS</b>	<b>210 362 509</b>	<b>9.85</b>
1 463 595	1 463 595	0.08	MTN	MTN GROUP	210 362 509	9.85
				<b>FINANCIALS</b>	<b>365 798 469</b>	<b>17.12</b>
				<b>BANKS</b>	<b>212 220 767</b>	<b>9.93</b>
630 803	300 000	0.04	ASA	ABSA	42 300 000	1.98
2 090 770	2 090 770	0.04	FSR	FIRSTRAND	43 362 570	2.03
1 281 602	1 281 602	0.08	SBK	STANBANK	126 558 197	5.92
				<b>FINANCIAL SERVICES</b>	<b>53 473 393</b>	<b>2.50</b>
				<b>GENERAL FINANCIAL</b>	<b>53 473 393</b>	<b>2.50</b>
1 256 719	1 256 719	0.21	INP	INVPLC	53 473 393	2.50
				<b>INSURANCE</b>	<b>100 104 309</b>	<b>4.69</b>
				<b>LIFE INSURANCE</b>	<b>100 104 309</b>	<b>4.69</b>
486 804	-	0.00	LBH	LIB HOLD	-	-
5 874 666	5 874 666	0.10	OML	OLDMUTUAL	100 104 309	4.69
				<b>HEALTH CARE</b>	<b>97 985 000</b>	<b>4.59</b>
				<b>HEALTH CARE EQUIPMENT &amp; SERVICES</b>	<b>50 437 500</b>	<b>2.36</b>
3 750 000	3 750 000	0.26	NTC	NETCARE	50 437 500	2.36
	770 000	0.44	AIP	ADCOCK INGRAM	47 547 500	2.23
				<b>INDUSTRIALS</b>	<b>223 205 598</b>	<b>10.45</b>
				<b>CONSTRUCTION &amp; MATERIALS</b>	<b>81 677 280</b>	<b>3.82</b>
1 272 249	1 272 249	0.32	AEG	AVENG	41 984 217	1.97
1 654 071	1 654 071	0.52	HLM	HULAMIN	14 043 063	0.66
1 000 000	1 000 000	0.30	MUR	M&R HLD	25 650 000	1.20
				<b>INDUSTRIAL GOODS &amp; SERVICES</b>	<b>141 528 318</b>	<b>6.63</b>
				<b>ELECTRONIC &amp; ELEC EQUIPMENT</b>	<b>74 451 131</b>	<b>3.49</b>
1 250 444	1 250 444	1.18	ATN	ALTRON	28 622 663	1.34
727 436	727 436	0.36	RLO	REUNERT	45 828 468	2.15
	500 000	0.07	NPK	NAMPAK	11 325 000	0.53
				<b>INDUSTRIAL ENGINEERING</b>	<b>1 600 891</b>	<b>0.07</b>
100 685	100 685	0.11	BEL	BELL EQUIPMENT LTD	1 600 891	0.07
				<b>INDUSTRIAL TRANSPORT</b>	<b>29 692 896</b>	<b>1.39</b>
781 392	781 392	0.44	TRE	TRENCOR	29 692 896	1.39
				<b>SUPPORT SERVICES</b>	<b>24 458 400</b>	<b>1.15</b>
290 000	158 000	0.05	BVT	BIDVEST	24 458 400	1.15
				<b>OIL &amp; GAS</b>	<b>161 258 891</b>	<b>7.55</b>
				<b>OIL &amp; GAS PRODUCERS</b>	<b>161 258 891</b>	<b>7.55</b>
468 311	418 311	0.06	SOL	SASOL	161 258 891	7.55
				<b>TECHNOLOGY</b>	<b>79 581 650</b>	<b>3.73</b>
				<b>SOFTWARE &amp; COMP SERVICES</b>	<b>39 962 951</b>	<b>1.87</b>
7 929 157	7 929 157	3.86	DCT	DCENTRIX	39 962 951	1.87
				<b>TECH HARDWARE &amp; EQUIPMENT</b>	<b>39 618 699</b>	<b>1.86</b>
516 017	418 713	0.39	ALT	ALTECH	22 401 146	1.05
3 074 563	3 074 563	2.82	MST	MUSTEK	17 217 553	0.81
				<b>ADDITIONAL</b>	<b>26 689 786</b>	<b>1.24</b>
				<b>PREFERENCE SHARES</b>	<b>26 689 786</b>	<b>1.24</b>
1 182 010	1 182 010	0.49	ATNP	ALTRON PP	26 689 786	1.24
				<b>PREFERENCE SHARES</b>	<b>26 725 246</b>	<b>1.32</b>
1 182 010	1 182 010	0.49	ATNP	ALTRON PP	26 725 246	1.32
				<b>ASSETS IN LIQUID FORM</b>	<b>54 967 241</b>	<b>2.57</b>
				Deposits with banks/mutual banks/foreign branches	54 576 241	2.55
				Local Cash	54 576 241	2.55
				Settlement Account Positive (+)	391 000	0.02
				Settlement Account Negative (-)	-	-
				<b>TOTAL ASSETS:</b>	<b>2 136 229 728</b>	<b>100.00</b>

# COMMUNITY GROWTH GILT FUND

Jennifer Sheehy

Portfolio Manager, Old Mutual Investment Group



## COMMENTARY – DECEMBER 2011

Eurozone troubles, global currency volatility and rising headline inflation were some of the main sentiment drivers during the last quarter of 2011. The yield of the benchmark R208 government bond ranged between 8.3% and 7.8% over this period. Rising inflation and growing concerns about the potentially negative impact of broad-based rand depreciation since August 2011 lend strong support to the inflation-linked bond market. This caused the real yield of the benchmark R197 government inflation-linked bond to rally from 2.61% to 2.25%, the lowest level since July 2008. As a result, the official Inflation-linked Bond Index returned 4.5% for the three months ending December, followed by the All Bond Index (+3.5%) and the SteFi Money Market Index (+1.4%).

The fund increased its exposure to interest rates into market weakness by purchasing fixed rate RSA bonds. The fund also increased its exposure to development related bonds by purchasing eThekweni Metro bonds at a spread of 205 basis points (bps) over the equivalent RSA bond.

For the year ending 31 December 2011, the fund returned 8.95% (net of fees), 42bps above the average fund in the gilt unit trust universe and 13bps above the BEASSA benchmark (gross of fees). It was ranked fourth out of the 15 funds within this universe.

It is unlikely that the Eurozone debt debacle will be resolved soon as efforts to date to stabilise the situation simply lack the power to address the complicated solvency issues the peripheral countries are facing. The domino effect of stringent austerity measures and the inability to gain from currency depreciation have already pushed some countries into recessionary territory.

Small open economies with strong trading links to the Eurozone, like South Africa, will not escape the might of global sentiment swings – with continued market volatility being unavoidable. The most likely outcome is a combination of below-trend growth, higher inflation, stable short-term interest rates, bond market volatility and continued strong demand for inflation protection.

## OUTLOOK

Our investment view remains defensive, with a focus on short-term capital preservation while carefully considering potential investment opportunities into market weakness, while retaining an inflation-linked bond holding as a hedge against inflation risks that are skewed to the upside.

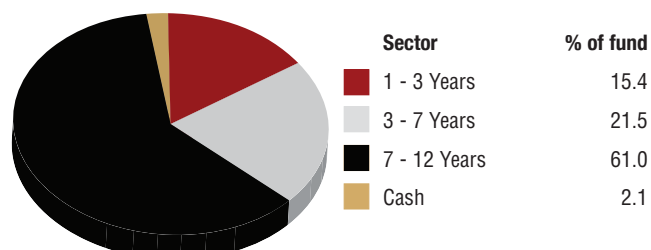
## RISK FACTOR

This is a medium to lower risk fund. The fund is exposed to interest rate fluctuations. Long-term bonds are more sensitive to rate changes, while short-term bonds experience more modest price movements. The holding of long- and short-dated bonds in the fund is used to reduce these risks.

## INVESTMENT AIM

The fund aims to maximise total returns through a balance of capital growth and income generation. The fund invests in bonds with a particular emphasis on reconstruction and development. The emphasis is on institutions and projects that contribute to the development of South Africa through programmes that have a meaningful social impact, and are committed to development, community participation and support.

## PORTFOLIO COMPOSITION as at 31 December 2011



## PAST PERFORMANCE

	Fund	Fund Benchmark	Category Rankings
1 Year	9.0	8.2	4/15
3 Years	8.0	6.8	6/15
5 Years	9.3	8.0	3/14
7 Years	8.8	7.8	4/14
10 Years	11.1	10.2	3/11

Figures as at 31 December 2011, based on lump sum investment excluding initial charges (NAV-NAV prices). All fund and benchmark returns are net 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 31 December 2011; Fund Benchmark Returns – Old Mutual Investment Group's Internal Performance System as at 31 December 2011

## TEN LARGEST HOLDINGS as at 31 December 2011

Bond	Market Value (Rm)	%
R203	119	10.8
R186	91	8.2
R209	62	5.6
DV22	53	4.8
R204	53	4.8
DV23	53	4.8
R213	41	3.7
R207	26	2.4
TL12	24	2.2
MEFSB5	24	2.2
<b>TOTAL</b>	<b>546</b>	<b>49.5</b>

<b>Fund Category</b>	Domestic - Fixed Interest - Bond
<b>Fund Benchmark</b>	BEASSA All Bond Index
<b>Launch Date</b>	14 July 1998
<b>Net Asset Value</b>	R1 100 million (total market value of assets + net income)
<b>Dealing Price</b>	NAV
<b>Distributions</b>	Declared 31 March; 30 September Distributed 1 business day after declaration March 2008: 6.09c per unit September 2008: 5.93c per unit March 2009: 5.88c per unit September 2009: 6.30c per unit March 2010: 6.27c per unit September 2010: 6.29c per unit March 2011: 6.12c per unit September 2011: 6.08c per unit
<b>Minimum Investment</b>	Lump sum - R5 000. Monthly debit order - R500
<b>Initial Charge</b>	Upfront charge is 0.68% (incl. VAT), which is commission and is deducted prior to the purchase of units.
<b>Service Fee</b>	0.57% p.a. (calculated on the market value of the fund's assets and deducted from the portfolio monthly). Additional administrative charges incurred by the Management Company are deducted from the fund's portfolio.
<b>Unit Price (cents/unit)</b>	Buy and sell: 151.46c
<b>Total Expense Ratio (TER)*</b>	0.57% (Annualised)
<b>Fund Code</b>	CGMI

\*From April 2007, the unit trust industry introduced a new measure called Total Expense Ratio (TER) to evaluate the effect of costs on an investment. Each fund's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that was incurred as charges, levies and fees related to the management of the portfolio.

# COMMUNITY GROWTH GILT FUND

Holdings as at 31 December 2011

No. of instruments at 30/06/2011	No. of instruments at 31/12/2011	Code	Name of Instrument	Coupon Rate	Maturity Date	Market Value	% of Portfolio
<b>NON-EQUITY SECURITIES</b>							
<b>LISTED BONDS</b>						<b>1 077 080 335</b>	<b>97.90</b>
<b>AFRICAN BANK LTD</b>						<b>18 285 681</b>	<b>1.66</b>
8 500 000	8 500 000	ABL6	ABL6 10.25% 18/06/2012	10.25	2012/06/18	8 593 717	0.78
9 300 000	9 300 000	ABL7	ABL7 18/02/2013	11.85	2013/02/18	9 691 964	0.88
<b>ABSA</b>						<b>14 221 532</b>	<b>1.29</b>
15 400 000	15 400 000	ABS6	ABS6 8.20% 01/06/2020	8.20	2020/06/01	14 221 532	1.29
<b>AIRPR TSA</b>						<b>13 922 061</b>	<b>1.27</b>
200 000	200 000	AIR01	AIR01 15/03/2019	8.58	2019/03/15	193 536	0.02
6 300 000	6 300 000	AIR02	AIR02 11.68% 30/04/2023	11.68	2023/04/30	6 931 373	0.63
6 200 000	6 200 000	AIR03	AIR03 10.86% 09/03/2016	10.86	2016/03/09	6 797 152	0.62
<b>BARLOWS</b>						<b>5 497 677</b>	<b>0.50</b>
5 400 000	5 400 000	BAW7	BAW7 8.73% 02/10/2014	8.73	2014/10/02	5 497 677	0.50
<b>CITY OF CAPE TOWN</b>						<b>36 304 896</b>	<b>3.30</b>
200 000	200 000	CCT01	CCT01 23/06/2023	12.57	2023/06/23	229 858	0.02
18 700 000	18 700 000	CCT02	CCT02 12/06/2024	11.62	2024/06/12	20 651 726	1.88
13 900 000	13 900 000	CCT03	CCT03 15/03/2025	11.16	2025/03/15	15 423 312	1.40
<b>CITY OF JOHANNESBURG</b>						<b>46 541 809</b>	<b>4.22</b>
6 200 000	6 200 000	COJ03	COJ03 9.70% 26/04/2013	9.70	2013/04/26	6 322 744	0.57
19 300 000	17 000 000	COJ04	COJ04 9.00% 05/06/2018	9.00	2018/06/05	16 666 959	1.51
300 000	300 000	COJ05	COJ05 12.205% 05/06/2023	12.21	2023/06/05	338 800	0.03
21 600 000	21 600 000	COJ06	COJ06 10.815% 09/12/2015	10.82	2015/12/09	23 213 306	2.11
<b>DEVELOPMENT BANK OF SA</b>						<b>105 646 021</b>	<b>9.60</b>
30 500 000	50 500 000	DV23	DEV BANK 10.0% 27/02/2023	10.00	2023/02/27	52 717 849	4.79
51 000 000	51 000 000	DV22	DV22 9.45% 07/02/2020	9.45	2020/02/07	52 928 172	4.81
<b>EKMETMUN</b>						<b>14 725 455</b>	<b>1.34</b>
13 900 000	14 100 000	EMM01	EMM01 10.56 280720	10.56	2020/07/28	14 725 455	1.34
<b>ESKOM</b>						<b>30 331 292</b>	<b>2.76</b>
18 700 000	18 700 000	ES23	ES23 10.00% 25/01/2023	10.00	2023/01/25	20 685 060	1.88
11 600 000	11 600 000	ES33	ES33 7.5% 15/09/2033	7.50	2033/09/15	9 527 093	0.87
89 300	89 300	E170	ESKOM 13.50% 2020	13.50	2020/08/01	119 139	0.01
<b>FIRSTRAND</b>						<b>18 743 732</b>	<b>1.71</b>
5 400 000	5 400 000	FRB03	FRB03 9% 15/09/2014	9.00	2014/09/15	5 565 354	0.51
7 700 000	7 700 000	FRBC21	FRBC21 12.00% 21/12/2018	12.00	2018/12/21	7 720 779	0.70
5 000 000	5 000 000	FRX18	FRX18 10.5% 14/04/2018	10.50	2018/04/14	5 457 599	0.50
<b>SA NATIONAL ROADS AGENCY</b>						<b>26 389 194</b>	<b>2.40</b>
5 400 000	5 400 000	HWAY20	HWAY20 9.75% 31/07/2020	9.75	2020/07/31	5 809 799	0.53
20 900 000	20 900 000	HWAY34	HWAY34 9.25% 31/07/2034	9.25	2034/07/31	20 579 395	1.87
<b>INCA</b>						<b>11 998 951</b>	<b>1.09</b>
12 000 000	12 000 000	IN07	INCA 9.00% 16/05/2013	9.00	2013/05/16	11 998 951	1.09
<b>IMPERIAL</b>						<b>6 361 793</b>	<b>0.58</b>
6 200 000	6 200 000	IPL4	IPL4 9.04% 29/03/2014	9.04	2014/03/29	6 361 793	0.58
<b>IMPERIAL</b>						<b>20 021 865</b>	<b>1.82</b>
15 400 000	15 400 000	IV04	IV04 31/03/2013	10.75	2013/03/31	15 853 815	1.44
3 900 000	3 900 000	IV08	IV08 13.735% 30/04/2018	13.74	2018/04/30	4 168 050	0.38
<b>KOMATI BASIN WATER AUTHORITY</b>						<b>4 384 388</b>	<b>0.40</b>
3 100 000	3 100 000	KW01	KOBWA 13.50% 2027	13.50	2027/10/31	4 384 388	0.40
<b>ETHKWINI</b>						<b>24 001 301</b>	<b>2.18</b>
	24 000 000	MEFSB5	MEFSB5 05/01/2022	10.01	2022/01/05	24 001 301	2.18
<b>METROPOLITAN</b>						<b>4 088 872</b>	<b>0.37</b>
3 900 000	3 900 000	MET01	MET01 9.25% 15/12/2014	9.25	2014/12/15	4 088 872	0.37
<b>MTN</b>						<b>10 940 823</b>	<b>1.00</b>
5 000 000	5 000 000	MTN04	MTN 10.13% 13/07/2017	10.13	2017/07/13	5 269 846	0.48
5 340 000	5 340 000	MTN02	MTN 10.19% 13/07/2014	10.19	2014/07/13	5 670 977	0.52
<b>NEDBANK</b>						<b>35 234 370</b>	<b>3.20</b>
9 910 000	9 910 000	NED11	NED11 10.54% 17/09/2015	10.54	2015/09/17	10 486 045	0.95
15 400 000	15 400 000	NED6	NED6 9.84% 20/09/2013	9.84	2013/09/20	15 981 324	1.45
8 500 000	8 500 000	NED8	NED8 8.9% 08/02/2014	8.90	2014/02/08	8 767 001	0.80
<b>SANRAL</b>						<b>44 693 157</b>	<b>4.06</b>
15 400 000	15 400 000	NRA018	NRA018 12.25% 30/11/2018	12.25	2018/11/30	18 168 088	1.65
12 400 000	12 400 000	NRA022	NRA022 12.25% 31/10/2022	12.25	2022/10/31	15 144 840	1.38
9 300 000	9 300 000	NRA028	NRA028 12.25% 30/12/2028	12.25	2028/11/30	11 380 229	1.03
<b>OLD MUTUAL</b>						<b>6 472 111</b>	<b>0.59</b>
6 200 000	6 200 000	OML01	OML01 8.92% 27/10/2015	8.92	2015/10/27	6 472 111	0.59
<b>GOVERNMENT</b>						<b>432 107 383</b>	<b>39.28</b>
43 800 000	51 800 000	R204	R204 8.00% 21/12/2018	8.00	2018/12/21	52 791 965	4.80
200 000	200 000	R206	R206 7.50% 15/01/2014	7.50	2014/01/15	205 547	0.02
32 500 000	27 500 000	R207	R207 7.25% 15/01/2020	7.25	2020/01/15	26 457 371	2.40
80 000 000	77 400 000	R186	RSA 10.5% 2026	10.50	2026/12/21	90 590 051	8.23
54 988	54 988	R157	RSA 13.5% 2015	13.50	2015/09/15	67 040	0.01
19 754 579	19 754 579	R212	RSA 2.75% 31/01/2022	2.75	2022/01/31	22 265 063	2.02
4 350 911	4 350 911	R197	RSA 5.5% 2023	5.50	2023/12/07	10 638 047	0.97
	36 256	R189	RSA 6.25% 2013	6.25	2013/03/31	77 776	0.01
36 256		R189PRE	RSA 6.25% 2013	6.25	2013/03/31	-	-
54 800 000	82 800 000	R209	RSA 6.25% 2036	6.25	2036/03/31	61 565 557	5.60
9 300 000	9 300 000	R214	RSA 6.5% 28/02/2041	6.50	2041/02/28	7 020 636	0.64
9 596 133	596 133	R208	RSA 6.75% 2021	6.75	2021/03/31	550 686	0.05
49 150 001	49 150 001	R213	RSA 7.00% 28/02/2031	7.00	2031/02/28	40 870 187	3.71
89 345 903	114 345 903	R203	RSA 8.25% 2017	8.25	2017/09/15	119 007 457	10.82
<b>RAND WATER</b>						<b>25 453 369</b>	<b>2.32</b>
4 754 000	4 754 000	RW02	RAND WATER 13.0% 2012	13.00	2012/07/31	4 923 994	0.45
19 813 162	19 813 162	RW21	RW21 9.97% 21/04/2021	9.97	2021/04/21	20 529 375	1.87
<b>SAPPI</b>						<b>15 330 263</b>	<b>1.39</b>
4 968 000	4 968 000	SMF1	SMF1 9.34% 27/06/2013	9.34	2013/06/27	5 049 935	0.46
10 000 000	10 000 000	SSA01	SSA01 9.63% 28/06/2016	9.63	2016/06/28	10 280 328	0.93
<b>TELKOM</b>						<b>39 635 983</b>	<b>3.60</b>
24 000 000	24 000 000	TL12	TL12 12.45% 29/04/2012	12.45	2012/04/29	24 486 409	2.22
13 900 000	13 900 000	TL15	TL15 11.90% 29/04/2015	11.90	2015/04/29	15 149 574	1.38
<b>TRNET</b>						<b>45 704 137</b>	<b>4.15</b>
19 300 000	19 300 000	TN17	TN17 9.25% 14/11/2017	9.25	2017/11/14	20 045 657	1.82
11 600 000	11 600 000	TN23	TN23 10.8% 06/11/2023	10.80	2023/11/06	12 561 635	1.14
13 900 000	13 900 000	TN27	TN27 8.9% 14/11/2027	8.90	2027/11/14	13 096 845	1.19
<b>UMGENI</b>						<b>20 042 219</b>	<b>1.82</b>
18 500 000	18 500 000	UG21	UG21 10.70% 02/03/2021	10.70	2021/03/02	20 042 219	1.82
<b>ASSETS IN LIQUID FORM</b>						<b>23 104 598</b>	<b>2.10</b>
Money market instruments							
Deposits with banks/mutual banks/foreign branches						23 101 865	2.10
Local Cash						23 101 865	2.10
International Cash							
Settlement Account Positive (+)						2 733	-
<b>TOTAL ASSETS:</b>						<b>1 100 184 933</b>	<b>100.00</b>

# COMMUNITY GROWTH MONEY MARKET FUND

**Nazley Bardien**

Portfolio Manager, Old Mutual Investment Group



## COMMENTARY – DECEMBER 2011

The last quarter of 2011 was characterised by continued volatility in currency markets and turmoil in the Eurozone area, while domestic market expectations of further rate cuts fluctuate with the various data releases.

Rates remained flat in the three-month area with some volatility seen during the quarter at various points along the yield curve. The yield curve steepened during the last quarter with the 12-month rates ending at the 6.05 level from 5.775 at the beginning of the quarter, as the South African Reserve Bank (SARB)'s Monetary Policy Committee left rates unchanged contrary to market expectations.

Maturities in the funds were predominantly used to increase the exposure to the two-to four-month area of the yield curve with some nibbling in the 12-month area.

## OUTLOOK

Our strategy to increase exposure to single-name credits continues. Yield is, however, very difficult to find in the money market space as credit spreads have compressed considerably in both single-name credits and the conduit market while the demand for high-yielding assets continues.

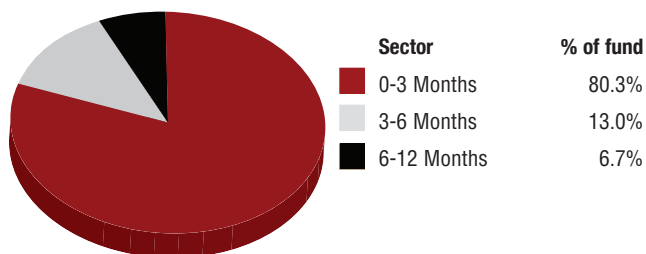
## RISK FACTOR

This is CGF's lowest risk fund. The fund is exposed to lower risk due to the short-term nature of the assets held in the portfolio, which substantially reduces the fund's exposure to price fluctuations and interest rate risk. This fund does not offer guarantees.

## INVESTMENT AIM

The fund seeks to maximise interest income and maintains a high level of liquidity. The fund gives investors exposure to above-average interest rates.

## PORTFOLIO COMPOSITION as at 31 December 2011



## PAST PERFORMANCE

	Fund	Fund Benchmark	Category Rankings
1 year	5.4	5.1	25/25
3 years	7.2	6.7	8/23
5 years	8.6	7.9	8/19

Figures as at 31 December 2011, based on lump sum investment excluding initial charges (NAV-NAV prices). All fund and benchmark returns are net 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 31 December 2011; Fund Benchmark Returns – Old Mutual Investment Group's Internal Performance System as at 31 December 2011

<b>Fund Category</b>	Domestic - Fixed Interest - Money Market
<b>Fund Benchmark</b>	Alexander Forbes Composite Short-Term Fixed Interest Index (STeFI)
<b>Launch Date</b>	1 August 2002
<b>Net Asset Value</b>	R18.12 million (total market value of assets + net income)
<b>Dealing Price</b>	NAV
<b>Distributions</b>	Declared monthly
	Monthly for the last 12 months
	31/12/2011 5.24c per unit
	31/11/2011 0.43c per unit
	30/11/2011 0.42c per unit
	31/10/2011 0.44c per unit
	30/09/2011 0.43c per unit
	31/08/2011 0.47c per unit
	31/07/2011 0.42c per unit
	30/06/2011 0.43c per unit
	31/05/2011 0.46c per unit
	31/04/2011 0.42c per unit
	31/03/2011 0.44c per unit
	28/02/2011 0.41c per unit
	31/01/2011 0.47c per unit
<b>Minimum Investment</b>	Lump sum - R5 000. Monthly debit order - R500
<b>Initial Charge</b>	Upfront charge: 0%
<b>Service Fee</b>	0.57% p.a. (calculated on the market value of the fund's assets and deducted from the portfolio monthly). Additional administrative charges incurred by the Management Company are deducted from the fund's portfolio.
<b>Unit Price (cents/unit)</b>	Buy and sell: 100.00c
<b>Total Expense Ratio (TER)*</b>	0.63% (Annualised)
<b>Fund Code</b>	CGMF

\*From April 2007, the unit trust industry introduced a new measure called Total Expense Ratio (TER) to evaluate the effect of costs on an investment. Each fund's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that was incurred as charges, levies and fees related to the management of the portfolio.

# COMMUNITY GROWTH MONEY MARKET FUND

Holdings as at 31 December 2011

Concern or Body	Name of Instrument	Market Value R	% of Portfolio	Maturity Date	Days to Maturity
<b>NON-EQUITY SECURITIES</b>		<b>15 940 516</b>	<b>98.49</b>		
ABSA		100 000	0.62		
	ABP NCD 5.725 210512	100 000	0.62	2012/05/21	143
AFRICAN BANK		600 000	3.71		
	AFRJBL17 6.3 030412	250 000	1.54	2012/04/03	95
	AFRJBL21 FRN 110512	200 000	1.24	2012/05/11	133
	AF FXD 6.8 230312	150 000	0.93	2012/03/23	84
BLUE TITANIUM		985 726	6.09		
	BTC COM 220212	985 726	6.09	2012/02/22	54
BOE CORP		750 000	4.63		
	BOC FXD 7.2 130612	150 000	0.93	2012/06/13	166
	BOC FXD 7.0 210812	200 000	1.24	2012/08/21	235
	BOC FXD 6.7 111012	200 000	1.24	2012/10/11	286
	BOC FXD 6.35 201112	100 000	0.61	2012/11/20	326
	BOC FXD 7.2 220512	100 000	0.61	2012/05/22	144
FIRSTRAND		200 000	1.24		
	FR FXD 5.75 100112	100 000	0.62	2012/01/10	11
	FR NCD 5.6 200212	100 000	0.62	2012/02/20	52
INDWAINV		983 529	6.08		
	IND209 280212	983 529	6.08	2012/02/28	60
INVESTEC		1 250 000	7.72		
	INVJB76B 5.96 200312	300 000	1.85	2012/03/20	81
	INVJB77B 5.93 220312	200 000	1.24	2012/03/22	83
	IPN NCD 5.6 220212	750 000	4.63	2012/02/22	54
LANDBANK		2 412 941	14.90		
	LA PNO 240712	469 782	2.90	2012/07/24	207
	LA PNO 120312	971 773	6.00	2012/03/12	73
	LA PNO 270312	971 386	6.00	2012/03/27	88
NEDCOR		1 860 000	11.49		
	NE FXD 6.2 250112	80 000	0.49	2012/01/25	26
	NE FXD 6.2 260112	80 000	0.49	2012/01/26	27
	NE FXD 6.3 160212	150 000	0.93	2012/02/16	48
	NE FXD 6.35 130312	50 000	0.31	2012/03/13	74
	NBKSRN1A 050312	500 000	3.09	2012/03/05	66
	NBK NCD 6.0 070212	1 000 000	6.18	2012/02/07	39
RMB		984 962	6.09		
	BIDC15 230112	984 962	6.09	2012/01/23	24
SANCM		500 000	3.09		
	SC DLI 6.075 250112	500 000	3.09	2012/01/25	26
SOSAB		991 417	6.13		
	SA060U 260112	991 417	6.13	2012/01/26	27
STANDARD BANK		2 350 000	14.51		
	SB FXD 5.625 130112	250 000	1.54	2012/01/13	14
	SB FXD 5.62 240112	800 000	4.94	2012/01/24	25
	SB FXD 5.625 090312	500 000	3.09	2012/03/09	70
	SB FXD 5.625 120312	400 000	2.47	2012/03/12	73
	STDJBL62 FRN 120412	300 000	1.85	2012/04/12	104
	STDJBL69 FRN 030812	100 000	0.62	2012/08/03	217
TRANSNET		971 942	6.01		
	TSP126 040512	971 942	6.01	2012/05/04	126
VOD002		1 000 000	6.18		
	VOD002 5.67 28022012	1 000 000	6.18	2012/02/28	60
TOYOTA		985 981	5.44		
	TFS86 301111	985 981	5.44	30/11/2011	61
TRANSNET		985 106	5.44		
	TSP120 061011	985 106	5.44	06/10/2011	6
ASSETS IN LIQUID FORM		244 551	1.51		
	Deposits with banks/mutual banks/foreign branches	244 551	1.51		
	Local Cash	244 551	1.51		
<b>TOTAL FUND</b>		<b>16 185 068</b>	<b>100.00</b>		

# COMMUNITY GROWTH EQUITY FUND

## Universe of Shares

ABSA Group	Datacentrix Holdings	Massmart Holdings	Reunert
Adcorp Holdings	Datatec	Metropolitan	RMB Holdings
AECI	Didata Holdings	MTN	SABMiller
African Bank Inv	Discovery Holdings	Murray & Roberts	Sanlam
Altech	Dorbyl	Mustek	Santam
Altron	ELB Group	Mutual & Federal	Sappi
Anglo American Plc	FirstRand	Nampak	Sasol
AngloGold	Foschini	Naspers	Shoprite Holdings
Angloplats	Gold Fields	Nedcor	Spar
AST/Gijima	Group 5	Netcare	Spescom
Aveng	Harmony	New Clicks Holdings	Stanbank
Avusa	Hudaco Industries	Oceana Group	Steinhoff Int Holdings
Barloworld	Illovo Sugar	Old Mutual plc	Telkom
Bell Equipment	Impala Platinum	Palabora Mining	Tiger Brands
Bidvest Group Ltd	Imperial Holdings	Pick n Pay Holdings	Tongaat-Hulett Group
Billiton Plc	Investec Ltd	Pick n Pay Stores	Trencor
Business Connexion	Investec Plc	PPC	Truworths Int
City Lodge Hotels	JD Group	PSG Group Ltd	Unitrans
Coronation Fund Managers	Lonmin Plc	Rainbow Chicken	Woolworths

### PORTFOLIO PERFORMANCE

Unit trust portfolio performance as shown in this report is calculated on a NAV-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.

### STATUTORY INFORMATION

Collective Investment Schemes in Securities (Unit Trusts) are generally medium- to long-term investments. Past performance is no indication of future growth. It is important that you are prepared for some shorter term fluctuations as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts may engage in scrip lending and may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. An upfront charge for broker commission (0%-3.42% of the investment amount) is deducted prior to the purchase of units. An annual service fee of 0.57% is calculated on the market value of the fund's assets (excluding income and permissible deductions) and deducted from the portfolio on a monthly basis. A schedule of fees and charges and maximum commissions is available from the management company/intermediary. Unit trust prices are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio, divided by the number of units in issue. Permissible deductions may include compulsory and bank charges, brokerage, marketable securities tax, other taxes and levies, custodian and trustee fees and audit fees. Commission and incentives may be paid by Comanco and if so, are included in the overall costs. Each fund's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that was 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 cannot be regarded as an indication of future TERs. You can easily sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis). Instructions must reach Community Growth Management Company before 15h00 (13h00 for the Community Growth Money Market Fund) to ensure same-day value. The Community Growth Money Market Fund unit price aims to be static but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13h00), but may also include any gain/loss on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the fund. Community Growth Management Company is a member of the Association for Savings & Investment, SA. Trustees: The Standard Bank of South Africa Limited, PO Box 54, Cape Town 8000.

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