

VFPF CPI PLUS 6% Fund of Funds

MONTHLY FEEDBACK - 31 May 2008

Portfolio Objective

The portfolio aims to generate positive returns over the short term while beating inflation by six percent over a three-year rolling period. The portfolio will be managed to achieve stable growth and will comply with the Prudential Investment Guidelines at all times.

Investable Universe of Portfolio

In order to achieve this objective, the assets normally included in the portfolio will consist of assets in liquid form and participatory interests of portfolios of collective investment schemes or other similar schemes in equity, bond, money or property markets, registered in the Republic of South Africa, or portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the manager and trustee of a sufficient standard to provide investor protection at least equivalent to that in the Republic. The portfolio will predominantly invest in multi-asset class portfolios and is not limited to certain asset classes. The manager will be permitted to invest on behalf of the portfolio in offshore investments as permitted by legislation. The portfolio will aim to achieve a minimum of 60% and a maximum of 75% in equity exposure.

Portfolio Manager

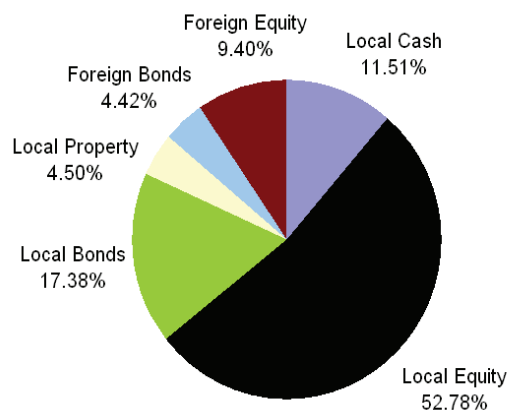
Advantage Asset Managers - Pierre de Klerk

Portfolio Comments

The end of May marked the end of the first two weeks of the VFPF Funds. The markets remained volatile as anticipated with continued pressure internationally from an increasing oil price and speculation around further pressure on the banking and mortgage industries. Domestically the escalation of xenophobic attacks and Tito Mboweni indicating continued aggressive usage of interest rates to curb domestic inflation resulted in continued pressure on the FINDI and bond markets.

The VFPF Funds benefitted from tight risk management procedures that have been maintained into June. We have been in close contact with our domestic managers and retain a predominantly neutral stance with regards strategic asset allocation. The common theme in domestic equities remains potential sector rotation between the resource counters and financial services counters, particularly banks. A potential further sharp decline in conditions surrounding the SA consumer presently remains a major deterrent to this switch.

Asset Allocation as at 31 May 2008



Investment Performance as at 31 May 2008

Performance returns are not permitted for portfolios less than 1 year old.

Portfolio Data

ACI Classification	Asset Allocation - Prudential Medium Equity
Portfolio Benchmark	CPIX +6% (after fees)
Type of Portfolio	Retail
Portfolio Size	R 29.1 million
Launch Date	12/05/2008
Inception Date	18/04/2008
Minimum Investment	Lump Sum R 10 000 Monthly R 1 000
Initial Management Fee - Class A	0.00% (incl. VAT)
Annual Management Fee - Class A	0.798% (incl. VAT)
Total Expense Ratio (TER)	N/A

Price History

	31/05/2008
NAV	98.880

Distribution to Investors (CPU) **

	31/05/2008
Dividend	-
Interest	-
Distribution	-

Distributions take place in June and December

Risk Classification

	▼				
Risk	Low	Low-Mod	Mod	Mod-High	High
Term	1-3mths	3mths-1yr	1-3 yrs	3-5yrs	5+yrs
	▲				