Finsolnet

Finsolnet CPI + 6% Portfolio

November 12

INVESTMENT OBJECTIVE

Inception Date: 22 September 2003

The objective of this strategy is to target an annual return of CPI plus 6% over a rolling 60-month period and not to lose capital over a rolling 36 -month period.

INVESTMENT VEHICLE

Fund: Sygnia CPI + 6% Portfolio
Fund Category: Domestic - Asset Allocation - High Equity

MANAGEMENT FEES

Sygnia CPI + 6% Total Expense Ratio: 1.10%

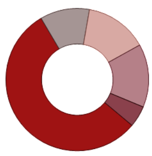
*TER is for Class B fund only. The TER of the Class A fund includes an additional advisor fee of 0.65% plus VAT.

RISK STATISTICS

	FUND	ALSI
Standard Deviation	9.1%	16.8%
Downside Deviation	6.2%	10.3%
% Positive Months	70.3%	64.9%
% Negative Months	29.7%	35.1%
Best Month	7.8%	12.5%
Worst Month	-7.2%	-13.2%
Avg Negative Return	-1.6%	-3.4%
Maximum Drawdown	-20.8%	-40.4%

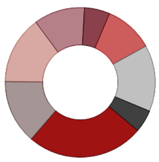
Risk statistics are calculated since inception of the fund

ASSET ALLOCATION



Equities - 55.4% Bonds - 11.2%
Money Market - 14.2% Int Equities - 14.3%
Int Cash - 4.8%

MANAGER HOLDINGS



Coronation - 25.2% Allan Gray - 13.8% Investec - 14.7%
Sygnia - 11.0% Mazi Capital - 5.5% Cash - 10.6%
OMIGSA - 14.3% Int Cash - 4.8%

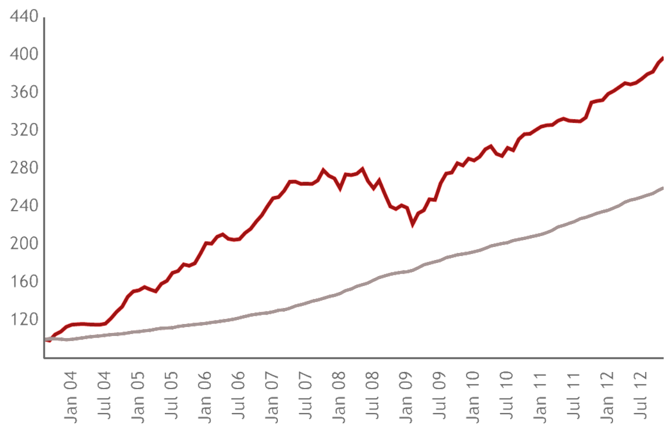
TOP 10 EQUITY HOLDINGS

	VALUE
Sasol	3.8%
MTN Group	2.9%
SAB Miller	2.5%
British American Tobacco	1.9%
Standard Bank	1.8%
Naspers	1.7%
Anglo American Plc	1.7%
Remgro	1.5%
BHP Billiton	1.4%
Mondi Plc	1.1%

PERFORMANCE ANALYSIS

YEAR	STRATEGY	BENCHMARK	DIFFERENCE
1 month	1.5%	1.1%	0.4%
3 month	4.7%	3.2%	1.6%
6 month	7.8%	5.3%	2.4%
Year to date	12.8%	10.8%	2.0%
1 year	13.1%	11.6%	1.5%
2 year	12.0%	11.8%	0.2%
3 year	11.9%	11.0%	0.9%
5 year	7.8%	12.4%	-4.5%
Since Inception	16.1%	10.9%	5.2%
2006	26.3%	10.0%	16.3%
2007	12.2%	14.5%	-2.3%
2008	-10.5%	16.7%	-27.2%
2009	20.4%	11.8%	8.6%
2010	10.3%	9.6%	0.8%
2011	9.9%	12.1%	-2.3%

CUMULATIVE PERFORMANCE



Finsolnet CPI + 6% Portfolio   CPI + 6% (Lagged by 1 month)

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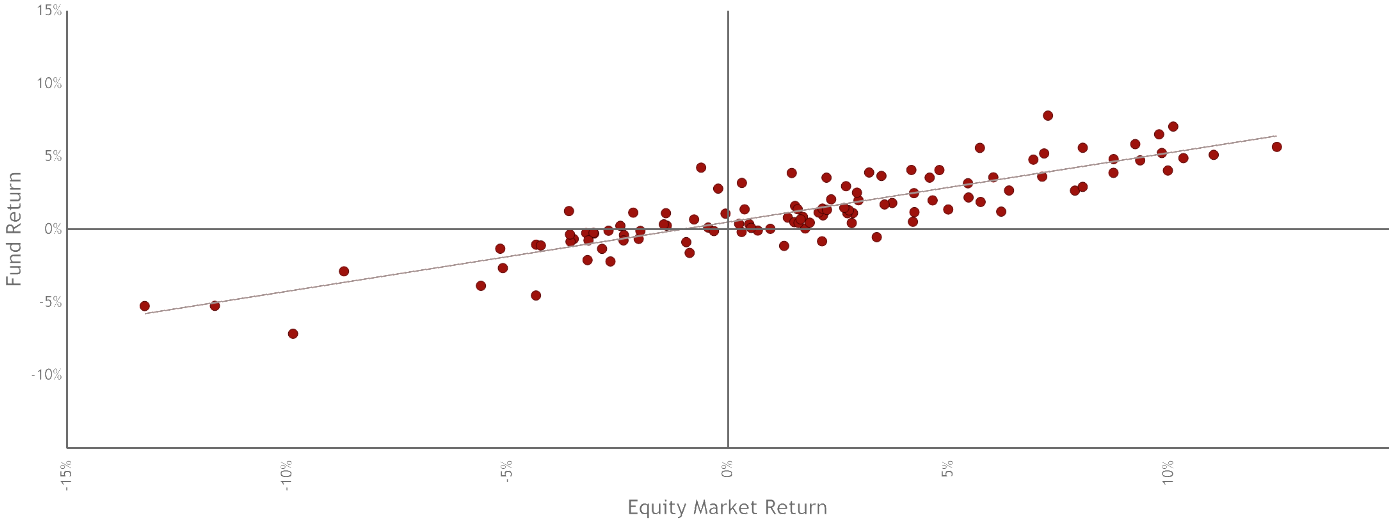
SYGNIA
THE SUM OF ALL THINGS

FUND SENSITIVITY TO EQUITY MARKET



COMMENTARY

The volatility in the markets continued through November as the eurozone moved deeper into a recession, looming fiscal cliff concerns overshadowed the re-election of US President Barack Obama, and wrangling over Greece highlighted deep divisions over how to handle the eurozone crisis. A once-in-a-decade political transition in China, a military stand-off between Israel and Palestine and a spate of sovereign downgrades added to the market uncertainty. Undoubtedly, the US is well ahead of others on the road to economic recovery, a fact attributable to the ultra-aggressive monetary policies implemented by the Federal Reserve. China has also stabilised, albeit at low levels, but the eurozone remains mired in a recession.

All the attention focused on the US “fiscal cliff” issue, a series of automatic tax increases and spending cuts amounting to US$607 billion effective on 1 January 2013 which could reduce US growth by around 3% in 2013. Negotiations between the Republicans and Democrats have yielded little to date. The news that the eurozone has slipped back into a recession, with the third quarter GDP contracting by 0.1% quarter-on-quarter, triggered a heavy mid-month sell-off. Greece was granted two more years till 2022 to reduce its deficit, while Spain successfully raised €4.8 billion through a bond auction, giving it more time before having to

Moody's lowered France's sovereign rating from AAA to Aa1 on the back of concerns about France’s long-term growth outlook. Month-end brought some upward momentum to the markets on the back of stronger November manufacturing surveys in the US and China, and indications of some progress in the fiscal cliff negotiations.

In South Africa the effects of the mining and transport strikes in September came through in the economic data at the same time as the strikes spread to the farm workers in the Western Cape and the rand flirted with the R9/US$1 level. The most significant effect has been the lower than expected third quarter GDP growth figure which came in at 1.2% on a seasonally adjusted and annualised basis. Unemployment rose to 25.5% in the third quarter, with the number of unemployed people reaching 4.7 million, the most since 2008. Consumer inflation rose to 5.6% year-on-year and the trade account deficit widened to its worst level in years in October. The FTSE/JSE All Share Index closed the month at a fresh all-time high after weak trade figures pushed the rand lower with the rand-hedge stocks gaining. Overall equities returned 1.6%, the BESA All Bond Index rose by 0.8% and the rand depreciated by 2.6% against the US dollar.

HISTORICAL PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2008	-3.9%	5.7%	-0.3%	0.5%	1.8%	-4.5%	-2.9%	3.2%	-5.3%	-5.2%	-1.1%	1.6%	-10.5%
2009	-1.1%	-7.2%	5.1%	1.4%	4.9%	-0.2%	7.1%	3.9%	0.4%	3.6%	-0.8%	2.5%	20.4%
2010	-0.7%	1.4%	2.7%	1.1%	-2.7%	-0.8%	2.9%	-0.8%	3.9%	1.7%	0.1%	1.2%	10.3%
2011	1.2%	0.4%	0.1%	1.3%	0.7%	-0.6%	-0.1%	-0.1%	1.3%	4.7%	0.5%	0.2%	9.9%
2012	1.9%	0.9%	1.1%	1.1%	-0.3%	0.5%	1.1%	1.3%	0.7%	2.5%	1.5%		12.8%