

ELECTUS

MARKET HIGHLIGHTS

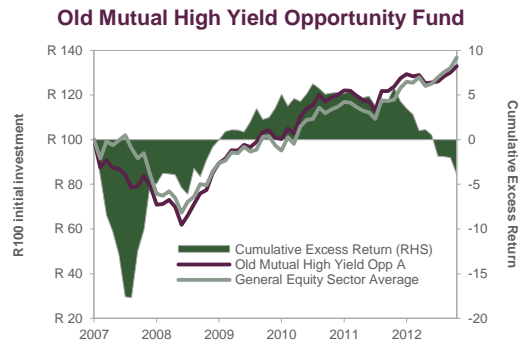
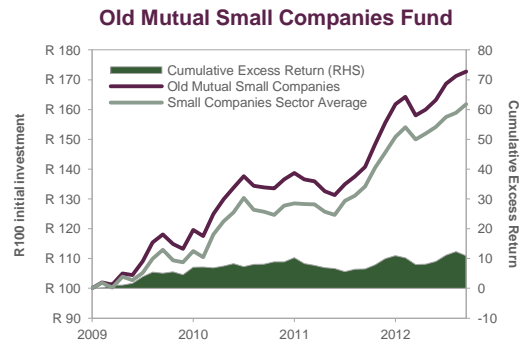
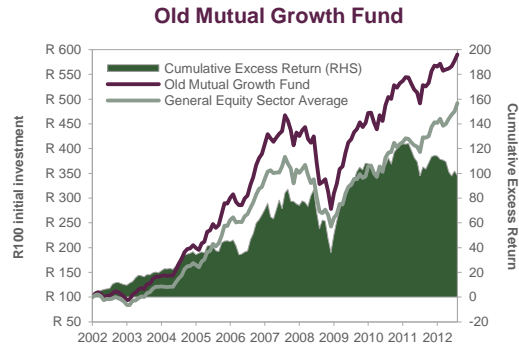
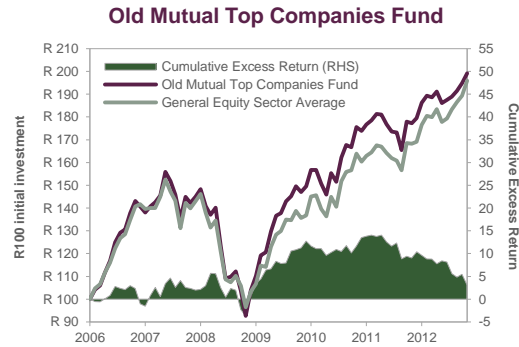
- For the month ending 31 October 2012, the FTSE/JSE All Share Index (ALSI) gained 4.2% and the FTSE/JSE Shareholder Weighted All Share Index (SWIX) gained 3.3%.
- During the month, resource shares performed the best, rising 6.2%, while industrials rose 4.1% and financials rose 1.5%.
- Large caps gained 5.0%, mid-caps gained 0.4% and small caps were flat.

EQUITY MARKET UPDATE & UNIT TRUST POSITIONING

- Resources:** We continue to have a bias towards the large diversified and high-quality mining companies, as they are typically low-cost producers with diversified income streams across various commodities and geographies. We also hold selected single-commodity shares in businesses that we believe have a competitive position in their respective industries.
- Industrials:** We have reduced exposure to a few of the domestic consumer industrials as they have now reached full value. With the proceeds, we have slightly increased exposure to selected, high-quality and better-value rand-hedge industrial shares. We have also purchased some great quality mid- and small-cap local industrial businesses that are trading at attractive valuations.
- Financials:** Based on our company valuations, we retain our preference for selected banks and assurers where we continue to believe that more upside potential exists in their restructuring initiatives.

OLD MUTUAL UNIT TRUSTS MANAGED BY ELECTUS

- Richard Hasson & Neil Brown:** Old Mutual Top Companies Fund and Old Mutual Growth Fund
- Feroz Basa:** Old Mutual High Yield Opportunity Fund and Old Mutual Value Fund
- Anwaar Wagner:** Old Mutual Global Emerging Market Fund
- Warren Jarvis:** Old Mutual Small Companies Fund



Sources: Morningstar & OMIGSA

* Performance since managed by the above-mentioned team members.



“We strive to buy shares at prices that are low compared to their long-term investment valuation.”

Richard Hasson & Neil Brown | Boutique Heads