



skyblue
FUND MANAGERS

Performance Update

Skyblue Kimberlite Cautious Fund of Funds

The cornerstone of our investment style is delivering inflation beating returns over time, whilst protecting capital. 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.

Return:

	2009	2010	2011	Year to Date	2 Year	Since Inception Oct. 2007
Skyblue Kimberlite Cautious Fund of Funds	10.05%	9.14%	7.48%	3.64%	16.50%	40.32%
Benchmark (SteFi + 1%)	10.22%	7.36%	6.79%	2.18%	14.74%	50.51%
Asset Allocation Prudential Low Equity Average	10.4%	9.70%	6.34%	4.06%	17.64%	36.63%
JSE All Share Index	32.13%	18.98%	2.57%	9.01%	27.41%	30.33%

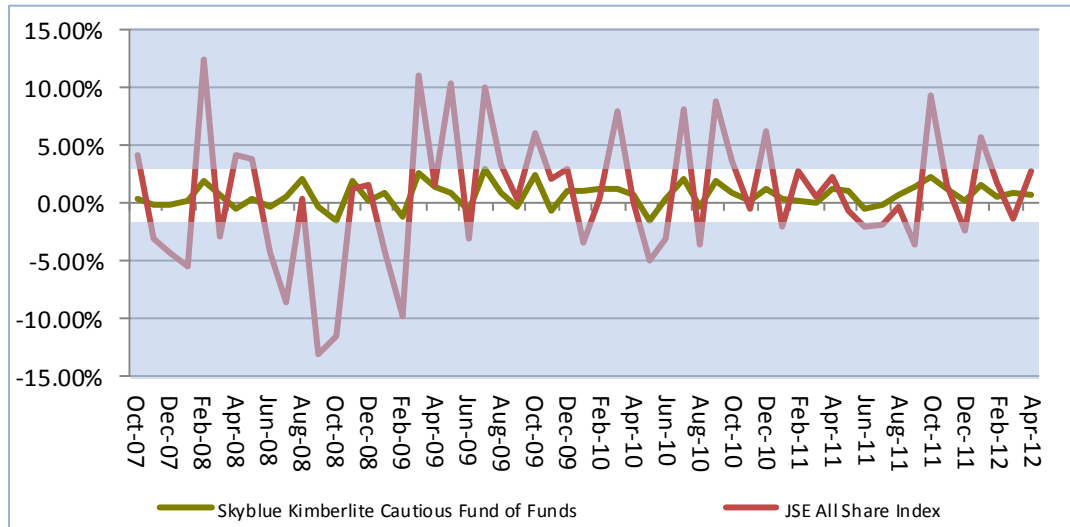
Sector Rankings:

	Return Year to Date	Return/Risk Year to Date	Return 2 Year	Return/Risk 2 Year	Return Since Inception	Return/Risk Since Inception
Skyblue Kimberlite Cautious Fund of Funds	54/82	46/82	41/67	36/67	13/47	9/47
Asset Allocation Prudential Low Equity Sector	82	82	67	67	47	47

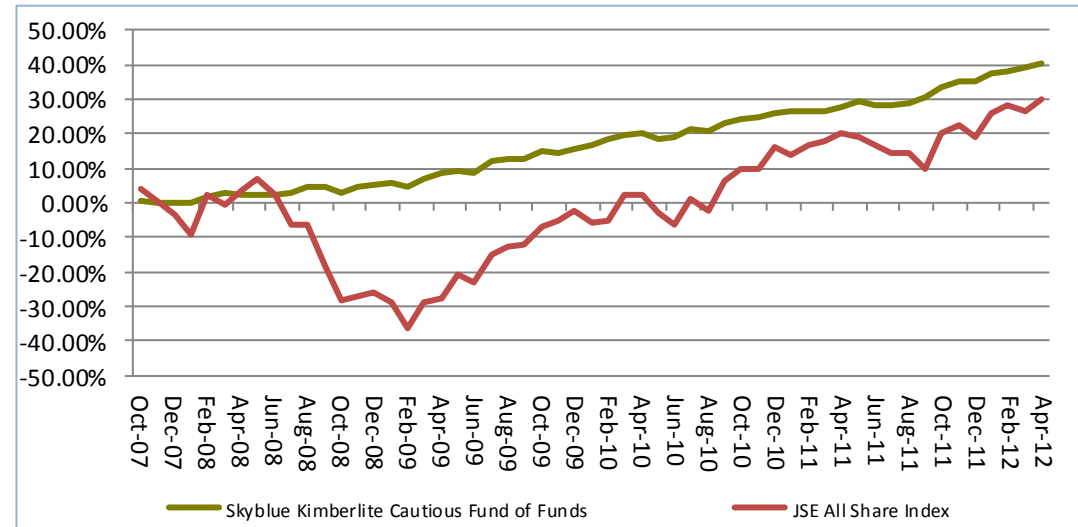
Our primary goal however is to deliver returns at lower risk than our competitors, taking the volatility of the violent market swings as much out of play as possible. We acknowledge that investors have little appetite for the rollercoaster ride of the last few years, so we seek to make the journey with 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.

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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