



skyblue
FUND MANAGERS

Performance Update

Skyblue Cumulus Moderate Fund of Funds

The cornerstone of our investment style is growing long term wealth by delivering inflation beating returns over time whilst being mindful of protecting capital as best possible. Our focus is not to be number one on a historical basis, but rather to meet our client expectations given the mandate of this fund. Our primary goal however is to deliver returns at lower risk than our competitors, taking the volatility of the violent market swings as much out of play as possible. We acknowledge that investors have little appetite for the rollercoaster ride of the last few years, so we seek to make the journey with us that much more bearable. So this report gives both the straight return of our fund in its sector, as also the position relative on a RISK ADJUSTED basis to its peers – this we see as the more important information. Our view is that investors should focus on just how much return is delivered in relation to the risk taken – how have we done in limiting the wild swings in value seen of late. We urge our investors to know their fund mandate so expectations can be fairly measured and our process can be given the time the mandate allows us to deliver.

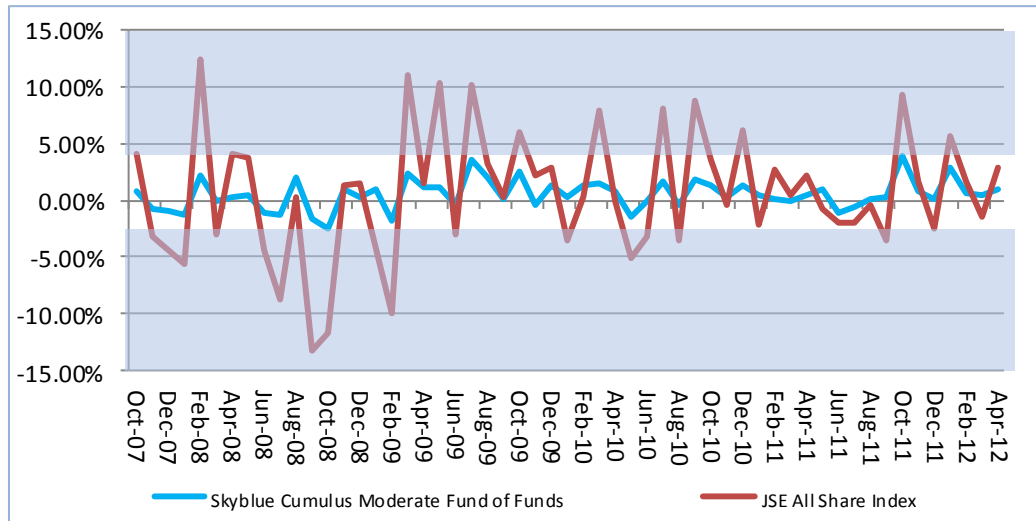
Return:

	2009	2010	2011	Year to Date	2 Year	Since Inception (Oct. 2007)
Skyblue Cumulus Moderate Fund of Funds	13.44%	8.73%	6.03%	5.03%	16.31%	34.28%
Benchmark (SteFi + 3%)	12.45%	9.35%	8.95%	2.86%	19.43%	64.95%
Asset Allocation Prudential Variable Equity Average	15.29%	10.57%	5.79%	5.06%	18.66%	33.54%
JSE All Share Index	32.13%	18.98%	2.57%	9.01%	27.41%	30.33%

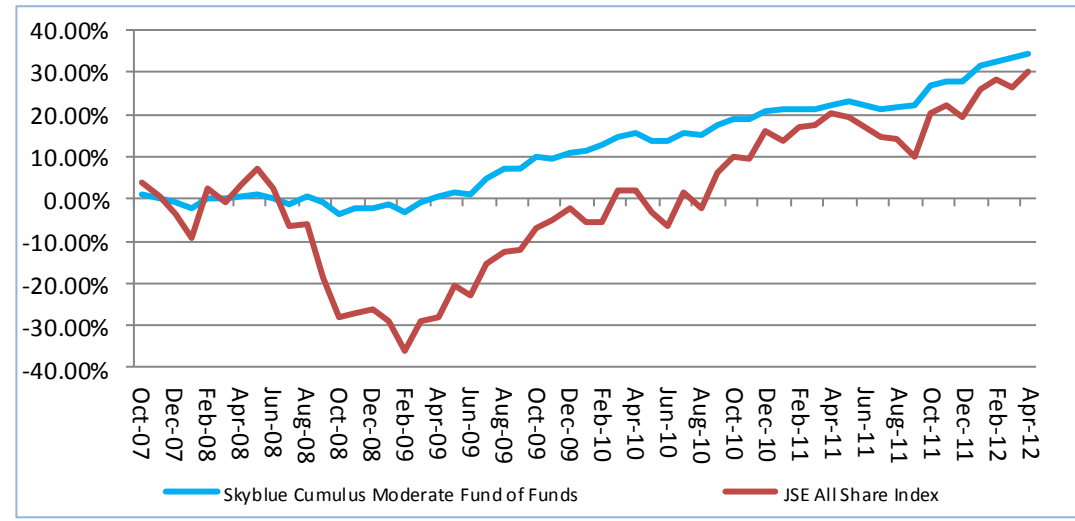
Sector Rankings:

	Return Year to Date	Return/Risk Year to Date	Return 2 Year	Return/Risk 2 Year	Return Since Inception	Return/Risk Since Inception
Skyblue Cumulus Moderate Fund of Funds	56/111	64/111	64/92	39/92	27/52	4/52
Asset Allocation Prudential Variable Equity Sector	111	111	92	92	52	52

Reducing Short Term Noise:



And Still delivering Superior Returns:



*The graph reflects monthly returns of equity vs. the fund. It is clear that fund has far less variability in monthly returns

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