

Capital Builder Cash Plus Fund (Cash + 3%)

ALL DATA TO 31 MARCH 2011

FUND DESCRIPTION

Capital Builder is an actively managed low risk fund that aims to provide investors with a return in excess of cash, while targeting quarterly capital protection.

Capital Builder targets positive returns every quarter in any market conditions and has consistently demonstrated superior risk and return characteristics from its active portfolio management style.

The fund invests in a fully-hedged portfolio of large cap equities together with cash and money market instruments. OMIGSA's proprietary portfolio construction methodology optimises derivative usage such that the capital protection is achieved without materially sacrificing returns.

The fund has the following principal features:

Returns in excess of cash	✓	Return target of Cash + 3% p.a. over 3 years
Targeted capital protection	✓	A fully-hedged portfolio
Full liquidity	✓	Daily
Tax efficiency	✓	Lower exposure to interest-bearing assets
Low-risk stable returns	✓	Through quarterly capital protection and lock-in of quarterly gains

PERFORMANCE TARGET

Cash + 3% p.a. over 3 years

ASSET MANAGEMENT FEE*

0.60% p.a. (excluding VAT) management fee.

Fees can also be structured on a performance fee basis if required.

FUND MANAGERS

John Gilchrist: John is a qualified CA(SA) and holds an MBA (with distinction) from INSEAD (France). He has twelve years of investment experience, and joined OMIGSA in November 2004 as a portfolio manager. Prior to joining Old Mutual Investment Group, he was Head of South African Derivatives at a major international bank, and served on the JSE SAFEX financial derivatives committee.

Tassius Chigariro: Tassius is a qualified Actuary (FIA) and a CFA charterholder. He has eleven years of investment experience, and joined OMIGSA in January 2008. Prior to joining OMIGSA he was an investment manager with Resolution Asset Managers (UK) and before that he worked as a Pensions Consulting Actuary.

REVIEW

Domestic equity markets were positive for the quarter ending 31 March 2011, with the FTSE/JSE Top 40 Index up 2.2%. All sectors contributed to the positive markets with resources up 2.4%, financials up 1.3% and industrials up 0.9%.

Despite equity markets being positive, the SA Volatility Index (an indicator of uncertainty and risk aversion) increased from 21.6% to end the quarter at 22.5%. This was as a result of decreased risk appetite following the political unrest in North-African and Middle Eastern countries, and the Japanese earthquake. Actual market volatility increased from the five-year lows seen in the previous quarter, but remains low relative to historical averages. The average daily market move over the quarter was just under 0.95%.

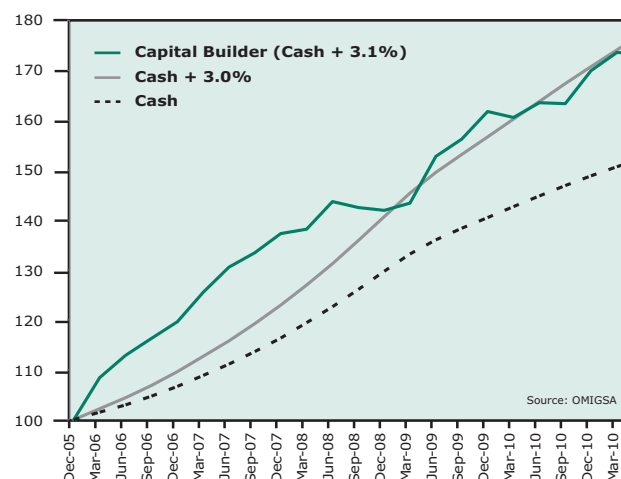
During the quarter, Capital Builder captured a portion of the equity market upside and delivered a quarterly return of 0.7%. With realised volatility still low, the opportunities for the capture of alpha through trading were limited. Capital Builder aims to achieve a CPI+4% return objective by protecting capital when equities fall and participating in equity rallies.

Capital Builder also offers a quarterly capital guarantee for the more conservative investors.

MONTHLY PERFORMANCE

	2005	2006	2007	2008	2009	2010	2011
Jan		5.1%	1.8%	-0.3%	0.2%	-2.0%	-0.3%
Feb		-0.6%	1.7%	2.8%	-1.0%	1.0%	1.0%
Q1		8.5%	4.9%	0.7%	1.0%	-0.7%	2.2%
Mar		3.6%	2.9%	1.6%	1.8%	2.1%	-0.1%
Apr		1.2%	0.4%	2.7%	1.3%	0.0%	
May		-0.7%	0.7%	-0.4%	3.4%	-0.2%	
Q2		4.1%	4.0%	4.0%	6.6%	1.9%	
Jun		2.0%	0.5%	0.0%	-0.7%	-1.3%	
Jul		-1.0%	0.8%	-2.7%	1.7%	1.5%	
Aug		2.0%	0.9%	1.9%	1.3%	-0.3%	
Q3		3.0%	2.2%	-0.8%	2.2%	-0.1%	
Sep		1.5%	1.7%	-2.1%	0.0%	2.0%	
Oct		1.9%	2.2%	0.7%	1.9%	1.1%	
Nov		-0.5%	-1.0%	1.0%	1.6%	1.0%	
Q4		2.9%	2.8%	-0.4%	3.5%	4.1%	
Dec	3.8%	1.3%	-1.8%	1.9%	0.3%	1.4%	
Annual		16.8%	11.2%	7.2%	12.2%	6.3%	
Return in excess of Cash		9.9%	1.9%	-4.3%	4.3%	0.5%	

CUMULATIVE PERFORMANCE



RETURN ANALYSIS (annualised)

	CAPITAL BUILDER	CASH	BEASSA ALL BOND INDEX
1 year	5.9%	5.5%	8.3%
3 years	7.3%	7.9%	10.1%
Since inception (Dec 05)	10.9%	8.1%	7.5%

SINCE INCEPTION RISK ANALYSIS

	CAPITAL BUILDER	CASH	BEASSA ALL BOND INDEX
Maximum Losing Month	-2.7%	N/A	-3.6%
Maximum Drawdown	-3.3%	0.0%	-7.3%
Maximum Quarterly Drawdown	-0.8%		
% of Positive Months	70.3%	100.0%	65.6%

FUND FACTS

AUM	R4 billion
Launch date	1 December 2005
Currency	SA Rand
Administrator	JP Morgan
Auditor	KPMG
Liquidity	Daily

CONTACT DETAILS

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* There are a variety of investment vehicles to choose from. Please consult OMIGSA for further information.

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