



Robert Cowen Investments (Pty) Ltd.

*Growing Families' Wealth Since 1982*

**NEWSLETTER - END JULY 2010**

**5 AUGUST 2010**

"Nothing has to happen for me to feel good! I feel good because I am alive! Life is a gift and I revel in it."  
- Anthony Robbins

"To see what is in front of one's nose requires a constant struggle." - George Orwell

Alan McConnochie  
+27 11 486 0576  
083 378 3463  
alan@rcinv.co.za

Di Haiden  
+27 11 486 0576  
083 308 7928  
di@rcinv.co.za

Rob Cowen  
+27 11 486 0576  
rob@rcinv.co.za

**RCI Flexible Managed unit trust** - RCI Flex rose 4.72% during July compared to an 8.29% rise in the JSE Top 40. For 2010 it is up by 2.62% compared with the JSE Top 40's rise of 0.92%. We have been outperforming when the market dropped due to our hedging, cash holding and gold but obviously underperform when the market rises. Markets were very shaky in the first two weeks of July and then suddenly whipsawed up. Most world markets have turned up and we are hoping for a bit of an extended upswing but of course, the world economy is not going to be fixed in the short term. In the long term, the levels of the market will be determined by value, in the short term by foreign investors crashing in and out of our market. However, interest rates are so low in America and their growth prospects so mediocre that the medium term trend should be for Americans to continue increasing exposure to emerging markets. From a R1.5bn outflow from foreign investors in the first two weeks, July ended up with a net inflow of R4bn (now R21.7bn for the year) into our shares – no wonder the market jumped.

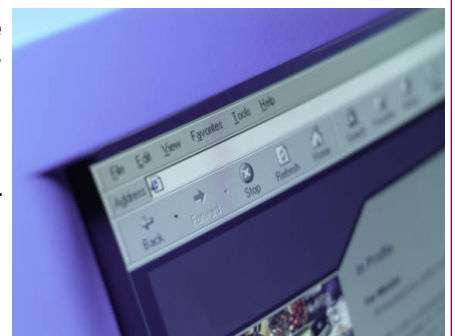
**US stocks bounce, followed by the rest of the world.** At the end of June, the US stock market had fallen through it's support levels and was looking a bit scary. A month later, after a decent bounce, things look a lot rosier - in world markets, as well as here in South Africa. Will the bounce have legs, or remain stuck in the sideways channel of the past few months?

**Do it NOW, NOW, NOW** – the importance of recording where all our vital documents may be found – we provide a template for you to get started.

**"An investor's guide to thinking about thinking"**. Interesting thoughts on the biases that distort our thinking – applicable to most things in life.

**Website:** Due to popular demand, we have set up a website. Visit [www.rcinv.co.za](http://www.rcinv.co.za) for back copies of the newsletter, background information etc.

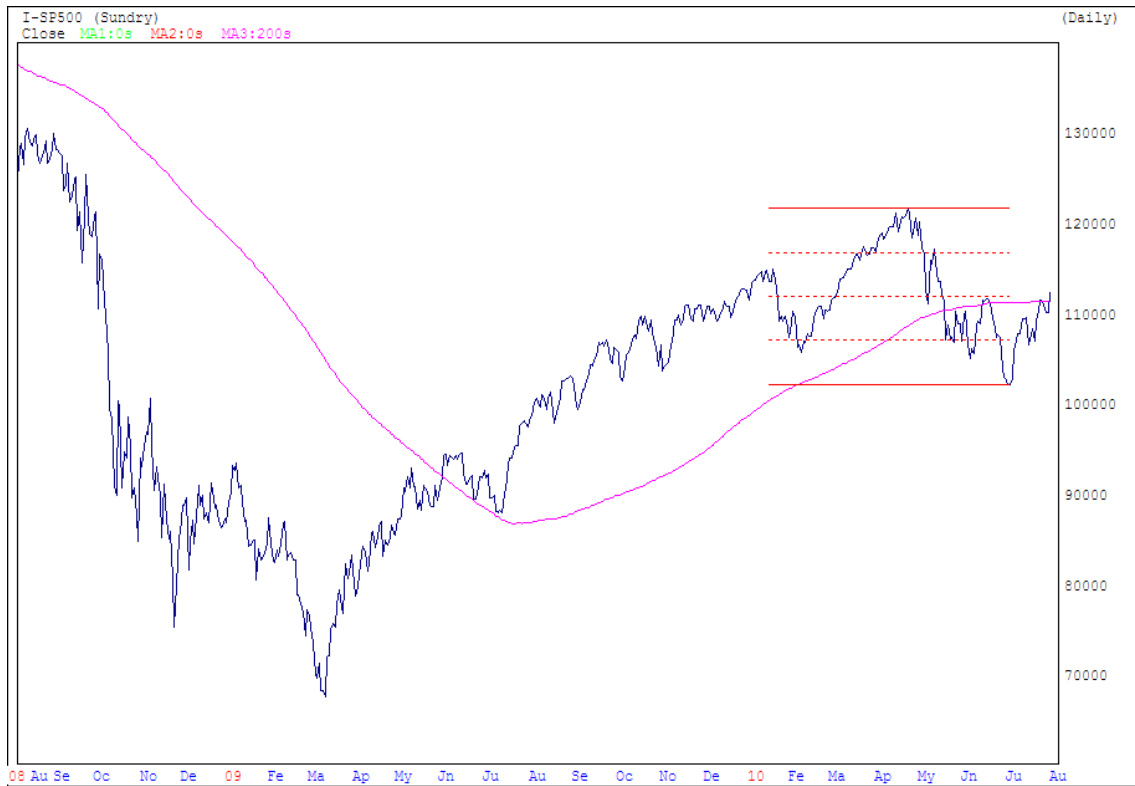
**Change of address?** We are updating our client records. Please let us know if you changed your physical address or telephone numbers in the last six months.



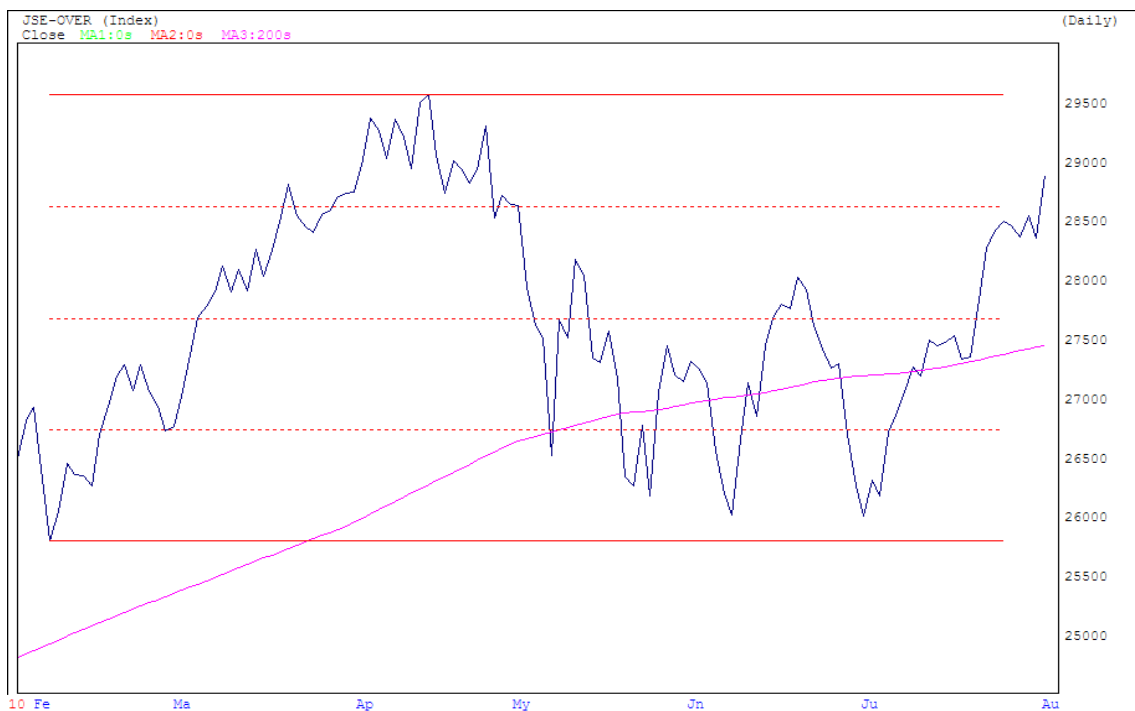
PERSONAL SERVICE  
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## Major markets turned up!

After a very nervous start, the major index in the USA, the SP500 has risen from 10225 to 11258, back into its support area and it may continue as slightly better than expected company results are released in America



This has inspired Americans to start buying emerging market shares again, and most other markets have lifted. In the first two weeks of July, foreign investors sold almost R1bn of our shares but we ended the month up by R4bn for the month and we are now up R21.7bn compared with R72bn last year.



The above graph of the JSE Overall for the past six months shows that the market bounced off it's support level at around 26 000 and has almost reached 29 000, taking us back towards the April peak of 29 500.

Can it break through there or will it run out of steam? As company results are announced, slightly better value is revealed but it is really the big mining stocks, Anglo and Billiton, that will set the pace. Will foreign investment flows into resource and emerging market stocks continue and will investors continue to buy a gradually improving world economy, albeit at a slow pace? At the moment, the trend is your friend but the logical thing to do is to expect the market to fluctuate until a clear new trend is established.

We maintain our view that the direction of US stockmarkets is the most important short term influence on our market while China's demand for our metals will be the longer term driver.

## Do it NOW, NOW, NOW! - update vital documents

Wayne Dwyer, an American psychologist, remarked that he doesn't believe in life insurance because when he dies, he wants it to be a **real** tragedy! Many of us who have had to sort out the estates and paperwork of deceased relatives have felt the frustration and impotence of being unable to find important documents – like property deeds! It's enough to get you to go to a séance to give them a right ticking off!

You **might think it's not your problem if you were to pop off first - not only is that attitude unacceptable in the new post-World Cup South Africa** but what happens if you don't die? If you are sick for a while, or your spouse is ill, or even if you sell your house, it is vital to know where your important documents are.

We suggest **something** along the following lines:

|    | List of important documents |  |               |                  |              |                   |
|----|-----------------------------|--|---------------|------------------|--------------|-------------------|
|    | Reviewed                    |  | Stored?       | Contact          | Phone number | Notes             |
| 1  | 1/07/10                     | Will   | RCI           | Di Haiden        | 0114860576   |                   |
| 2  | 1/07/10                     | Will - executor's details  |               | A.D. Vocate      | 011987321    |                   |
| 3  | 1/07/10                     | Will Letter of wishes  | RCI           | Di Haiden        | 0114860576   |                   |
| 4  | 8/05/08                     | Family Trust - Deed & letter of authority                          | Home safe     | Trustee          | xx           |                   |
| 5  | 4/02/10                     | Trust - letter of wishes   | Home safe     | Trustee          | xx           |                   |
| 6  |                             | Marriage certificate   |               |                  |              |                   |
| 7  |                             | Birth certificate  |               |                  |              |                   |
| 8  |                             | <b>Assets</b>  |               |                  |              |                   |
| 9  |                             | Home -title deeds  | Standard Bank | xx               | yy           |                   |
| 10 |                             | Holiday home -title deeds  | home safe     |                  |              |                   |
| 11 |                             | Share certificate - private company                                | Home safe     | Mr Jones         | 011777777    |                   |
| 12 |                             | Share portfolio  | RCI           | Alan McConnochie | 0114860576   |                   |
| 13 |                             | Excon allowance investment   | RCI           | Di Haiden        |              |                   |
| 14 |                             | <b>Insurance policies</b>  |               |                  |              |                   |
| 15 |                             | Liberty :789789  | Standard bank | Mr Smith         | 0118888      | Secures home loan |
| 16 |                             | Old Mutual: 762567   | home safe     | Mr Smith         | 0118888      | ceded to children |
| 17 |                             | Sanlam   | home safe     | Mr Smith         | 0118888      |                   |
| 18 |                             | <b>Bank accounts</b>   |               |                  |              |                   |
| 19 |                             | Standard - bond 888888   |               | xxx              | yyy          |                   |
| 20 |                             | Nedbank - current 656565   |               | Brown            | zzz          |                   |
| 21 |                             | Nedbank - current 656565   |               | Brown            | zzz          |                   |
| 22 |                             | Car loan - agreement   |               |                  |              |                   |
| 23 |                             | Credit cards   |               |                  |              |                   |
| 24 |                             | <b>Licences</b>  |               |                  |              |                   |
| 25 |                             | Gun licence  |               |                  |              |                   |
| 26 |                             | TV licence   |               |                  |              |                   |
| 27 |                             | Car Licence + registration   | blue file     |                  |              |                   |
| 28 |                             | <b>Emergency contacts</b>  |               |                  |              |                   |
| 29 |                             | Lawyer   |               |                  |              |                   |
| 30 |                             | Accountant   |               |                  |              |                   |
| 31 |                             | Tax consultant   |               | S Hendry         | xxxx         |                   |
| 32 |                             | Brother  |               |                  |              |                   |
| 33 |                             | Household insurance  | red file      |                  |              |                   |
| 34 |                             | Medical aid  |               |                  |              |                   |
| 35 |                             |  |               |                  |              |                   |
| 36 |                             | <b>Attach: list of assets and liabilities from last tax return</b> |               |                  |              |                   |
| 37 |                             | <b>Other</b>   |               |                  |              |                   |
| 38 |                             | Loans to/from family friends : terms and conditions                |               |                  |              |                   |
| 39 |                             | Shareholders agreements for business                               |               |                  |              |                   |
| 40 |                             | Safety deposit box location + key                                  |               |                  |              |                   |
| 41 |                             | Time share   |               |                  |              |                   |
|    |                             | <b>What else??</b>   |               |                  |              |                   |
|    |                             |  |               |                  |              |                   |

So what should you be hoping to achieve?

1. To know where your important documents are.
2. To put down the date when you last reviewed them so you can regularly update your:
  - 2.1 Will and letter of wishes. Check that the heirs are still the same, have the grandchildren turned 18. Still happy with the executor? Taken the changes in estate duty into account? Review this at least every two years, especially the letter of wishes.
  - 2.2 Family trust and letter of wishes. Are there any clauses that need updating? If you are the founder of the trust it is very important to make those changes while you are alive e.g. to extend the life of the trust if appropriate to cover your grandchildren. Often, it is not possible to change the trust after the death of the founder. Is the list of wishes up to date for the trust and do the trustees have a clear understanding of your intentions?
3. Where are the title deeds kept? Are they still sitting at a bank after twenty years- know how to find them? Replacing them will delay a transaction for months.
4. Insurance policies – it is amazing how often they cannot be traced and replacing them is painful. Track down the original document now!
5. Loans to and from family members –ensure they are properly documented as to the terms of repayment; interest rate etc – otherwise plenty of nastiness could result between your children.
6. Most of the rest is self evident but ensure that you find the relevant names and contact details – if you write them in pencil they will be easier to change. Otherwise maintain a computer file – but make sure you leave a paper copy that is easy to find.

The most important column is the “review column” fill in the date that you last reviewed the item in question. Suddenly you might notice that it is three years since you looked at your will – do it now!

**To spouses:** ensure that you know where your partner’s list is kept and, once a year, ensure that it is up to date. Try the Kenny Rogers approach: “you show me yours, hon, and I’ll show you mine”.

***Need help with updating a will, reviewing a trust? Call Di Haiden on 011 486 0576 to be pointed in the right direction.***

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### **From the Investment Book “Just one Thing” by John Mauldin**

Mauldin got twelve experts to write a chapter for his book, each stressing one point of investment theory. (2006, published by John Wiley & Sons). James Montier contributed a chapter, ‘*Psychology matters: an investor’s guide to thinking about thinking*’ in which he highlighted ten biases:

*Bias 1 = I know better, because I know more*

*Bias 2 = Big is the same as important*

*Bias 3 = Show me what I want to see*

*Bias 4 = Heads was skill, tails was bad luck*

*Bias 5 = I knew it all along*

*Bias 6 = The irrelevant has value as input*

*Bias 7 = I can make a judgement based on what it looks like*

*Bias 8 = That's not the way I remember it*

*Bias 9 = If you tell me it is so, it must be true*

*Bias 10 = A loss isn't a loss until I take it*

***His conclusions (which apply to life as well as investments) were:***

1. "These biases apply to me, you, and everyone else as well.
2. You know less than you think you do.
3. Try to focus on the facts, not the stories
4. More information doesn't equal better information
5. Think whether a piece of information is high strength and low weight, or low strength and high weight
6. Look for information that disagrees with you.
7. Your failures aren't just bad luck; examine mistakes to improve performance.
8. You didn't know it all along, you just think you did.
9. If you can't debias, then rebias – we know people will anchor on the irrelevant, so let's replace the unimportant with the relevant. Set up a sensible valuation framework.
10. Judge things by how statistically likely they are, not how they appear.
11. Don't overweight personal experience.
12. Big, vivid, easy to recall events are less likely than you think they are.
13. Don't take information at face value; think carefully about how it was presented to you.
14. Don't value something more, simply because you own it.
15. Sell your losers and ride your winners"

*"Of course, these may all seem very obvious. However, a little like New Year's resolutions, they are easy to say and hard to implement. Having an investment process that incorporates best mental practise requires you to step back from the hurly burly of day-to-day market turbulence and understand how to apply psychology's findings to your own behaviour."*

## **RCI Flexible Unit Trust**

In order to view / obtain RCI Flexible unit trust statements, unit holders may register on Metropolitan's website [www.metropolitan.co.za](http://www.metropolitan.co.za).

To obtain an access user manual, please contact Irene on 011 486 0576.

### ***Unit trust has flexibility – happy to take small amounts***

The unit trust has the flexibility to buy and sell resource shares and to change weightings more frequently than in an individual portfolio. We are happy to take small amounts into the unit trust (from R500 upward). As we do not pay commission to any agents (most get paid 5% on small amounts), the cost of getting in and out of our fund is about 0.29% (to cover the admin fees involved).

*Collective Investment Schemes in Securities (Unit trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the company/scheme. Commission and incentives may be paid and if so, would be included in the overall costs. The portfolio is registered under the license of Metropolitan Collective Investments, a member of the Association for Savings & Investment SA. Forward pricing is used. More details are contained in a fact sheet that is available on request.*

### **To conclude**

The markets are looking a bit more positive. It remains to be seen if they can carry on rising or peter out when they get near their highs of earlier in the year. The mining shares may be due for a bit of a trot after months in the doldrums. Generally, dividends are improving and the outlook for the next 12 months is improving, but it's still not easy out there in the real economy.

Thank you for being our clients.

Kind regards

Rob, Di and Alan

P.S. You are welcome to pass this newsletter on to friends who may wish to learn more about investment. To be added to our email, contact [alan@rcinv.co.za](mailto:alan@rcinv.co.za)



## Annexure A REALITY CHECK: Sentiment indicator turned up across all sectors in July!

| Table 1: Valuation & sentiment indicators  |                        | 30 July 2010        |                        |                        |                       |                        |                        |  |
|--|------------------------|---------------------|------------------------|------------------------|-----------------------|------------------------|------------------------|--|
|  | TOP40                  | FIN 15              | RES 20                 | IND 25                 | BANKS                 | Mid Cap                | Small Cap              |  |
| <b>Valuation indicators</b>  |                        |                     |                        |                        |                       |                        |                        |  |
| <b>Current PE ratio (x)</b>  | 17.39                  | 11.55               | 21.28                  | 18.76                  | 14.37                 | 14.31                  | 28.65                  |  |
| 10 year average (x)  | 13.95                  | 11.93               | 14.91                  | 14.83                  | 10.26                 | 12.03                  | 12.18                  |  |
| % below / above(-) ave   | -25%                   | 3%                  | -43%                   | -27%                   | -40%                  | -19%                   | -135%                  |  |
| 10 year cheap level  | 11.51                  | 9.07                | 11.40                  | 12.04                  | 8.33                  | 9.85                   | 7.73                   |  |
| 10 year expensive level  | 16.39                  | 14.79               | 18.42                  | 17.62                  | 12.19                 | 14.21                  | 16.63                  |  |
| Comment  | historically expensive | better than average | 13% worse than expen.  | historically expensive | 15% worse than expen. | historically expensive | Abberation             |  |
| <b>Current Div Yield %</b>   | 1.98                   | 3.66                | 1.57                   | 1.63                   | 3.18                  | 3.27                   | 3.27                   |  |
| 10 year average DY%  | 2.76                   | 3.80                | 2.81                   | 2.09                   | 3.65                  | 3.57                   | 4.30                   |  |
| % below (-)/ above ave   | -28%                   | -4%                 | -44%                   | -22%                   | -13%                  | -8%                    | -24%                   |  |
| 10 year cheap level  | 3.45                   | 4.94                | 3.63                   | 2.63                   | 4.48                  | 4.30                   | 5.36                   |  |
| 10 year expensive level  | 2.07                   | 2.66                | 1.99                   | 1.55                   | 2.82                  | 2.84                   | 3.24                   |  |
| Comment  | 4% better than expen.  | 4% worse than ave.  | *21% worse than expen. | 5% better than expen.  | 13% worse than ave.   | 8% worse than ave.     | historically expensive |  |
| * Mining earnings and div's fluctuate wildly so ratios based on expected results must also be considered.                        |                        |                     |                        |                        |                       |                        |                        |  |
| * Most results are released in Feb and August causing PE's to drop and Div Yields to rise if results are positive                |                        |                     |                        |                        |                       |                        |                        |  |
| + Poor results to December 2009 have now been taken into account, most companies earnings and dividends should improve from here |                        |                     |                        |                        |                       |                        |                        |  |
| <b>Sentiment indicator</b>   |                        |                     |                        |                        |                       |                        |                        |  |
| % above/ below (-)<br>200 day moving ave   | 2%                     | 6%                  | -2%                    | 7%                     | 7%                    | 10%                    | 2%                     |  |
| (Be cautious above 20%)  | Turned Up              | Turned Up           | Turned Up              | Turned Up              | Turned Up             | Turned Up              | Turned Up              |  |

### An explanation of Table 1 - Historically expensive but growth expected

**Absolute Value: (P/E) (N.B. Lower PE's = better value)** The ten year average PE (Price/ Earnings ratio) for the JSE Top 40 index is 13.95x whereas over 16.39x is expensive. Currently at 17.35x so it is still 5% above the historically expensive level! However, if current forecasts for the earnings growth for the next 12 months prove correct, the shares will return to good value due to a substantial rise in resource earnings. The improvement has begun with Anglo's June results released on 29 July and should continue as other companies report.

**(DY valuation) (Higher div's = better value)** The dividend yield (DY) of the Top 40 has averaged 2.76%, is expensive below 2.07% but is cheap above 3.45%. So at 1.98% it is 4% worse than historically expensive. Anglo has just resumed dividends – with a 0.6% interim dividend which is the start of the forecast strong dividend growth from mining shares which is required to restore value over the next 12 months.

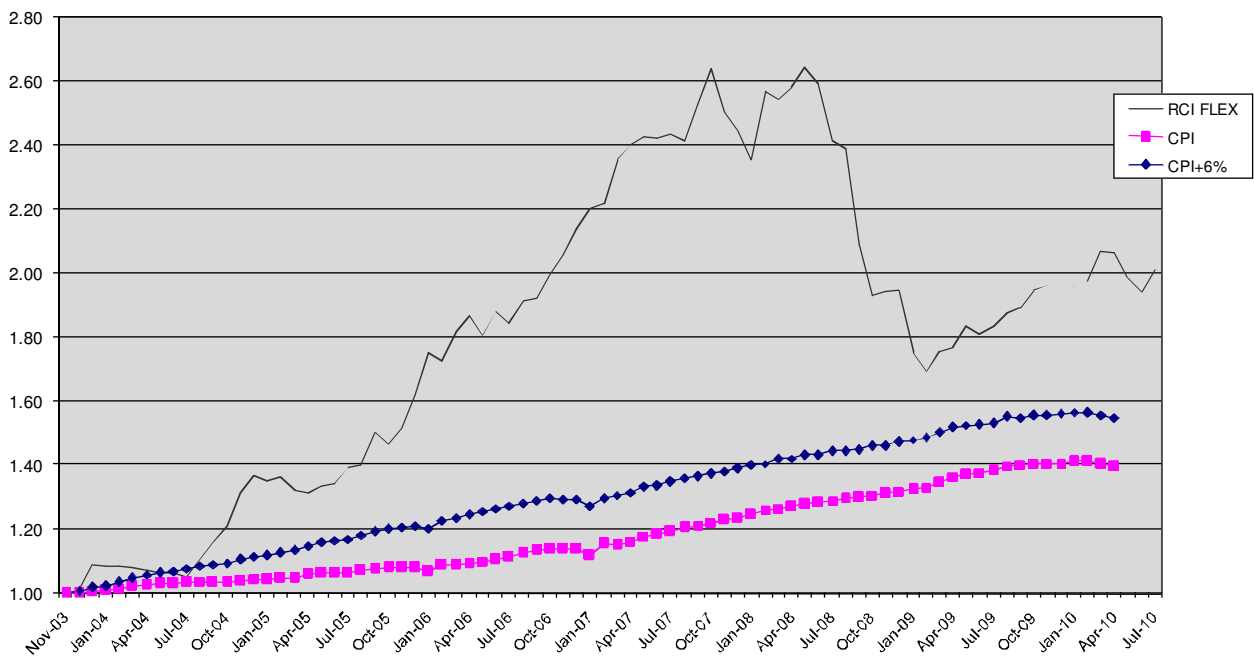
**Sentiment level:** (we measure whether the market has run too fast by what percentage the Index is above its long term (200 day) moving average). Above 20%, it is usually a time to exercise caution. It bottomed out at -37.7% in 2008. It rose back to 19.57% in October 2009 but was back at -5% at the end of June. The second half of July has shown a strong turnaround moving up to 2% with all the indices turning up. In a 'normal market' this run should now continue. However, these are far from normal economic times and will depend on economic policy responses by Europe and the USA.

**Underlying Indices:** We then split out the underlying indices. Last month we were 'watching eagerly for a turn'. ALL SHOWED A STRONG TURNUP DURING JULY! The resources index (RESI 20) bottomed dramatically in November 2008 –52% below the moving average. It rose back to 22% in early January 2010 but fell back to -7% at the end of June. It turned sharply in July and is now at -1.68%. Banks are up from -3% to +7% over the month while industrials improved from -1% to 7%. The Small Cap Index is on a PE of 28x which is very expensive but has been distorted by losses in some of the companies in the Index .

Indices performance to 30 July 2010

| Index  | Prices   | One Month % | Y-T-D % | 12 Month Rolling % | OB/OS  | Current historical PE ratio | Div Yield% |
|--|----------|-------------|---------|--------------------|--------|-----------------------------|------------|
| <b>International</b>                                     |          |             |         |                    |        |                             |            |
| DJI  | 104,659  | 7.08        | 0.36    | 14.11              | 0.49%  |                             |            |
| NASDAQ   | 22,547   | 6.90        | (0.64)  | 13.96              | -0.39% |                             |            |
| SP500  | 110,160  | 6.88        | (1.21)  | 11.56              | -1.13% |                             |            |
| FTSE100  | 52,580   | 6.94        | (2.86)  | 14.10              | -1.46% |                             |            |
| AUSTRALIA  | 4,507    | 4.23        | (7.68)  | 6.07               | -3.64% |                             |            |
| HANG SENG  | 21,029   | 4.48        | (3.85)  | 2.22               | -0.05% |                             |            |
| <b>Local</b>   |          |             |         |                    |        |                             |            |
| TOP40  | 25,225   | 8.29        | 0.91    | 15.41              | 2.45%  | 17.39                       | 1.98       |
| FIN 15   | 8,031    | 11.08       | 8.79    | 19.03              | 6.01%  | 11.55                       | 3.66       |
| RES 20   | 48,363   | 5.95        | (5.33)  | 10.77              | -1.68% | 21.28                       | 1.57       |
| IND 25   | 23,152   | 9.67        | 7.10    | 21.64              | 7.07%  | 18.76                       | 1.63       |
| JSE-Banks  | 40,543   | 11.42       | 10.55   | 24.83              | 6.82%  | 14.37                       | 3.18       |
| JSE-Midcap   | 39,298   | 6.94        | 13.32   | 26.80              | 9.59%  | 14.31                       | 3.27       |
| JSE-Small Cap  | 28,691   | 2.66        | 2.89    | 17.14              | 2.24%  | 28.65                       | 3.27       |
| <b>Currencies</b>  |          |             |         |                    |        |                             |            |
| Rand/US\$  | 7.29     | (4.60)      | (1.07)  | (6.68)             |        |                             |            |
| Rand/Euro  | 9.54     | 1.76        | (9.91)  | (14.08)            |        |                             |            |
| Rand/Aus\$   | 6.54     | 0.79        | (0.72)  | 1.02               |        |                             |            |
| Rand/GBP   | 11.46    | 0.24        | (3.81)  | (12.23)            |        |                             |            |
| <b>RCI Unit Trust</b>                                    |          |             |         |                    |        |                             |            |
| RCI Flexible (ZAR c)<br>(Performance includes divs paid) | 201.01   | 4.72        | 2.62    | 12.33              | 0.86%  |                             |            |
| <b>RCI Off-shore Funds</b>                               |          |             |         |                    |        |                             |            |
| RCI Asset Swap (ZAR)                                     | 1,646.67 | (3.62)      | (5.94)  | (6.51)             |        |                             |            |
| RCI Asset Swap (\$)                                      | 225.79   | 1.03        | (4.92)  | 0.18               |        |                             |            |
| RCI Fund (ZAR)   | 1,100.40 | (5.65)      | (5.22)  | (4.73)             |        |                             |            |
| RCI Fund (\$)  | 150.88   | (1.10)      | (4.19)  | 2.09               |        |                             |            |

RCIFLEXIBLE MANAGED FUND  
30 JULY 2010 (LOCAL UNIT TRUST)



## Annexure B: RCI's Offshore Funds have performed very strongly versus the New York and London Stock Exchanges.

**Our asset swap up 60.6% in USD vs a fall in SP500 of -32%**

With the strength in the rand, our offshore investments battled to perform in rand terms in 2009. However, in dollars, their performance over the ten years they have been in existence is excellent relative to investing in the American or UK Indices. We have updated our performance to the end of December 2009.

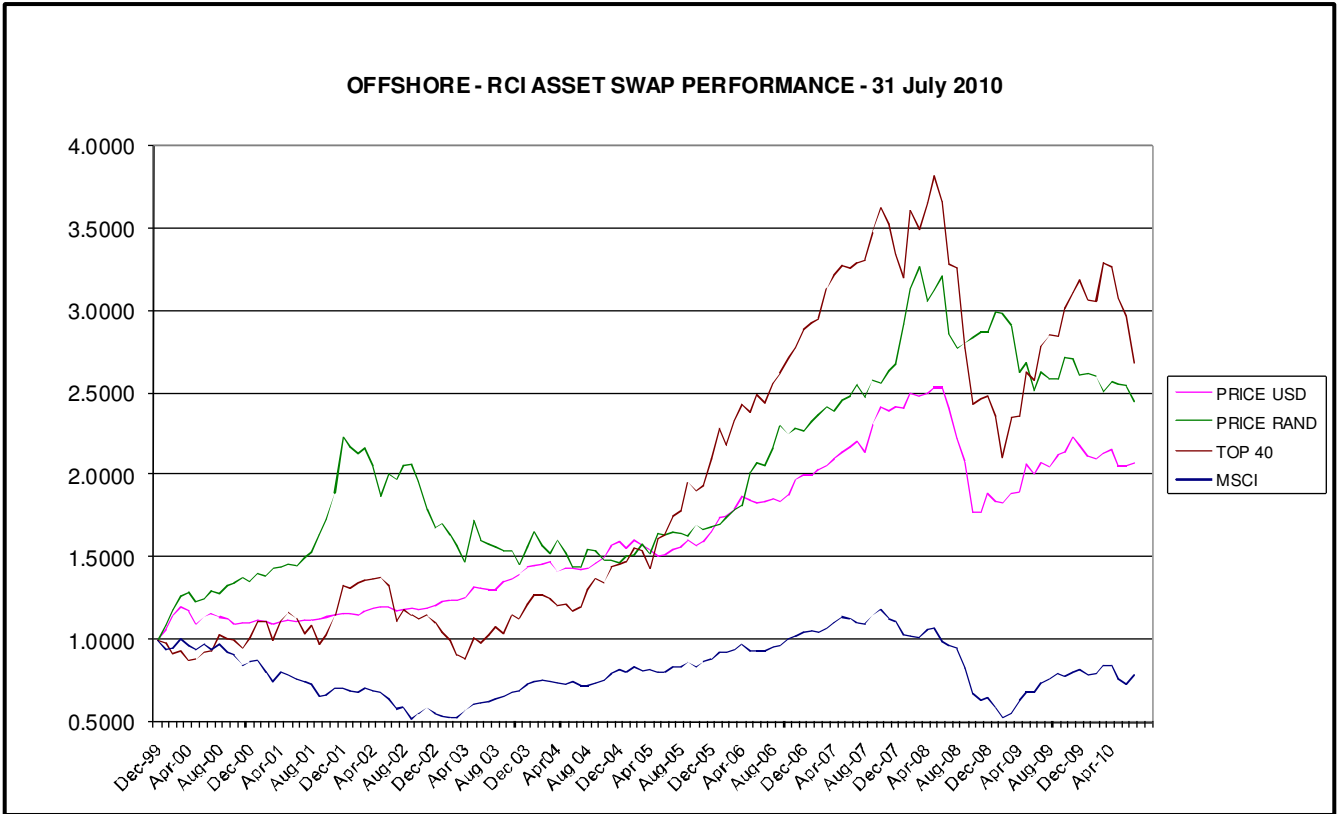
| RCI Offshore performance has been excellent relative to main stockmarkets |          |         |                |         |         |         |         |        |
|---|----------|---------|----------------|---------|---------|---------|---------|--------|
| Year  | RCI FUND |         | RCI Asset Swap |         | MSCI    | SP 500  | FT100   |        |
| Ending  | In Rand  | In US\$ | In Rand        | In US\$ | In US\$ | In US\$ | In US\$ | In GBP |
| Dec-00  | 20.3     | -0.8    | 35.8           | 10.8    | -14.0   | -8.5    | -15.2   | -8.2   |
| Dec-01  | 60.2     | 1.5     | 64.4           | 4.2     | -17.8   | -13.0   | -18.1   | -15.9  |
| Dec-02  | -25.8    | 3.0     | -24.9          | 4.5     | -21.1   | -24.2   | -16.6   | -24.7  |
| Dec-03  | -10.9    | 14.2    | -6.8           | 19.6    | 31.0    | 26.4    | 26.4    | 13.6   |
| Dec-04  | -7.7     | 9.2     | -6.1           | 10.7    | 12.7    | 9.0     | 15.2    | 7.5    |
| Dec-05  | 16.9     | 5.4     | 15.0           | 3.7     | 7.4     | 3.0     | 5.4     | 16.7   |
| Dec-06  | 32.4     | 19.1    | 34.0           | 20.5    | 18.1    | 13.6    | 25.0    | 10.7   |
| Dec-07  | 18.3     | 20.9    | 18.4           | 21.0    | 6.4     | 3.5     | 5.8     | 3.8    |
| Dec-08  | 0.7      | -26.4   | 7.0            | -21.7   | -41.7   | -38.5   | -50.3   | -31.3  |
| Dec-09  | -12.5    | 11.2    | -9.1           | 15.5    | 27.0    | 23.5    | 35.6    | 22.1   |
| Cumulative performance to December 2009                                   |          |         |                |         |         |         |         |        |
| 10 Years  | 89.5     | 60.6    | 160.6          | 118.6   | -17.8   | -32.3   | -20.7   | -20.1  |
| Last 5Yrs   | 61.2     | 24.2    | 77.5           | 36.8    | -0.1    | -18.5   | -6.0    | 12.4   |

**The table shows that:**

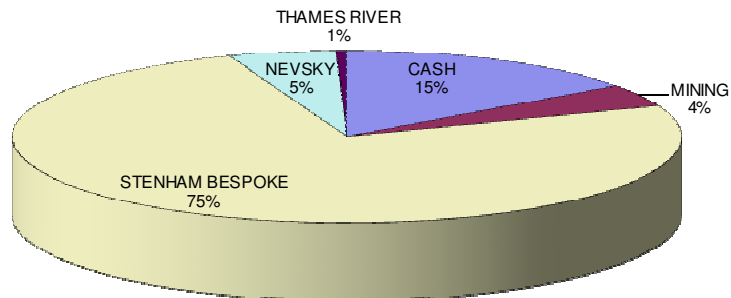
- America's main index, the SP500 fell by -32% in the 10 years to 31 December 2009 and fell in four of the 10 years.
- UK's FT100 fell by -20.1% in 10 years or -20.7% when valued in dollars. It also had four down years.
- The MSCI global index fell -17.8% and had four down years.
- The RCI Fund rose by 60.6% in dollars suffering only one large down year (2008) and a minimal -0.8% fall in 2000.
- The RCI asset swap fared best of all rising 118.6% in dollars and experiencing only one down year (2008).

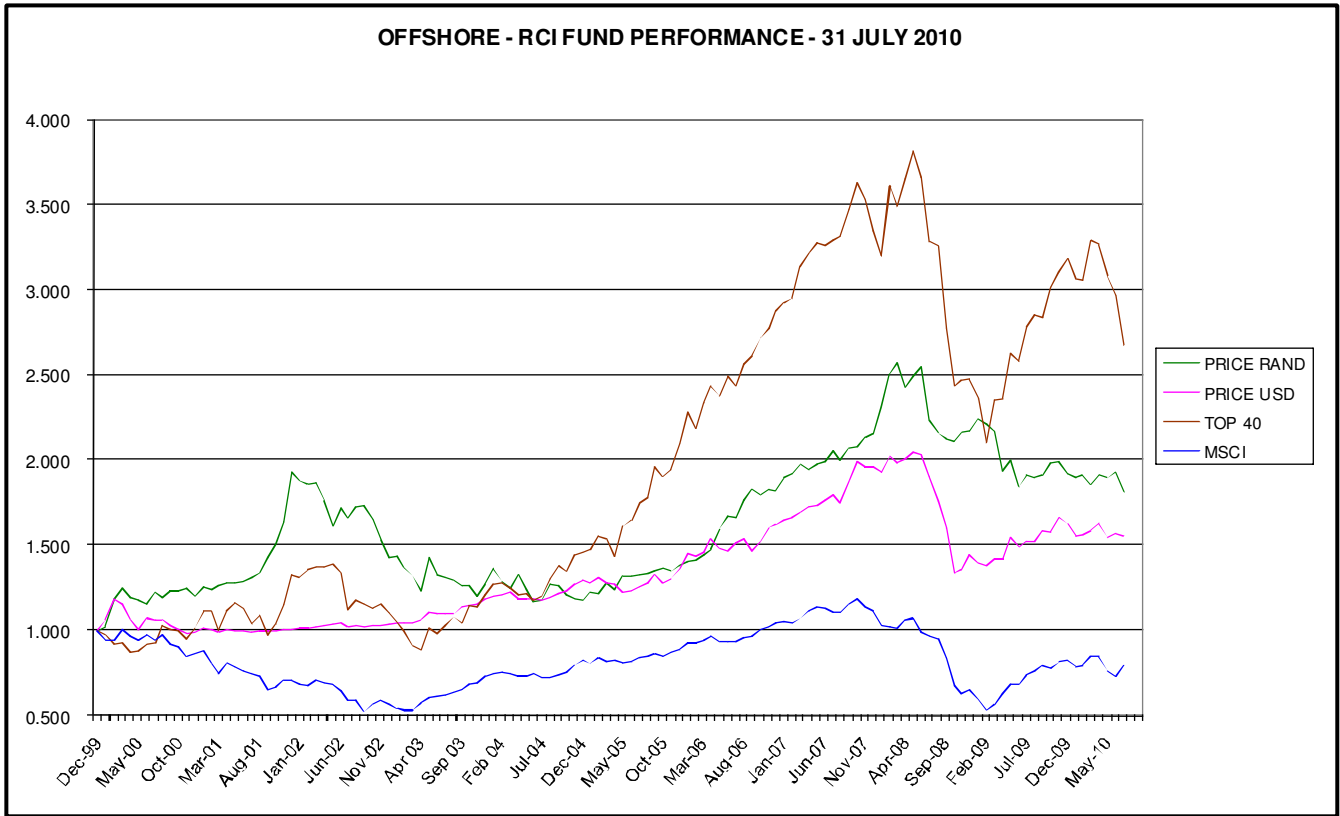
For interest sake we have also put in the cumulative performance of the past five calendar years. Once again the RCI Asset Swap performed best (up 36.8%), the RCI Fund up 24.2% whereas the MSCI fell -0.1%, the SP500 fell -18.5% with the FT100 down -6% in dollars but up 12.4% in sterling.

Lastly we have included the rand performance of the RCI Fund and the Asset Swap. With the volatility of the rand, this performance swings wildly but they ended up 89.5% and 160.6% respectively, despite 2008 being the worst year on record in dollar terms and the strength of the rand in 2009.



OFFSHORE RCI ASSET SWAP - JULY 2010





OFFSHORE RCI FUND - JULY 2010

