

# IMARA INVESTING IN AFRICA

## Asset Management

Title	Imara MET Equity Fund
Edition	Monthly
Region	South Africa
Date	31 January 2013
Issued by	Imara Asset Management SA (Pty) Ltd

### Key Information

Price as at 31 January 2013	167.90 cpu
Original buying price	100.00 cents
Portfolio value	R305.6m
Managers upfront charge (max)	0.00%
Advisors upfront comm. (max)	3.42% (incl. VAT)
Annual service fee	1.71% (incl. VAT)
Benchmark	J203T ALSI
Launch date	21 May 2008
Date of Income Declaration	30 Jun / 31 Dec
Date of Income Payment	07 Jul / 07 Jan
Risk Profile	High
Valuation time	15h00
Transaction time	13h00
2010 Income Distribution	1.14 cpu
2011 Income Distribution	1.63 cpu
2012 Income Distribution	2.00 cpu
Fund Classification	SA Equity General
Portfolio manager	Dave Eliot & Chris Botha
ISIN Code	ZAE000118410

### Portfolio Objective

The Imara MET Equity Fund is a general equity portfolio. The Fund largely mirrors the successful Imara Houseview investment policy and may consist of financially sound equity securities, property shares and property related securities listed on exchanges and assets in liquid form. In selecting securities for this portfolio, where possible, the manager shall seek to sustain high long-term capital growth.

### Managers Comment

The fund achieved a return of 3.5% in January compared to the JSE All Share return of 3.1% driven by good stock selection and sector rotation into low PE cyclical stocks and rand hedges.

Going into 2013, the issues weighing on global markets remain similar to 2012, with uncertainty around the final outcome of the paralysis in Europe, the lifting of the debt ceiling in the US and the sustainability of reasonable global growth. Global data continues to surprise on the upside, with recent European, US and Chinese flash PMI figures beating expectations. This has filtered through to global markets which have had a solid start to the year with the MSCI World index up 5% for the month.

Despite the better global economy, equity multiples are still fairly low with Equity Risk Premiums(ERP) remaining high, due in part to the fact that central banks continue to buy vast amounts of treasuries driving down rates across the curve.

Given the overall improvement in profits and global backdrop, we anticipate falling ERP's, mostly due to multiple expansions rather than a big sell-off in bonds as these are currently offering negative real returns.

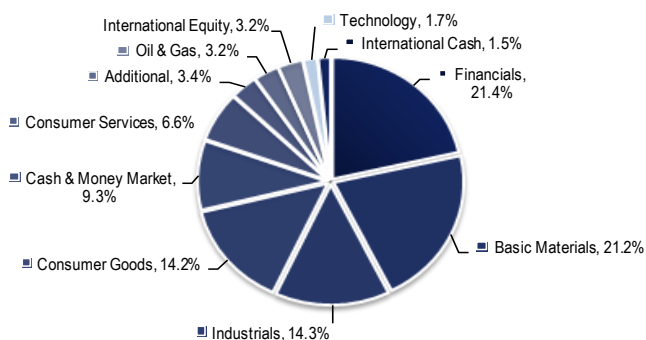
We expect the Rand to remain somewhat weak due to current account deficit concerns and potential for further ratings agency downgrades and expect continued asset class rotation out of bonds into equities with low PE cyclical stocks (miners) outperforming high PE stocks that need a strong rand (retailers) over the next 12 months.

### \*Performance - 31/01/2013

	FUND	B/MARK
1 year	27.63%	23.68%
3 year annualised	21.13%	18.26%
Since inception (21/05/2008)	94.66%	40.80%
Since inception (annualised)	15.23%	7.55%

\*Distributions reinvested

### Asset Allocation as at 31 January 2013



### Top 10 Holdings - 31/01/2013

Billiton	5.54%	Tongaat	3.18%
SAB Miller	3.97%	Sasol	3.17%
Anglo	3.96%	Investec GS Global Eq	3.16%
Exxaro	3.92%	Imperial	3.06%
CFR	3.47%	Naspers	3.03%

**met**  
collective investments

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January 2013

### Total Expense Ratio (TER)

	Class A
Portfolio ongoing fee	1.50%
Portfolio costs	0.07%
<b>TER - excluding performance fees</b>	<b>1.57%</b>
<b>Performance fees</b>	<b>0.00%</b>
<b>VAT</b>	<b>0.22%</b>
<b>Total TER - incl VAT</b>	<b>1.79%</b>

Please note: the TER has been calculated using data from 1 January 2012 until 31 December 2012. The TER is disclosed as % of the average Net Asset Value of the portfolio that were incurred as charges, levies and fees related to the management of the portfolio and underlying portfolios. The TER is adjusted for significant subsequent portfolio restructurings and/or fee changes.

A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TER's.

### FAIS Conflict of Interest

Please note that in most cases where the FSP is a related party to Imara Asset Management Pty (Ltd) and/or MET, Imara Asset Management Pty (Ltd) and/or the distributor earns additional fees apart from the FSP's client advisory fees. It is the FSP's responsibility to disclose additional fees to you as the client.

Such fees are paid out of the portfolio's service charge and ranges anything between (excl VAT):

MetCI	Imara Asset Management Pty (Ltd)	Distributor	LISP	Service Fee (Excl. VAT)
Up to 0.35%	Up to 1.15%	Up to 0.00%	Up to 0.00%	Up to 1.50%

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