

PROSPECTS

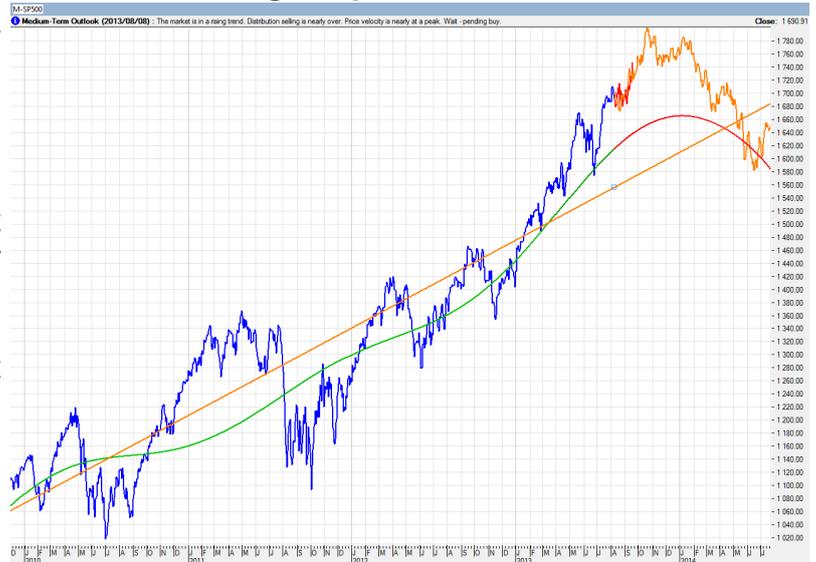
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Right across the investment world there is now clearly a mood of indecision in the wake of repeated statements from the US Federal Reserve that it is beginning to wean the economy off its \$80-billion a month "Quantative Easing" drip feed.

For months ShareFinder's Fourier cycle projection system has been predicting that the consequence will be a decline of Wall Street's principal index, the S&P500 which is depicted on the right. When this peak first appeared on my charts early this year I had no explanation for it other than the realistic view that, having run long and hard for many months, the market was probably overdue for a correction to allow corporate results to catch up with investors' expectations. Now we have a concrete explanation for the predicted phenomenon: investors are always nervous and in indecision; at times when it is becoming clear that today's normal is likely to become history. So, in the words of the Wall Street Journal this week, "The dollar is stumbling as investors begin to question the relative strength of the U.S. economic recovery, which had powered a rally in the greenback in the first half of 2013. The WSJ Dollar Index, a gauge of the dollar's exchange rate against seven of the world's most heavily traded currencies, is down 4% in the past month and hit a seven-week low on Friday. Before the selloff, which began after the dollar hit a three-year high in early July, the U.S. currency was up 8.3% for the year."



In the longer term, of course the very fact of the "tapering" must reinforce in investors minds the realization that of all the world's leading economies, the US outlook is currently the most optimistic. Former powerhouses, China and India have been stumbling lately and Europe remains mired in recession. So if one is worried about the future, the logical thing would be to ensure that the bulk of your money was invested in the US. Thus we have been witness to capital streaming out of the "Developing World" and back to Wall Street and, amongst other developments, accounting for the weakening of the Rand in recent months.

Meanwhile, the latest statistics show that China's economy grew in 2012 at its slowest pace for 13 years. Furthermore, so far this year economic data has surprised on the downside, bringing warnings from some analysts that China could miss its growth target of 7.5 percent for this year. Exports posted their lowest annual growth rate in almost a year in May at 1 percent, exposing a more realistic picture of trade following a crackdown by authorities on currency speculation disguised as export trades to skirt capital controls, which had created double-digit rises in export growth every month this year even as world growth stuttered.

The slowdown in China has, as we are all aware, had a significant impact upon South Africa's export industry since that has in recent years become the principal destination of our mineral exports. Given the impact of the weaker Rand upon our import costs, the cumulative shortfall on the trade balance since the beginning of the year to date is now R68bn, which does not bode well for current account prospects. The knock-on effect upon ordinary South Africans of

our declining export trade is best summed up by our unemployment data which has been climbing steadily from a low point of 21.9% in 2009 to a current figure of 25.6% during the second quarter of this year, steadily eroding the purchasing power of the average South African and inevitably impacting upon the bottom line of practically every local business.

Nevertheless it is not all doom and gloom. Sharefinder's statistics record that although the compound annual average earnings growth rate of the average Blue Chip stock exchange listed company over the past five years was down to 14.55% from a ten-year average of 19.37%, the average figure for companies that have so far reported their figures for the past 12 months is now 15.89%. That is a nearly 10% improvement. Furthermore, the average dividend increase is up to 23.96% compared with a five-year average growth rate of 22.44%. Taking inflation into account, notwithstanding the economic downturn, the average investor is marginally better off even after one takes into account the impact of the Government's switch over from a "Withholding Tax" on dividends to a 50% increased direct collection.

If you are feeling a little less flush than in previous years, calculate it out: the average dividend was 23.96% higher than last year. Subtract the 15% direct dividend tax and local investors were left just 8.96% better off. Now subtract inflation of 5.5% and you can see that we are left just 3.46% better off in real terms....but at least we were still a little ahead!

Strategy

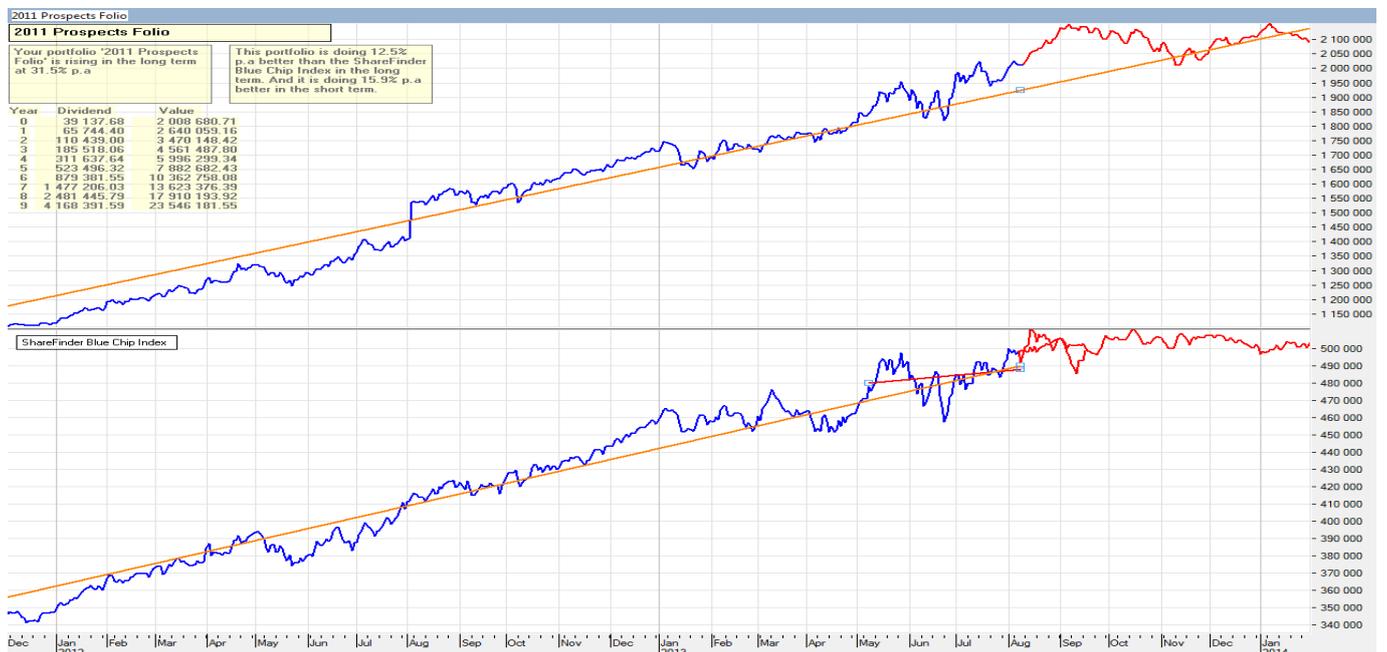
Time to offload weaker performers but hold off buying for better opportunities ahead!

Prospects Portfolio

I am embarrassed by the fact that during my sojourn in the Mediterranean this year the Prospects portfolio database was, un-noticed by me, backed up to its position of late last year with the result that when I came to analyse it upon my return I failed to notice the inclusion of Kumba which we had in fact sold last November. The correct portfolio is currently as appears below:

Name	Price	% Change	Quantity	Cost	Per Share	Value	% Gain	% Portfolio	Risk	DY	DivGro	DivGroL	Return
2011 Prospects Folio		-0.0%				2 008 680.77	111.3		40.14%	2.0	67.98	25.51	45.72%
*Cash						2 555.46		0.1%	1.00%				
CAPITEC	185.48	+0.5%	562	100 036.00	178.00	104 239.76	+4.2%	5.2%	40.25%	2.6	47.68	35.58	47.13%
CLICKS	58.00	+0.2%	1 700	101 320.00	59.60	98 600.00	-2.7%	4.9%	13.16%	2.3	29.19	21.56	35.47%
CORONAT	68.15	-1.3%	4 014	99 988.74	24.91	273 554.10	+173.6%	13.6%	57.75%	3.4	35.49	51.60	72.03%
FAMBRANDS	98.88	-0.1%	2 674	100 000.00	37.40	264 405.12	+164.4%	13.2%	29.63%	2.1	32.11	32.53	50.17%
HOWDEN	41.00		5 300	191 860.00	36.20	217 300.00	+13.3%	10.8%	39.95%	1.1	388.20		38.07%
MASSMART	164.20	-1.3%	736	100 000.00	135.87	120 851.20	+20.9%	6.0%	-14.03%	2.8	12.69	24.36	21.39%
MRPRICE	127.34	+0.2%	1 804	100 000.00	55.43	229 721.36	+129.7%	11.4%	32.81%	2.7	26.10	33.33	46.98%
NASPERS-N	833.74	-1.3%	280	100 000.00	357.14	233 447.20	+133.4%	11.6%	21.25%	0.4	18.81	29.03	36.92%
PINNACLE	26.29	+2.1%	10 638	99 997.20	9.40	279 673.02	+179.7%	13.9%	112.12%	1.1	32.02		50.52%
SHOPRIT	160.99	+0.7%	1 145	100 000.00	87.34	184 333.55	+84.3%	9.2%	3.55%	1.7	27.68	28.46	32.27%

Note that since inception we are thus up R1 008 680 with the average share gain 111.3% and the portfolio "Total Return" a satisfactory 45.72%. Put another way, the portfolio is growing at compound 41.4% which is nearly twice the growth rate of the Blue Chip Index rate of 23.3%; emphasizing the importance in these difficult time of careful share selection. Note that Fourier projection below suggests the portfolio growth rate will slow during September and October but there is nothing to be concerned about in the short-term.



Underperformers

Listed overleaf as usual are all shares which have been underperforming the Blue Chip averages in respect of price growth rates over the past five years. Note that all the shares listed qualify for inclusion in the ShareFinder Quality list because of their consistent dividend growth rates over many years and those listed in green under the Dividend Growth heading have been consistently delivering above-average dividend growth rates over at least the past five years. Being an underperformer is not necessarily an argument for disposing of any of these shares, but readers should note that if a share has failed to deliver above average price growth over as long a period as five years, then it is unlikely in the short to medium term to get much better. Some shares which feature in this list are gladly included in many portfolios of investors seeking dividend income rather than pure capital growth. So before you decide to ditch any of these, do your research carefully. To help you in this regard, we include a "Total Return" column which is the sum of the dividend yield and the annualised capital growth rate average over five years.

Name	Close	3 Month Price Gro...	5 Year Price Growth	Dividend Gro...	Grade	Risk	Total Return	Rating	Strategy
TFG	96.80	-39.26	21.89	14.18	571.9	21.36	26.33	Very cheap.	Wait - pending buy.
DISTELL	122.05	4.08	21.40	12.04	242.6	-18.86	23.52	Costly.	Wait - pending buy.
AME	70.00	30.66	21.16	-33.33	263.3	31.02	24.86	Fair.	Wait - pending buy.
TRENCOR	64.92	19.88	21.12	26.44	498.3	15.77	23.81	Fair.	Optimum buy point passed.
SANTAM	186.75	-0.56	21.08	20.42	166.8	-16.71	24.01	Fair.	Wait - pending buy.
FONEWORX	2.10	35.97	20.93	13.81	449.9	82.97	23.76	Costly.	Wait - pending buy.
SANLAM	47.00	-1.14	20.82	12.39	233.6	-16.39	23.78	Fair.	Selling op. nearly over.
OMNIA	183.15	91.51	20.80	-6.18	2 847.1	21.15	22.75	Very costly.	Wait - pending buy.
TREMATON	2.95	168.44	20.72	9.72	1 060.8	25.91	21.57	Very costly.	Wait - pending buy.
RESILIENT	53.00	-36.37	20.54	29.14	584.0	-19.71	23.11	Fair.	Wait - pending buy.
TIGBRANDS	306.55	6.95	20.24	6.26	252.1	-24.58	22.64	Fair.	Wait - pending buy.
PAN-AF	1.99	-45.12	19.53	11.55	791.9	46.14	19.53	Very cheap.	Wait - pending buy.
BGMEDIA	23.56	51.35	19.18	9.63	356.7	-17.56	21.87	Fair.	Wait - pending buy.
BIDVEST	249.38	-19.95	19.00	13.35	586.4	-12.49	21.27	Fair.	Wait - pending buy.
SABVEST	19.00	23.92	18.88	13.21	-51.7	6.01	20.88	Costly.	Wait - pending buy.
VERIMARK	0.85	-48.37	18.84	-0.46	793.9	116.27	18.84	Very cheap.	Optimum buy point passed.
MASSMART	163.94	-53.41	18.54	12.69	468.8	-14.03	21.39	Cheap.	Optimum sell point passed.
MONDILTD	156.78	142.78	18.42	3.73	333.9	45.52	20.32	Very costly.	Wait - pending buy.
INGENUITY	0.90	9.33	17.79	0.00	-11.8	3.38	18.73	Costly.	Sell signal imminent.
SPAR	113.76	-21.00	17.70	24.19	383.5	-24.19	21.10	Cheap.	Prepare to buy.
BRAIT	42.99	59.10	17.60	-14.51	1 311.8	35.05	18.13	Costly.	Prepare to sell.
INTEWASTE	0.90	156.20	17.60	0.00	36.6	84.72	17.60	Very costly.	Wait - pending buy.
ZEDER	3.95	19.02	17.21	-0.48	-176.0	-15.56	18.23	Costly.	Prepare to sell.
NAMPAK	30.91	-41.40	17.16	14.66	1 190.8	-19.44	20.77	Fair.	Sell! Sell! Sell!
ASSORE	349.08	22.97	16.90	56.80	849.7	40.89	18.24	Fair.	Wait - pending buy.
CONDUIT	1.38	-57.29	16.77	0.00	340.7	71.53	16.77	Costly.	Too late to buy now.
OLDMUTUAL	30.77	8.37	16.74	77.31	967.3	32.94	19.60	Costly.	Selling op. nearly over.
HCI	133.00	48.14	16.58	13.00	2 922.7	-4.54	17.39	Costly.	Wait - pending buy.
BOWCALF	8.20	6.81	16.19	17.99	299.9	-12.39	20.46	Cheap.	Optimum sell point passed.
DATATEC	57.02	41.01	15.94	34.97	1 373.9	30.46	15.94	Fair.	Wait - pending buy.
VUNANI	1.20	-80.52	15.91	0.00	213.5	366.75	15.91	Very cheap.	Wait - pending buy.
REX-TRUE	16.00	-54.38	14.86	-30.95	-77.4	-14.65	18.10	Cheap.	Selling op. nearly over.
AMECOR	2.05	-2.82	14.86	5.56	82.0	32.48	19.01	Cheap.	Wait - pending buy.
CARGO	14.00	-13.00	14.86	-12.36	250.8	-23.92	16.68	Costly.	Wait - pending buy.
CAFCA	1.99	-1.97	14.75	-14.71	-283.5	-19.59	14.75	Very costly.	Prepare to sell.
HYPROP	72.94	-30.62	14.37	11.27	136.3	-37.33	19.98	Fair.	Wait - pending buy.
ITLILE	5.90	-9.48	14.12	-0.95	104.5	-8.44	16.32	Fair.	Buying op. nearly over.
AECI	117.63	63.80	13.94	20.27	583.3	-1.77	16.04	Costly.	Too late to buy now.
CMH	13.10	-18.72	13.83	13.92	1 066.8	26.80	18.70	Fair.	Optimum buy point passed.
MUSTEK	5.45	-35.70	13.76	-9.17	72.2	52.30	16.66	Cheap.	Selling op. nearly over.
GROWPNT	24.77	-50.69	13.47	9.41	187.7	-20.85	13.48	Fair.	Wait - pending buy.
JSE	83.00	33.19	13.00	26.09	243.1	-17.81	15.56	Fair.	Buying op. nearly over.
MMIHLDGS	21.76	-39.32	12.60	4.78	453.4	-21.41	17.23	Fair.	Wait - pending buy.
VUKILE	16.00	-55.95	11.71	10.55	635.2	-28.60	19.93	Cheap.	Wait - pending buy.
NEDBANK	184.50	-3.42	11.32	13.70	767.8	-17.86	15.01	Fair.	Optimum sell point passed.
PUTPROP	7.00	77.78	10.41	0.60	257.6	-4.51	14.78	Fair.	Wait - pending buy.
PREMIUM	18.51	-38.39	9.98	11.49	205.0	-20.29	16.79	Fair.	Wait - pending buy.
LEWIS	58.33	21.63	8.31	12.30	484.0	-7.32	15.80	Very cheap.	Prepare to buy.
SYCOM	24.89	-54.62	7.91	6.22	604.1	-27.22	7.91	Cheap.	Wait - pending buy.
EMIRA	14.24	-29.25	7.90	21.76	225.6	-37.80	7.90	Fair.	Wait - pending buy.
FPT	7.57	-59.14	5.43	9.44	226.5	-32.76	5.43	Fair.	Optimum sell point passed.
STANBANK	113.20	-6.64	5.21	8.43	308.8	-30.61	8.62	Fair.	Buying op. nearly over.
REUNERT	68.49	-15.30	5.02	6.08	312.4	2.96	9.61	Cheap.	Wait - pending buy.
BHPBILL	303.17	55.97	4.51	25.48	764.2	-2.12	7.30	Fair.	Optimum buy point passed.
SASOL	465.45	60.26	3.34	19.76	1 022.0	-1.64	6.54	Costly.	Too late to buy now.
NEDBANK-P	10.13	-3.06	-0.61	13.46	316.8	-60.64	5.34	Fair.	Wait - pending buy.
AFGRI	4.56	0.00	-2.90	13.03	171.6	6.74	1.85	Very cheap.	Wait - pending buy.
GFIELDS	59.82	-12.84	-7.27	9.98	1 069.2	36.03	-4.17	Very cheap.	Prepare to buy.
ANGGOLD	131.99	-65.06	-12.70	21.14	115.5	34.98	-11.73	Very cheap.	Prepare to buy.

Top Performers:

The following shares are offered as suggested replacements for any in your portfolio that are achieving lesser growth rates than the ShareFinder Blue Chip average growth rates. The shares listed in the first block below have been selected because of their investment grade quality and their very high dividend growth rate and superior investment safety. The second block of ten offer significantly higher dividend growth rates but at the price of a greater degree of investment risk:

The shares listed in the third block below have been selected because of their investment grade quality and their very high price growth rate. These offer superior investment safety. The ten in the fourth block generally offer significantly higher price growth rates but at the price of a greater degree of investment risk:

Name	Close	3 Month Price Gro...	5 Year Price Growth	Dividend Gro...	Grade	Risk	Total Return	Rating	Strategy	Likely Date	Likely Price	Best Buy
ShareFinder Blu...	4 978.41	23.04	18.50	22.44	650.85	3.80	26.03					
Quality List Aver...		15.53	21.97	23.05	802.1	31.79	24.26					

Name	Close	3 Month Price Gro...	5 Year Price Growth	Dividend Gro...	Grade	Risk	Total Return	Rating	Strategy	Likely Date	Likely Price	Best Buy
The following shares, combine exceptional fundamental quality with high historic dividend growth rates:												
MTN-GROUP	194.50	46.93	9.14	53.17	1 818.2	-19.23	12.76	Costly.	Wait - pending buy.	27/05/2014	185.00	4
COMPCLEAR	3.40	-24.53	9.46	51.20	704.8	-8.03	15.71	Fair.	Wait - pending buy.	06/09/2013	3.36	12
CAPITEC	188.54	-39.38	44.52	47.68	1 220.0	40.25	47.09	Very cheap.	Wait - pending buy.	11/06/2014	143.75	9
CASHBIL	130.00	31.61	20.57	45.33	2 350.5	3.12	24.29	Cheap.	Wait - pending buy.	08/10/2013	126.55	5
ELBGROUP	30.00	-36.21	20.30	41.37	992.8	51.53	22.51	Fair.	Wait - pending buy.	16/07/2014	23.03	15
HUDACO	90.50	3.30	4.22	37.25	830.6	2.31	9.36	Cheap.	Too late to sell now.	14/02/2014	73.10	11
CORONAT	67.10	83.87	68.62	35.49	839.7	57.75	72.09	Very costly.	Sell signal imminent.	20/06/2014	65.67	1
WBHO	153.00	-20.92	6.17	35.32	728.3	-0.04	8.26	Fair.	Optimum sell point passed.	05/02/2014	129.71	16
FAMBRANDS	99.74	83.81	48.02	32.11	599.4	29.63	50.15	Costly.	Sell signal imminent.	20/08/2013	98.73	3
EOH	62.00	88.23	54.70	31.17	1 370.8	45.60	55.66	Very costly.	Sell signal imminent.	15/08/2013	61.57	2

Though the following shares may carry a greater degree of risk, these have achieved the highest historic dividend growth rates:

HOWDEN	41.00	109.41	36.96	388.20	4 574.8	39.95	38.07	Very costly.	Sell.	20/08/2013	40.18	1
GRANPRADE	3.75	26.27	4.80	184.23	2 253.7	5.49	8.05	Costly.	Wait - pending buy.	17/03/2014	1.91	2
CBH	3.50	-49.13	13.94	153.40	1 255.8	42.55	13.94	Very cheap.	Wait - pending buy.	25/07/2014	1.42	7
EXXARO	158.74	54.70	8.66	130.26	1 617.8	27.78	11.81	Very cheap.	Buy.	25/10/2013	152.79	3
KUMBA	444.00	-43.21	13.31	117.44	1 451.7	36.13	19.55	Very cheap.	Selling op. nearly over.	17/03/2014	380.55	10
PRIMESERV	0.27	-71.35	-15.58	87.50	1 546.3	46.63	-15.58	Very cheap.	Too late to sell now.	16/07/2014	-0.15	18
A-VI	57.05	-12.87	31.59	64.72	2 967.2	8.67	34.67	Fair.	Selling op. nearly over.	15/08/2013	56.97	12
ARM	170.50	-17.79	-5.86	51.05	753.1	47.67	-3.08	Cheap.	Wait - pending buy.	14/08/2013	167.13	15
VALUE	5.90	23.00	23.17	37.53	722.3	-11.28	26.49	Fair.	Selling op. nearly over.	09/05/2014	4.63	11
ISA	0.60	76.43	14.86	32.32	538.1	52.76	22.23	Very cheap.	Optimum buy point passed.	10/01/2014	0.38	6

The following shares, combine exceptional fundamental quality with high historic rates of price growth:

CAPITEC	188.54	-39.38	44.52	47.68	1 220.0	40.25	47.09	Very cheap.	Wait - pending buy.	11/06/2014	143.75	11
CASHBIL	130.00	31.61	20.57	45.33	2 350.5	3.12	24.29	Cheap.	Wait - pending buy.	08/10/2013	126.55	6
ELBGROUP	30.00	-36.21	20.30	41.37	992.8	51.53	22.51	Fair.	Wait - pending buy.	16/07/2014	23.03	19
EOH	62.00	88.23	54.70	31.17	1 370.8	45.60	55.66	Very costly.	Sell signal imminent.	15/08/2013	61.57	4
CLICKS	58.15	2.04	33.18	29.19	668.8	13.16	35.47	Fair.	Prepare to buy.	12/03/2014	53.03	9
SHOPRIT	163.00	-26.91	30.60	27.68	528.1	3.55	32.25	Cheap.	Wait - pending buy.	02/05/2014	152.35	17
TRNPACO	16.95	-2.65	24.78	27.51	617.1	12.26	29.07	Cheap.	Wait - pending buy.	28/08/2013	16.37	12
INVICTA	96.80	-22.09	30.93	25.84	639.7	22.52	33.70	Fair.	Selling op. nearly over.	16/06/2014	91.63	14
RICHEMONT	100.30	195.15	29.64	16.21	685.8	46.36	29.64	Very costly.	Sell signal imminent.	21/08/2013	100.18	1
SABMILLER	476.40	-19.18	24.55	14.51	706.8	-9.53	26.26	Costly.	Optimum sell point passed.	13/08/2013	476.37	20

Though the following shares may carry a greater degree of risk, these have achieved the highest historic price growth:

HOWDEN	41.00	109.41	36.96	388.20	4 574.8	39.95	38.07	Very costly.	Sell.	20/08/2013	40.18	1
A-VI	57.05	-12.87	31.59	64.72	2 967.2	8.67	34.67	Fair.	Selling op. nearly over.	15/08/2013	56.97	7
VALUE	5.90	23.00	23.17	37.53	722.3	-11.28	26.49	Fair.	Selling op. nearly over.	09/05/2014	4.63	6
PINNACLE	26.26	58.91	49.39	32.02	1 310.8	112.12	50.53	Costly.	Too late to buy now.	12/08/2013	26.26	2
OCEANA	90.00	43.68	38.03	27.33	937.3	7.90	41.39	Very costly.	Wait - pending buy.	13/08/2013	89.82	5
DISCOVERY	94.94	54.39	34.43	25.36	527.7	0.75	35.44	Very costly.	Wait - pending buy.	16/08/2013	94.61	4
MARSHALLS	5.90	73.93	29.67	25.08	412.7	1.42	30.84	Costly.	Sell signal imminent.	14/03/2008	5.52	3

Unit Trusts

The topmost (green flagged) unit trusts listed below conform to the ideal that the latest annual price growth rate is greater than the average of the past five years (Half) and the five-years average is greater than that of the previous ten years (Full). In the groups that follow it should be noted that a high ten-year growth average is seldom followed by similarly high interim growth rates which underscores the fact that it is very difficult ever to select consistently high-performing funds. Trusts with the lowest Risk number are the least price-volatile.

Name	Code	Close	Data Since	Full	Half	Last	Risk
STANLIB USD Bond FoF A	U-SBUSDBA	1.796	02/02/2001	6.570	9.958	22.678	4.653
Old Mutual Global Bond FF	U-OMGBNDF	4.192	25/04/2000	5.175	7.569	15.260	-5.605
Investec Global Opp Inc FoF A	U-INGLOIA	1.190	09/04/2003	5.149	6.122	19.598	-0.295
Investec Global Opp Inc FoF B	U-INGLOB	1.189	07/05/2002	5.140	5.961	19.497	0.000
STANLIB USD Cash FoF A	U-SBUSDCS	1.162	10/09/2001	3.173	4.463	19.917	6.513
Marriott Global Income	U-MAGLOIN	3.731	23/02/1999	1.143	2.741	15.798	-0.631
Nedbank Managed R	U-NIMR	14.211	19/11/1997	24.232	36.458	9.822	207.006
Coronation Industrial	U-CNCONSG	121.961	04/01/1999	24.110	21.414	37.828	---
Sanlam Industrial R	U-SLIND	118.300	04/01/1999	23.259	18.276	32.900	39.325
Nedbank Entrepreneur R	U-NIER	12.307	19/11/1997	22.309	14.733	23.403	47.153
STANLIB Industrial R	U-LIINDR	17.889	07/04/1992	22.125	15.186	20.513	34.664
STANLIB Industrial A	U-LIINDA	17.808	12/07/2000	22.120	15.160	20.438	34.434
Coronation Top 20	U-CNTOP20	108.401	02/10/2000	21.964	14.593	26.816	---
RMB Emerging Companies A	U-RMEMCO	10.414	03/05/2000	21.943	13.831	3.467	25.610
Prudential Optimiser	U-PROPTIM	9.199	02/08/1999	21.226	13.900	25.687	14.136
Prudential Dividend Maximiser	U-PRCONMX	8.870	02/08/1999	20.696	13.604	24.771	13.084
Sanlam Value	U-SLVAL	29.487	02/10/1998	20.504	12.872	21.276	13.779
RMB Industrial	U-RMCONSU	7.846	02/07/1998	20.340	14.744	21.927	20.354
PSG Growth	U-PSGRO	7.255	06/01/1998	20.000	13.805	30.533	35.571
Old Mutual Consumer	U-OMCONSU	18.616	01/07/1998	19.850	12.934	21.602	39.447
Old Mutual Small Companies	U-OMSMLC	16.298	05/05/1997	19.811	13.403	24.927	37.030
Coronation Equity	U-CNHIGRO	124.034	04/01/1999	19.793	13.941	30.573	---
Investec Emerging Companies R	U-INEMCOR	12.378	03/02/1995	19.565	12.896	23.693	---
Investec Emerging Companies A	U-INEMCOA	12.352	03/07/2000	19.540	12.902	23.693	---
Allan Gray Equity A	U-AGEQ	261.952	04/01/2000	19.097	10.400	18.892	---
Nedbank Financials R	U-NISELFO	169.141	04/01/1999	18.645	16.176	20.378	41.343
Sanlam Small Cap R	U-SLSEL	44.957	04/06/1997	18.620	6.580	16.541	20.578
Nedbank Rainmaker A	U-AHRAINM	93.728	04/01/1999	18.467	8.584	14.863	---
Sanlam General Equity R	U-SLGEN	164.084	04/01/1999	18.297	12.871	24.342	16.315
Nedbank Growth R	U-NIGRO	19.492	18/01/1988	18.286	8.797	16.663	17.003
Sanlam Namibia Growth	U-SLNAGRO	7.047	05/07/1994	17.694	11.143	19.420	5.579
ABSA General R	U-ABGENR	11.062	21/06/1991	17.512	10.635	18.806	---
Nedbank Value R	U-BOVAL	47.542	04/01/1999	17.261	10.868	9.242	---
STANLIB Value A	U-LIVALA	7.169	08/09/2000	17.154	7.983	12.738	8.984
Coronation Market Plus	U-CNMARPL	62.748	04/07/2001	17.151	12.473	27.054	---
STANLIB Value B1	U-LIVALC	7.202	08/09/2000	17.129	7.998	12.796	9.358
PSG Equity Select FoF A	U-PSSET40	5.728	02/10/2000	17.001	10.666	22.839	10.625
RMB Strategic Opportunities R	U-RMSTRAO	8.109	02/04/1997	16.895	11.339	19.162	28.040
Investec Index R	U-ININDXR	7.853	06/03/1995	16.799	8.548	17.472	50.469
Investec Managed Equity B	U-FEWWSEB	4.964	25/07/2001	16.791	9.861	19.098	---
Coronation Financial	U-CNFINGR	43.420	04/01/1999	16.771	13.456	20.833	---
Investec Managed Equity A	U-FEWWSEC	4.954	04/08/2000	16.767	9.859	19.115	---
Investec Equity A	U-INEQA	33.237	03/07/2000	16.742	7.397	16.136	---
Investec Equity R	U-INEQR	33.216	18/01/1988	16.734	7.399	16.010	---
Old Mutual Growth	U-OMGRO	23.066	16/04/1993	16.693	7.518	13.230	17.146
STANLIB Capital Growth R	U-LICAPFR	5.932	06/11/1995	16.650	5.886	14.275	51.028
Sage MultiFocus FoF	U-SAMFOCF	53.555	16/10/2000	16.646	9.854	18.220	11.201
STANLIB Capital Growth A	U-LICAPFA	5.913	12/03/2001	16.613	5.904	14.195	51.648
FNB Growth	U-FNGRO	10.081	13/10/1998	16.480	8.555	12.048	---
Old Mutual Investors	U-OMINVES	311.682	04/01/1999	16.405	9.489	21.305	28.789
RMB Equity R	U-RMEQ	30.122	06/02/1995	16.345	8.082	13.177	19.521
Investec Growth A	U-FEGENGA	44.399	03/07/2001	16.342	7.662	19.336	---
Investec Growth R	U-FEGENGR	44.390	02/08/1988	16.340	7.563	19.155	---
Gryphon All Share Tracker	U-GISATRK	5.086	28/01/1997	16.219	9.005	20.779	---
Coronation Balanced Plus	U-CNBAL	78.880	04/01/1999	16.130	11.508	24.826	---
Nedbank Quants Core Equity R	U-NIQUANT	5.079	01/11/1999	16.100	8.655	13.244	0.587
Old Mutual Top Companies	U-OMTOPCO	26.127	06/11/1991	16.069	7.960	14.082	16.015
Coronation Smaller Companies	U-ONSPECG	58.057	04/01/1999	15.995	11.543	17.937	---
Metropolitan General Equity	U-MEGENEQ	12.826	22/10/1991	15.976	10.283	21.493	23.445
Investec Commodity R	U-INCOMMR	16.236	03/02/1995	15.924	0.505	12.742	---
Marriott Dividend Growth R	U-MADIVGR	67.695	04/01/1999	15.907	14.767	10.785	2.591
Investec Commodity A	U-INCOMMA	16.204	03/07/2000	15.902	0.526	12.763	---
Sanlam MM Equity FoF	U-SLAGRFF	53.321	05/03/1999	15.897	9.196	17.223	4.701
STANLIB Index R	U-SBINDXR	6.850	03/02/1995	15.712	8.356	18.779	28.604
STANLIB MM Equity A1	U-RSEQR	7.214	15/10/1998	15.674	8.584	16.996	12.772
Sanlam Financial	U-SLFIN	44.717	04/08/2000	15.656	12.109	17.207	26.102
FirstMet Namibia Genl Equity	U-MENAGEQ	5.653	20/03/1997	15.643	8.684	12.992	7.804
RMB Top 40 Index	U-RMTOP40	5.249	19/06/1996	15.509	7.907	20.750	34.234
Investec Value A	U-INVALA	9.000	03/07/2000	15.433	6.577	2.319	26.958
Investec Value R	U-INVALR	8.994	06/05/1997	15.426	6.164	2.321	26.109
RMB Financial Services A	U-RMFINSV	3.843	02/07/1998	15.355	13.154	14.307	36.484
STANLIB Property Income A	U-SBPRPIN	4.798	17/09/2002	15.341	12.162	2.216	15.748
Old Mutual Financial Servs	U-OMFINSV	10.136	02/10/1997	15.339	9.920	10.198	25.822
STANLIB ALSI 40 A	U-LIALS-C	4.338	20/03/2000	15.228	7.744	20.467	46.598
Old Mutual Top 40 A	U-OMALS-A	7.553	02/02/2001	15.217	8.052	20.790	33.343
RMB Value	U-RMVAL	7.958	02/07/1998	15.206	4.096	-7.109	37.863
Coronation Absolute	U-CNAGABS	44.014	30/04/2003	15.018	10.469	18.787	---
Inv Solutions MM Equity A	U-ISPUREQ	4.581	03/10/2001	15.011	7.261	14.069	13.466



ANCHOR CAPITAL

RICHARD CLUVER OFFSHORE MANAGED PORTFOLIO

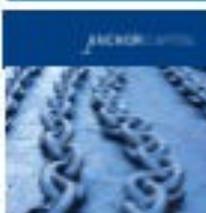
The Parties



Richard Cluver is a legend of the SA private client investment world. Over many years his Sharefinder programme and regular publications have been guiding SA investors on the JSE and offshore markets. Richard is also the author of numerous investment books.

**SAXO
BANK**

Saxobank is a Denmark-based bank, which focusses on providing trading platforms to investors all over the world. This portfolio is managed on the Saxobank platform and provides investors with 24-hour online access (PC, iPhone or iPad) to their segregated portfolios.



Anchor Capital is SA's fastest growing asset manager, and is the FSB-registered entity which will implement the Richard Cluver Offshore portfolio on the Saxobank platform. Anchor Capital has offices in Durban, Sandton, Irene and London.

The facts and figures

- **Fund manager:** Richard Cluver and Anchor Capital
- **Asset class:** Offshore developed market long-only portfolio of equities, initially limited to those listed on the London Stock Exchange
- **Minimum investment:** R500,000
- **Nature of product:** Segregated portfolio with shares owned in the investor's name. These are held on the Saxobank platform, with a London domicile.
- **Default currency:** Pounds
- **Risk profile:** Medium
- **Management fee:** 1% per annum
- **Investment horizon:** 3-5 years
- **Liquidity:** Investors can sell their portfolio at any time

Nature of the equity investment portfolio

This is an investment in offshore listed shares following a model portfolio compiled and regularly updated by Richard Cluver, in collaboration with Anchor Capital. The initial focus will be on London-listed equities.

The shares are purchased in an account in the investor's name on the Saxobank platform—in other words, the investor owns the shares directly. This is the ultimate protection in the volatile investment world, and there is complete transparency for the investor.

Richard's investment process has been developed and fine-tuned over decades. The approach is:

- ⇒ Firstly, to apply a number of fundamental filters, which identify shares of sufficiently high quality which are trading at attractive valuations.
- ⇒ Secondly, a technical overlay is applied which assists in timing the purchase of the shares and setting target prices for purchase.
- ⇒ A portfolio is then constructed taking the overall mix and exposure into account. Shares are patiently accumulated, with acquisition target prices in mind.
- ⇒ Shares will normally only be sold in the event of a deterioration in balance sheet fundamentals or unjustified valuations.

The objective of the portfolio is capital growth over the long-term and is appropriate for investors who wish to have a managed offshore equity component to their portfolio.

The risk profile is considered "medium", as equities are volatile by nature.

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