

MASTERMIND FUND



January 2010

Portfolio Manager *Mark Ansley*

**BENCHMARK
INCEPTION DATE**

**J403T SWIX
01 Apr 06**

PERIOD RETURNS ENDING

31 January 2010

FUND OBJECTIVES

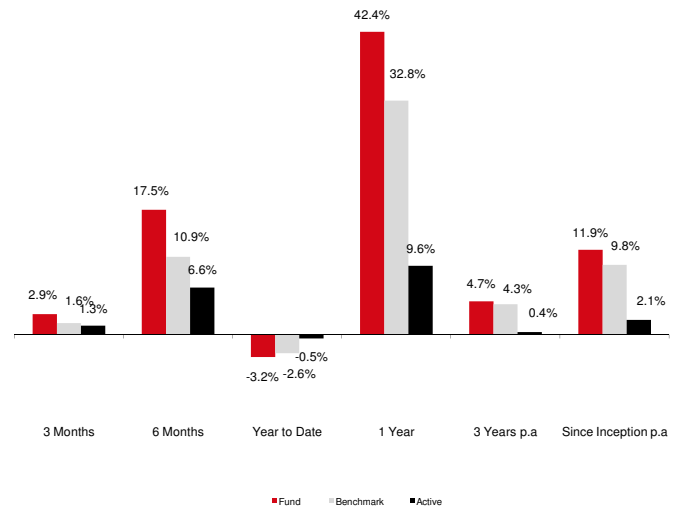
The Cadiz Asset Management Mastermind fund aims to provide investors with a high level of dividend income over the short term and maximum capital growth over the medium to long term. The fund has a deep value investment style and the objectives are long term in nature, with bottom-up stock selection driving performance and income levels, investing in value opportunities in the SA equity market. Our investment approach focuses on identifying companies that are priced significantly below intrinsic value and which generate strong dividend flow. High dividend yield opportunities allow the fund to produce a higher than normal income stream. Investment risk is managed through a combination of diversification within the portfolio, and a thorough business risk assessment of each share the fund holds. This product is targeted at institutional clients seeking equity investment strategies with a value tilt.

FUND COMMENTARY

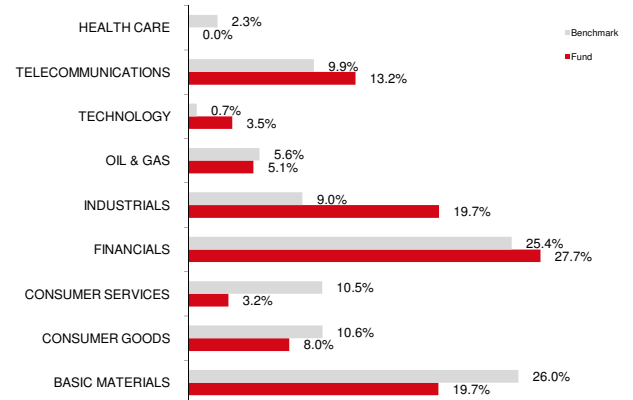
The SWIX All Share returned -3.5% with Resources leading the contraction with a return of -6% and Financials giving us +4% on the back of strong performance by Banks. We believe the cautious investor mood was fuelled by China tightening their reserve ratio for its banks in order to slow down their rampant growth. There were also concerns regarding Portugal, Ireland, Greece and Spain's (PIGS) sovereign debt levels and their ability to fund their fiscal deficits. On this note, the drain on general fiscal budgets to fund stimulus and bail-out packages are still weighing heavily on investor's minds. Obama's tougher stance on banks and the regulation thereof doesn't help the speedy recovery story either. Lastly, even though US employment trends appear to have turned, fear remains around the true employment details when you unpack its components and its ultimate effect on consumer spending. On a positive note we are hearing an upbeat outlook from the general mining houses and their belief that Chinese and Indian demand should improve.

Though Naspers-N fell by 10% for the month it was not our biggest to attribution. Avusa (+4%) and Investec Plc (3%) were the best performers, while Super Group (-6%), Steinhoff (-6%), Anglos (-11%), Imperial (-9%) and Gold Fields (-9%) were our biggest detractors.

During the month we reduced our Richemont holding. The luxury goods company has had a fabulous run and we believe a consolidation is imminent. For the second month in a row we have added to our MTN holding. We also funded an increase in our Sasol exposure by taking some profits in Business Connection and selling our Gijima holding.



SECTOR ALLOCATION



TOP 10 HOLDINGS

| | FUND | BENCHMARK |
|--------------------------------|------|-----------|
| MTN Group Ltd | 9.1% | 8.3% |
| Super Group Limited | 8.0% | 0.1% |
| Anglo American plc | 6.3% | 4.7% |
| Steinhoff International Holdin | 5.5% | 1.2% |
| Bhp Billiton Plc | 5.5% | 6.2% |
| Nedbank Group Ltd | 5.1% | 1.2% |
| Sasol Ltd | 5.1% | 5.6% |
| FirstRand Ltd | 4.6% | 3.2% |
| Lonmin plc | 4.6% | 0.1% |
| Vodacom Group Limited | 3.6% | 1.0% |

RISK STATISTICS (3 YEARS)

| | FUND | BENCHMARK | ACTIVE |
|--------------------|-------|-----------|--------|
| Standard Deviation | 20.8% | 19.5% | 1.3% |
| Tracking Error | 8.0% | | |
| Information Ratio | 0.0 | | |

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