

PIONEER BALANCED & STABLE FUND OF FUNDS

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INVESTMENT MANAGERS



Pioneer

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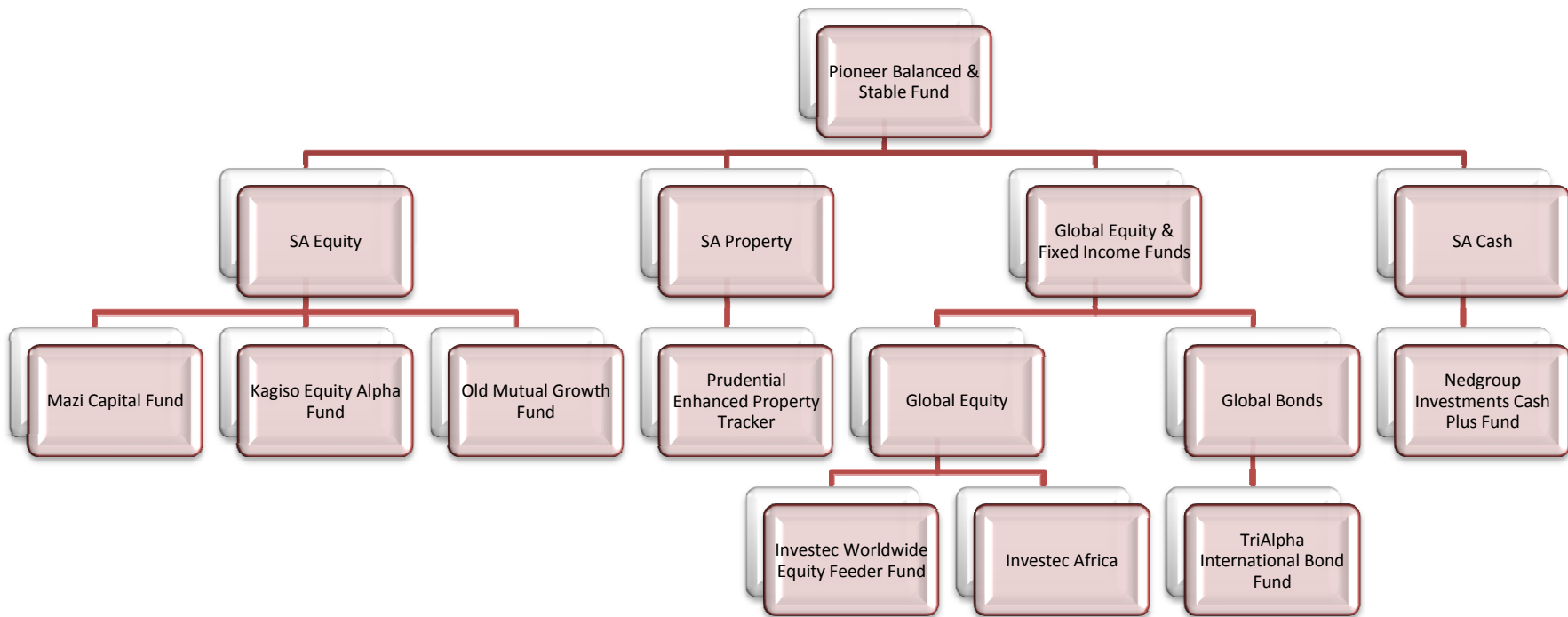
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INSPIRED BY CHANGE

ADVANTAGES OF USING A MULTIMANAGER APPROACH

Invested with an underlying portfolio of investment managers	<ul style="list-style-type: none">• The key attraction is diversification.• Diversification reduces risk.• Diversification of style, investment process and skill to deliver above average performance.
Diversification of investment style	<ul style="list-style-type: none">• Provides protection against the cyclical nature of markets.
Consistent non volatile returns over the long period	<ul style="list-style-type: none">• A multi- manager approach might underperform a leading single manager in the short period . Over the longer period the returns will be less volatile and more consistent.
Portfolio construction	<ul style="list-style-type: none">• 27four takes into account the risk/return profile of the investor to calculate the correct weightings per manager.
Continuous monitoring of risk	<ul style="list-style-type: none">• Portfolio risk is monitored at composite as well as individual fund level.• Portfolio managers are contacted on a regular basis. This ensures any changes in company or team structure are monitored.
Specialist Approach	<ul style="list-style-type: none">• Pick the manager who has the best management skill in their asset class.
Rigorous qualitative and quantitative due diligence on the fund manager industry	<ul style="list-style-type: none">• We search for the gems of the industry.

PIONEER BREAKDOWN



MANAGER SELECTION

South African Equity Funds

- Equity is the most risky asset class , consistent returns are obtained by diversification between three equity managers.
- The fund is currently invested in three equity managers: Mazi Capital Fund, Kagiso Equity Alpha Fund and Old Mutual Growth Fund.
- Overall equity exposure is obtained by finding the optimal blend of weightings per manager. This decision is based on the managers performance as well as focusing on diversification. A strict due diligence is preformed to ensure the correct information is obtained. The current blend of managers is diversified along:
 - Style – two value orientated managers and one growth manager
 - Uncorrelated returns – different managers will outperform in different market conditions
 - Single positions – net positions are monitored to ensure no large exposure to one equity
 - Manager split between two smaller investment houses and a large financial institution
 - Market Cap – one manager that specialises in investing in small and medium caps, the other two managers invest in medium and large caps.

SOUTH AFRICAN EQUITY FUNDS MANAGERS

MAZI CAPITAL FUND

- R7 bn AUM
- Fund Manager:
 - Malungelo Zilimbola – Previous experience: director and senior portfolio manager at RMB
 - Patrice Moyal - 15 years investment industry experience. Previous experience as fund manager at Peregrine and Liberty. Founder of Visio Capital Management.
- Experienced investment team.
- Pure fundamental value orientation, bottom-up analysis with top-down industry research.
- Top quartile performance in its category.

SOUTH AFRICAN EQUITY FUNDS MANAGERS

KAGISO EQUITY ALPHA FUND

- R21 bn AUM
- Fund Manager: Gavin Wood , executive director of Kagiso Asset Management. Headed up the investment team since inception. Previous experience: investment analyst at Coronation.
- Diversified team with extensive investment experience.
- In depth company valuation . Fundamentals are used to identify value investments.
- Hybrid investment process consisting of fundamental valuations and quantitative screening.
- Regression type statistical analysis used to produce return expectations.
- Top quartile performance in its category.

SOUTH AFRICAN EQUITY FUNDS MANAGERS

OLD MUTUAL GROWTH FUND

- Sits within the Electus Botique of Omigsa.
- Fund Manager is Richard Hasson.
- Fundamental process to invest in growth investments.
- Top quartile performance in its category.

SOUTH AFRICAN PROPERTY FUNDS MANAGERS

PRUDENTIAL ENHANCED PROPERTY TRACKER

- Fund Manager:
 - Albert Arntz - Previous experience: property analyst at Deutsche Bank.
 - Marc Beckenstrater – Previous experience: senior portfolio manager at RMB.
- Invest in listed property based on fundamental research.
- Ranked second on a 3 year basis.

CASH MANAGERS

NEDGROUP INVESTMENTS CASH PLUS FUND

- Managed by Taquanta Asset Managers.
- Specialist cash managers.
- R50bn AUM as a house.
- Consistent top performer on a long term basis.



GLOBAL EQUITY FUND

- The global equity exposure is achieved through two funds: The Investec Worldwide Equity Feeder Fund and the Investec Africa Fund. The blend of these two funds:
 - Diversified across region creating a blend of developed markets, emerging markets and frontier markets (Africa).
 - Uncorrelated returns – Historic Africa returns are uncorrelated to historic developed market returns.

GLOBAL EQUITY FUND

THE INVESTEC WORLDWIDE EQUITY FEEDER FUND

- Managed by Phillip Saunders - member of the Investec Global 4-factor team.
- Fund is mainly invested in developed markets (United States, Europe, UK and Asia).
- The fund is also invested in emerging markets. This is less than 10% of the fund.
- Feeds into the Investec Global Equity Fund (AUM R 1.5bn).
- Valuation, strategy, earning dynamics and technical analysis for stock selection
- Stock picking technique.
- 2nd quartile performance over 1 year.

GLOBAL EQUITY FUND

INVESTEC AFRICA FUND

- Fund manager: Chris Derksen – Previous experience: Equity research at Goldman Sachs.
- Roelof Horne - Investec Asset Management in February 1996 and was involved in equity analysis and portfolio management.
- Investment decisions based on company research as well as onsite management visits to Africa.



GLOBAL BONDS

TRIALPHA INTERNATIONAL BOND FUND

- ACPI Investment Managers.
- Fund Manager Richard Ward – Previous experience JP Morgan Asset Management.
- The fund is invested in the best risk adjusted yield curves, foreign exchange and credit opportunities on a monthly basis.
- Investment strategy global top down approach for macro asset allocation combined with a bottom up credit selection and dynamic risk management.