

# STANLIB Enhanced Yield Proposition (prev. Cash Plus)

As at 31 December 2011

the art and science of investing

## Proposition details

GIPS Inception Date: 24 Oct 2006  
 Asset size: R 6'128.59 million  
 Benchmark: STeFI Composite Index  
 Available as: Pooled, Unit Trust, Segregated  
 Brief description:

This proposition invests in a flexible mix of non-equity securities, including money market instruments, bonds, fixed deposits, listed debentures, preference shares and other high yielding securities. A maximum weighted average duration is 180 days, and the maximum duration of any individual instrument is 36 months.

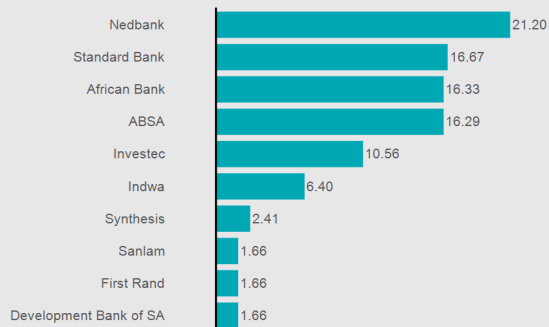
## Risk statistics (3 years, annualised)

|                              |      |
|------------------------------|------|
| Alpha                        | 0.09 |
| Beta                         | 0.99 |
| Benchmark Standard Deviation | 0.45 |
| Standard Deviation           | 0.48 |
| Sharpe Ratio                 | 3.06 |
| Sortino Ratio                | 0.00 |
| Tracking Error               | 0.18 |
| Information Ratio            | 5.81 |

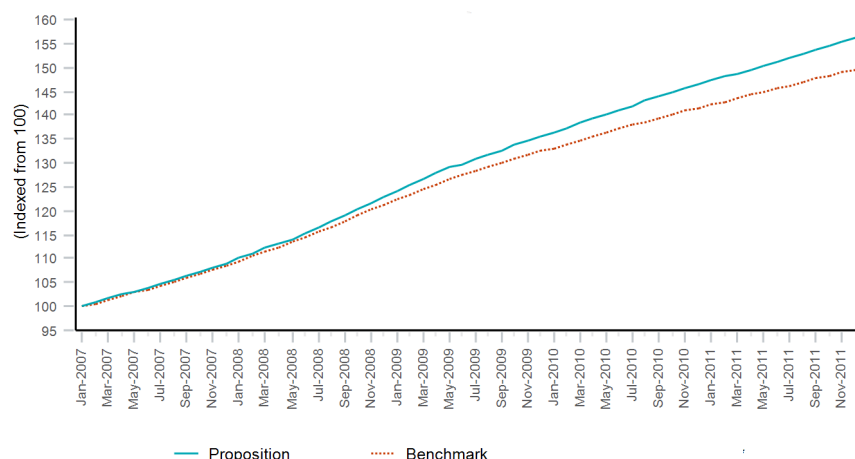
## Performance table (annualized, gross of fees in Rands) (%)

|             | 1 year | 3 years | 5 years | Since GIPS inception |
|-------------|--------|---------|---------|----------------------|
| Proposition | 6.75   | 8.30    | 9.50    | 9.59                 |
| Benchmark   | 5.73   | 7.25    | 8.54    | 8.53                 |

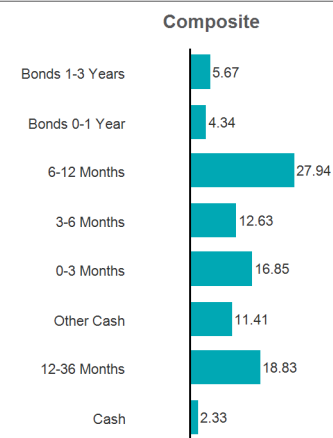
## Institutional Exposure – Top Holdings (%)



## Cumulative 5 year gross performance vs. benchmark



## Asset Allocation(%)



Based on latest month averages

## Risk profile

|            |            |          |      |           |
|------------|------------|----------|------|-----------|
| Negligible | <b>Low</b> | Moderate | High | Very High |
|------------|------------|----------|------|-----------|

## GIPS® Disclosure

STANLIB Asset Management is a 100% owned operating entity within STANLIB Ltd. The company comprises all portfolios managed by STANLIB Asset Management. STANLIB Asset Management claims compliance with the Global Investment Performance Standards (GIPS®). To receive a list of composite descriptions of STANLIB Asset Management and/or a presentation that complies with the GIPS® standards, contact STANLIB Performance at 0860 123 003, write to STANLIB Asset Management, PO Box 202, Melrose Arch, 2076 or email stanlib.performance@stanlib.com

## Investment thesis

The investment objective of the proposition is to maximise the current level of income within the restrictions set out in the investment policy, while providing maximum stability of capital. The product will aim to achieve performance returns in excess of money market yields and current account yields.

The maximum average weighted duration of the portfolio is 180 (one hundred and eighty) days and the maximum tenor for any one instrument is 36 (thirty six) months.

The manager may from time to time invest in participatory interests or any other form of participation in portfolios of collective investment schemes or other similar collective investment schemes. The proposition may from time to time invest in financial instruments. It will not be permitted to invest its assets in foreign investment markets.

## Quarterly Comments - Q4 2011

For the quarter under review, the repo rate was kept unchanged; this was in line with market consensus. The Governor made mention of inflationary pressures and that inflation is likely to peak at around 6.3% in the first quarter of 2012 and is then expected to return within target range in the final quarter of 2012. Inflation pressures emulated mostly from food prices and from high administered prices, thus inflation is of a cost push nature and not demand driven. The monetary authorities have thus expressed a degree of tolerance to higher inflation.

As a result of the debt problems in the Eurozone, the Reserve Bank has also revised growth forecasts down for the South African economy for 2012. This will result in a balancing act for the Reserve Bank going forward to manage inflation with low GDP numbers. The risks to inflation remain on the upside due to cost push pressures.

The Forward Rate Agreement (FRA) curve remained flat, thus predicting rates to remain on hold for the better part of 2012. Market consensus mirrors this view. The money market curve is flat with very little value on a nominal basis between the three month NCD rate and the one year NCD rate.

With the possibility of the repo rate remaining unchanged for the better part of 2012 and with flat money market rates, floating rate notes continue to offer better value. The proposition is positioned to take advantage of short term lack of volatility.

## Statutory Disclosure and General Terms & Conditions

Where Collective investment Schemes in Securities (unit trusts) is included in the proposition, refer to [www.stanlib.com](http://www.stanlib.com) for the relevant Collective Investment Scheme Portfolio fact sheet. As neither STANLIB Asset Management Limited nor its representatives did a full needs analysis in respect of particular investor, the investor understands that there may be limitations on the appropriateness of any product mentioned in this brochure with regard to the investor's unique objectives, financial situation and particular needs. The contents of this brochure are intended for information purposes only and STANLIB does not guarantee the suitability or potential value of any information contained herein. The details and basis of the awards referred to in the document are available from the Manager upon request. Past performances are not necessarily indicative of future performances. STANLIB Asset Management Limited is an authorised Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act, No. 37 of 2002 (Licence No. 26/10/719).

## This proposition is managed by:

**Ansie van Rensburg**

B.Com (Hons) in Economics



Joined the investment industry in 1987  
Joined Stanlib in 1991.

## Contact Details

**STANLIB Asset Management Limited**  
Reg. No. 1969/002753/06

### Chief Investment Officer

Stewart Rider (011) 448 5153

### Institutional fund managers:

Jerry Mnisi (Head of Institutional Distribution) 011 448 5197

Trevor Lukhele 011 448 6590

Lucky Le Padima 011 448 6069

Terry Eichhoff 011 448 6316

Maseabi Marageni 011 448 5027

Gareth Connellan 011 448 6294

Branden Alexander 011 448 5164

Scott Harvey 011 448 5211

Gordon Wessels 011 448 6292

Website address: [www.stanlib.com/institutional](http://www.stanlib.com/institutional)

Institutional queries email address: [Institutionalenquiries@stanlib.com](mailto:Institutionalenquiries@stanlib.com)

17 Melrose Boulevard P O Box 202  
Melrose Arch Melrose Arch  
Johannesburg  
South Africa

2076

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