

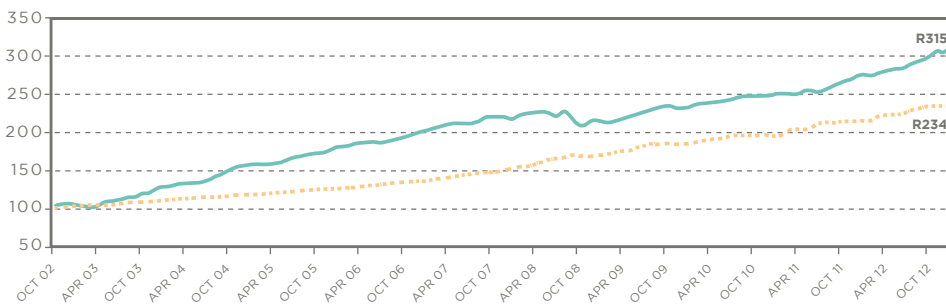
**FUND OBJECTIVE:**

The Element Real Income Fund is a South African Multi Asset fund that will provide investors with the opportunity to achieve moderate capital appreciation with a high level of income. The fund is actively managed and aims to achieve the highest sustainable income payout that is possible without eroding the fund's inflation adjusted capital base. The fund aims to grow this income and the underlying capital of the fund in line with inflation (CPI). The fund complies with the legislation governing retirement funds i.e. Regulation 28 of the Pension Funds Act (Act 24 of 1956). Element Investment Managers signed the United Nations Principles for Responsible Investment (PRI) in May 2006. In signing the PRI, we have committed to adopt and implement them where consistent with our fiduciary responsibilities. We believe that this improves our ability to meet commitments to investors as well as better align our investment activities with the broader interests of society. Element Investment Managers is the first South African investment manager to sign the PRI.

**SUITABLE FOR INVESTORS WHO:**

- ✘ Are nearing retirement or who have already retired
- ✘ Seek a reasonable income with some capital growth
- ✘ Are risk averse
- ✘ Require the preservation of capital over any rolling three-year period

**TRACK RECORD**



Value of R100 invested at inception (income reinvested)

**PERFORMANCE (Net of fees)**

	Fund	Benchmark
Since inception (un-annualised)	215.5%	133.9%
Since inception (annualised)	11.9%	8.6%
5 year (annualised)	7.7%	9.0%
3 year (annualised)	10.6%	8.2%
Last 12 months	15.4%	8.7%

**ASSET ALLOCATION**

Net Equity	19%	Inflation-linked Bonds	6%
Listed Property	11%	Money Market incl. Cash	35%
Nominal Bonds	6%	Foreign Equity	16%
		Foreign Income	7%



**RISK STATISTICS**

	Fund
Maximum drawdown (since inception)	-7.6%
5 year Sortino Ratio	0.45
5 year volatility	4.3%

**SECTOR ALLOCATION (% of equities, excl. pref shares)**

FTSE/JSE All Share Index	Element Real Income Fund
REAL ESTATE	41%
RESOURCES	32%
INDUSTRIALS	18%
FINANCIALS	17%

**INCOME DISTRIBUTION (Last 12 months)**

Date	Distribution (cpu)	Local Dividend (cpu)	Foreign Dividend (cpu)	Local interest (cpu)	Foreign interest (cpu)
March 12	2.33	1.05	0.00	1.03	0.25
June 12	2.02	0.20	0.25	1.47	0.10
September 12	1.97	0.42	0.11	1.32	0.12
December 12	1.84	0.19	0.07	1.43	0.15

The Element Real Income Fund declares a distribution quarterly.

**STATUTORY INFORMATION**

Figures quoted are from Element Investment Managers (Pty) Limited, for the period ended January 2013, for a lump sum investment, using NAV-NAV with income distributions reinvested. Stats SA replaced CPI-X with CPI from January 2009. Benchmark figures quoted are CPI-X+3% up to December 2008 and CPI+3% thereafter. Collective Investment Schemes in Securities (CIS) are generally medium- to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. CIS prices are calculated on a Net Asset Value (NAV) basis, which is the total value of all assets in the portfolio, including any income accrual and less all permissible deductions from the portfolio. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of participatory interests apply to this portfolio and are subject to different fees and charges. A schedule of fees, charges and maximum commissions is available on request from Element Unit Trusts Limited. Commission and incentives may be paid and if so, would be included in the overall costs. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. This portfolio is valued daily at 15h00 and forward pricing is used. The portfolio may be closed. Element Unit Trusts Limited is a full member of the Association for Savings & Investment SA (ASISA).

**CONTACT DETAILS**

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**RISK PROFILE**



**PORTFOLIO MANAGERS**

Terence Craig  
Johny Lambridis  
Jezeze Hattingh

**LAUNCH DATE**

October 2002

**CURRENT SIZE**

R321 million

**NAV PRICE**

186.80 cents

**BENCHMARK**

CPI+3%

**FUND CLASSIFICATION**

South African Multi Asset  
Medium Equity\*

\*Currently in discussions with ASISA to move this fund to the Low Equity category

**FUND INFORMATION**

**Minimum investment**

R5 000 lump sum  
R500 debit order

**Maximum initial advisor fee**

3.42% (incl. VAT)

**Annual management fee**

1.37% (incl. VAT)

**TER**

1.58%\*

**TOP TEN SHARE HOLDINGS**

(excl. pref shares)

SHARE	% OF FUND
SASOL	1.6
ANGLOS**	1.5
ANGLOGOLD	1.2
TONGAAT	0.9
OLD MUTUAL PLC	0.8
GOLD FIELDS	0.7
REINET	0.7
HOWDEN	0.6
IMPLATS	0.6
STANDARD BANK	0.6
<b>TOTAL</b>	<b>9.2</b>

\*\*Including Anglo American Stub Certificates

\*The Element Real Income Fund Class A has a Total Expense Ratio (TER) of 1.58% pa. This means 1.58% of the average Net Asset Value of the portfolio was incurred as charges, levies and fees. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.