



## Mazi Capital Equity Fund A1

### Fund description

The fund invests in South African listed shares, and hence is suitable for investors with long investment horizons (i.e. greater than 5 years). Fund returns are generated from a combination of both capital appreciation and dividends.

### Investment objective

The fund aims to generate total risk-adjusted investment returns above the benchmark.

### Fund managers

Malungelo Zilimbola, Patrice Moyal

### Fund details

ACI classification: Domestic General Equity  
Fund size: R235m  
Inception date: 4 August 2010  
Benchmark: FTSE/JSE Shareholder Weighted All Share  
Minimum investment: R100,000

### Fees & charges

Initial fee: 0%  
Management fee: 1.14% p.a. (Incl. VAT)  
Total expense ratio: 1.26%  
Income distribution: Annually (31 March)

### Administration

Fund auditors: KPMG  
Fund Trustees & Custodians: Nedbank  
Fund bankers: Nedbank  
Collective investment scheme management & administration: Prescient Management Company (The fund is a white-label portfolio operating under the Prescient Collective Investment Scheme.)

### Contact details

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**Mazi Capital**  
(Pty) Ltd

**PRESCIENT**  
MANAGEMENT COMPANY

### Economic update

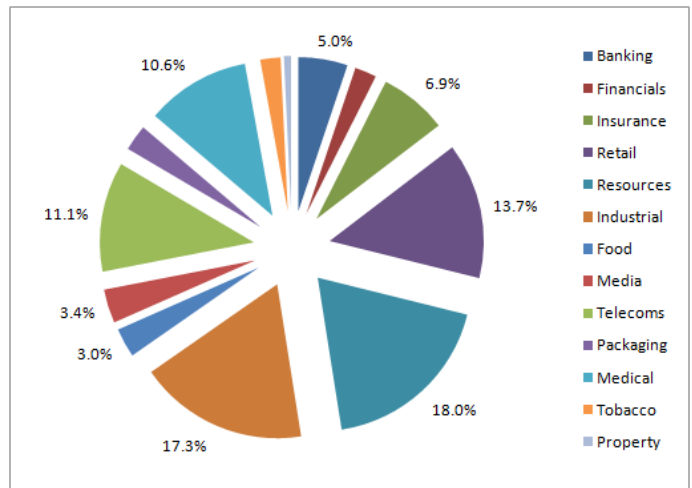
The revised Regulation 28 under the Pension Funds Act of 1956 came into effect on the 1<sup>st</sup> January 2012. Under the old regulation, all the alternative assets/investments comprised of only 2.5% of pension fund portfolios. These assets included private equity, hedge funds, derivatives, commodities, ETF's etc.

As asset managers, we welcome the new regulation and are pleased with the new investment limits and believe that they increase the scope of fund managers and will go a long way in mitigating downside risk for clients' assets. The asset managers, pension fund trustees and investment advisors will have to work together in the implementation of the regulation.

Pension fund trustees will have to pay particular attention to the asset/liability matching of their assets and ensure compliance with the regulation on a continuous basis, as portfolios now have to be monitored for compliance daily, and not just at the aggregate level but also at individual member level. The new limits on alternative investments are as follows:

- ~ max of 10% in **commodities**
- ~ max of 10% in **hedge funds**
- ~ max of 10% in **private equity**
- ~ max of 15% in **hedge funds and private equity**
- ~ 25% exposure to offshore (additional 5% exposure to Africa).

### Sector allocation



### Top 10 holdings

Company	Holding	Company	Holding
MTN	9.0%	Cashbuild	4.7%
Anglo American	6.7%	The Foschini Group	3.3%
Life Healthcare	6.7%	Sasol	3.1%
Old Mutual	5.8%	Super Group	3.1%
BHP Billiton	5.6%	Pioneer Foods	3.0%

### Fund performance

	Fund	Benchmark	Over/(under)
1 year	11.2%	4.3%	6.9%
2 years	n/a	n/a	n/a
Since inception (Annualised)	21.4%	12.7%	8.7%

\* Graphs and performance figures are sourced from MoneyMate for lump sum investments including income distribution, at NAV to NAV basis.

Statutory information: Collective Investment Schemes (unit trusts) should be considered as medium to long-term investments. The value of units may go up as well as down and past performance is not necessarily a guide to future performance. Collective Investment Schemes (unit trusts) prices are calculated on a net asset value basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions from the portfolio divided by the number of units in issue. Permissible deductions may include management fees, brokerage, securities transfer tax (SST), VAT, auditor's fees, bank charges, trustee and custodian fees. The fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity it may also engage in scrip lending. Fluctuations or movements in exchange rates may cause the value of any underlying international investments to go up and down. The Manager reserves the right to open and close portfolios to new investors in order to manage it more efficiently in accordance with its mandate and deed. A schedule of fees, charges and maximum commissions is available on request from Prescient Management Company Ltd and/or Mazi Capital (Pty) Ltd. Commissions and incentives may be paid and if so, are included in the overall cost. Forward pricing is used. In order to receive the price of the day, all transactions must be received before 13h00. The fund is valued at the ruling price of the day. Prescient Management Company & Mazi Capital are members of the Association for Savings & Investments SA (ASISA). The fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value of the portfolio that 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 TER's. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. The investor furthermore agrees that Mazi Capital will not be liable for the consequences of market influences and consequent changes in unit prices.