

## VPFP CPI Plus 2 Fund of Funds

MONTHLY FEEDBACK - 28 February 2009

### Portfolio Objective

The portfolio aims to generate positive returns over the short term while beating inflation by two 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 20% and a maximum of 30% in equity exposure.

### Portfolio Manager

Celtis Capital - Tom Barlow

### Portfolio Comments

World markets continued their negative trend in February. Corporate earnings and economic data continued to disappoint and this combined with announcements that the US Government has needed to increase equity stakes in major financial institutions led to a decline in the MSCI World index of 8.41%.

Domestic markets also followed a negative pattern with the JSE All Share Index down 10.23% and the All Bond Index down 2.9% for the month. South African GDP is now clearly under pressure but given the surprise of a weak current account deficit means that our Reserve Bank will have to carefully consider aggressive interest rate cuts as large interest rate cuts may lead to rand weakness.

We have materially reduced the domestic nominal bond exposure and remained underweight equities over the last month. We have also increased the active management of the domestic equity component of the portfolios. This strategic asset allocation has served our clients well over the last month. We will continue to maintain an overweight cash position and increase the risk of the portfolio as opportunities arise.

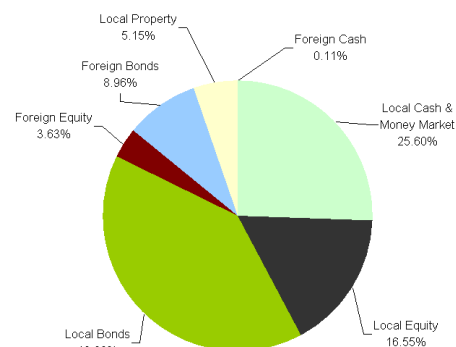
### Investment Performance as at 28 February 2009

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

### Portfolio Data

<b>ACI Classification</b>	Asset Allocation - Prudential Low Equity
<b>Portfolio Benchmark</b>	CPIX +2% (after fees)
<b>Type of Portfolio</b>	Retail
<b>Portfolio Size</b>	R 436.2 million
<b>Launch Date</b>	12/05/2008
<b>Inception Date</b>	18/04/2008
<b>Minimum Investment</b>	Lump Sum R 10 000 Monthly R 1 000
<b>Initial Management Fee - Class A</b>	0.00% (incl. VAT)
<b>Annual Management Fee - Class A</b>	0.798% (incl. VAT)
<b>Total Expense Ratio (TER)</b>	1.36%

### Asset Allocation as at 28 February 2009



### Price History

	30/11/08	31/12/08	31/01/09	28/02/09
<b>NAV</b>	100.140	103.170	100.450	<b>97.760</b>

### Distribution to Investors (CPU) \*\*

	31/12/2008
<b>Dividend</b>	0.55
<b>Interest</b>	1.98
<b>Distribution</b>	<b>2.53</b>

*Distributions take place in June and December*

### Risk Classification

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<b>Risk</b>	Low	Low-Mod	Mod	Mod-High	High
<b>Term</b>	1-3mths	3mths-1yr	1-3 yrs	3-5yrs	5+yrs
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