

June 2011

The Quest for Alpha



**An Analysis of the Performances of Collective Investments
Actively-managed Equity Funds versus Benchmarks**

Quarter ended June 2011

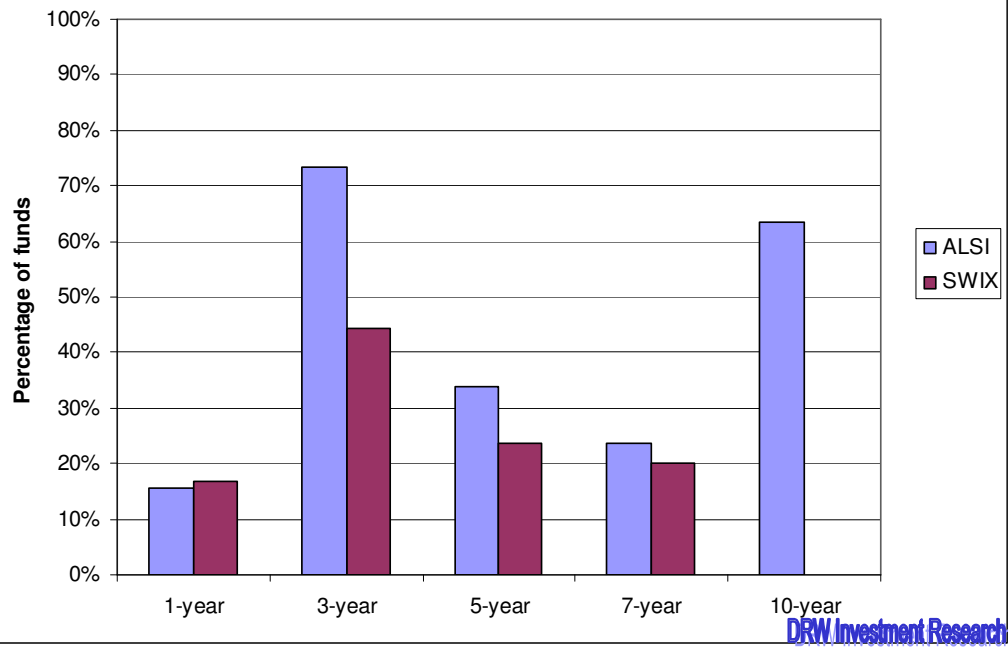
DRW Investment Research

1. Outperformance

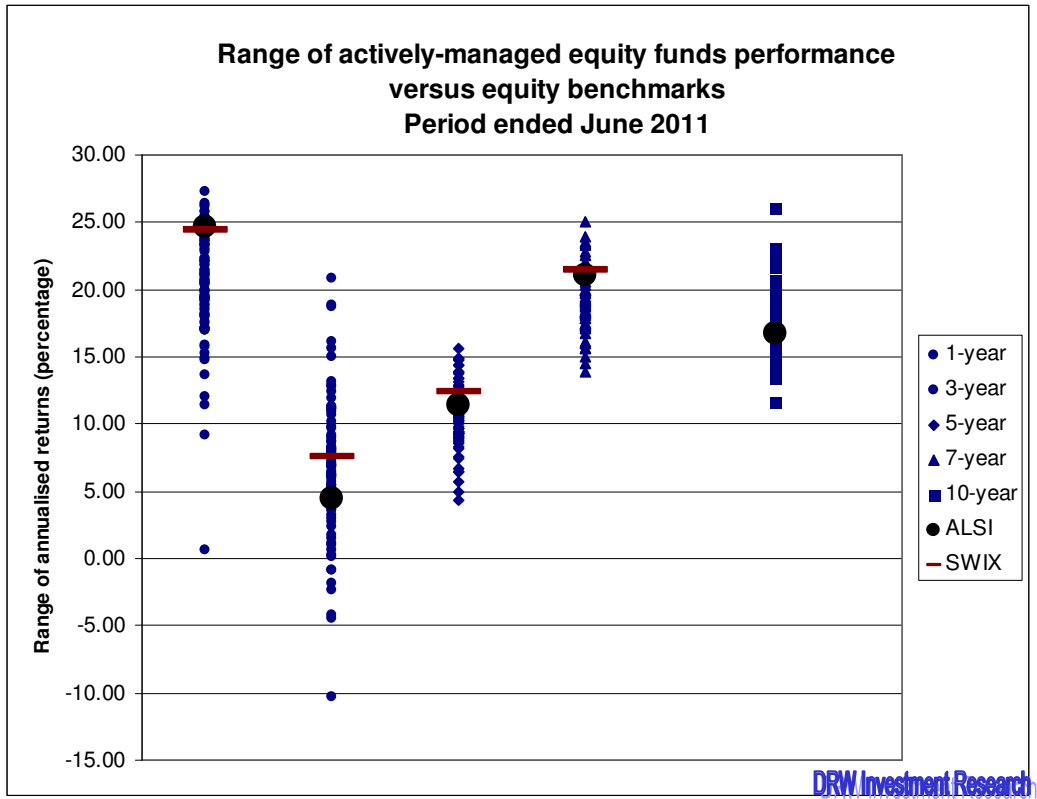
- 1) Equity funds categorised under General, Growth and Value.
- 2) Only actively-managed funds evaluated, index tracker funds excluded.
- 3) The analysis does not account for *survivorship bias*, meaning the performance of funds that ceased to exist is no longer part of the database.
- 4) Annualised returns for 3-year, 5-year, 7-year and 10-year holding periods.

Equity Funds	1-year	3-year	5-year	7-year	10-year
Number of funds	96	86	68	55	41
Best performing fund	27.3%	20.8%	15.6%	25.1%	26.0%
Worst performing fund	0.6%	-10.3%	4.3%	13.9%	11.6%
Top quartile	23.4%	9.5%	12.1%	20.7%	19.4%
Median	20.7%	6.9%	10.6%	19.1%	17.1%
Bottom quartile	18.5%	3.9%	9.2%	17.6%	15.3%
Average	20.5%	6.8%	10.6%	19.2%	17.6%
Benchmark: ALSI	24.6%	4.5%	11.5%	21.1%	16.7%
% Funds outperforming ALSI	16%	73%	34%	24%	63%
Benchmark: SWIX	24.4%	7.6%	12.4%	21.5%	
% Funds outperforming SWIX	17%	44%	24%	20%	

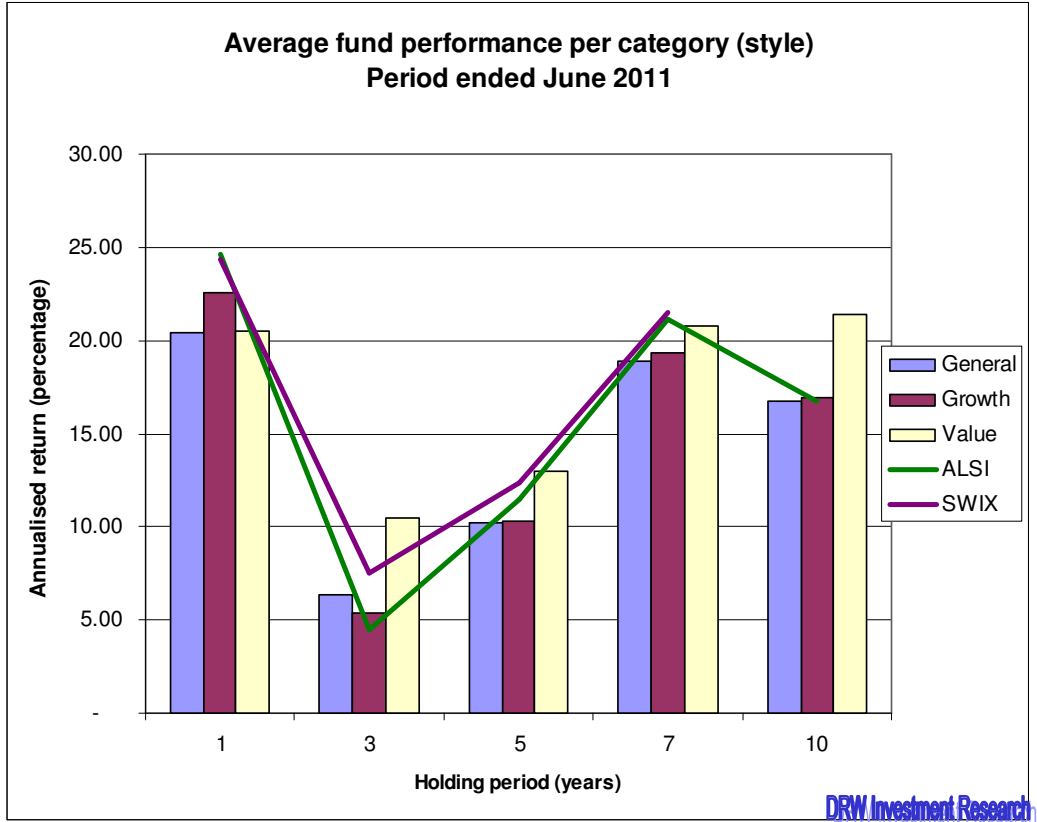
**Percentage of actively-managed equity funds outperforming equity benchmarks
Period ended June 2011**



2. Performance range



3. Style



4. Top Performing Equity Funds (Top Quartile Performers)

One-year period

Prime General Equity B	27.28
Prudential Equity A	26.38
Investec Growth R	26.26
PSG Equity A	26.15
RMB Value	25.83
Coronation Equity R	25.74
STANLIB SA Equity R	25.47
Foord Equity R	25.45
STANLIB Equity R	25.35
Sasfin Equity	24.79
Old Mutual Albaraka Equity	24.72
Prescient Eqty Quant A1	24.71
Metropolitan Multi-Manager Equity	24.69
Old Mutual Investors R	24.67
Sasfin Value	24.66
Nedgroup Inv Rainmaker A	24.47
Efficient Equity	24.07
Prudential Dividend Maximiser A	24.00
SIM General Equity R	23.92
Analytics Managed Equity A	23.75
Harvard House General Equity	23.67
STANLIB MM All Stars Eq FoF A	23.65
Nedgroup Inv Equity R	23.59
SIM Top Choice Equity A1	23.51

Three-year period (annualised)

Marriott Dividend Growth R	20.79
Discovery Equity	18.85
Investec Value R	18.67
Nedgroup Inv Value R	16.05
Aylett Equity A3	15.59
Old Mutual High Yield Opp A	15.06
SIM Value R	13.16
ABSA Select Equity	12.93
Coronation Equity R	12.76
Imara Equity	12.36
Kagiso Equity Alpha	11.86
SIM Top Choice Equity A1	11.34
Foord Equity R	11.23
Prudential Equity A	11.22
SIM General Equity R	11.14
Prudential Dividend Maximiser A	11.12
Cadiz Mastermind A	11.04
PSG Equity A	10.88
Plexus RAFI® Enhanced SA Strategy A	10.70
Metropolitan High Dividend	10.22
Nedgroup Inv Quants Core Eq A	9.81
Metropolitan Multi-Manager Equity	9.66

Five-year period (annualised)

ABSA Select Equity	15.62
Kagiso Equity Alpha	14.88
Nedgroup Inv Value R	14.83
Coronation Equity R	14.71
Prudential Equity A	14.41
SIM Value R	14.39
Prudential Dividend Maximiser A	13.93
SIM General Equity R	13.85
RMB Value	13.75
Marriott Dividend Growth R	13.39
Investec Value R	13.34
Old Mutual Growth R	13.16
Foord Equity R	12.93
STANLIB Value A	12.72
Oasis General Equity	12.47
Cadiz Mastermind A	12.45
Allan Gray Equity A	12.39

Seven-year period (annualised)

Kagiso Equity Alpha	25.08
ABSA Select Equity	23.94
Prudential Dividend Maximiser A	23.57
Prudential Equity A	23.43
SIM Value R	23.35
Nedgroup Inv Value R	22.81
Coronation Equity R	22.52
Investec Value R	22.08
Foord Equity R	21.96
Allan Gray Equity A	21.66
SIM General Equity R	21.46
Nedgroup Inv Growth R	21.41
Nedgroup Inv Rainmaker A	21.13
RMB Value	20.78

Ten-year period (annualised)

Investec Value R	26.03
Nedgroup Inv Value R	23.02
RMB Value	22.23
Nedgroup Inv Rainmaker A	22.16
SIM Value R	21.64
Allan Gray Equity A	20.74
Prudential Equity A	20.04
Old Mutual High Yield Opp A	20.01
Investec Equity R	19.54
Prudential Dividend Maximiser A	19.46
STANLIB Value A	19.37

5. Persistence of Fund Performance (annualised returns)

Fund	10-year	7-year	5-year	3-year	1-year
Investec Value R	26.03	22.08	13.34	18.67	19.30
Nedgroup Inv Value R	23.02	22.81	14.83	16.05	21.51
RMB Value	22.23	20.78	13.75	5.47	25.83
Nedgroup Inv Rainmaker A	22.16	21.13	12.03	8.16	24.47
SIM Value R	21.64	23.35	14.39	13.16	18.15
Allan Gray Equity A	20.74	21.66	12.39	9.08	17.96
Prudential Equity A	20.04	23.43	14.41	11.22	26.38
Old Mutual High Yield Opp A	20.01	18.37	10.60	15.06	19.39
Investec Equity R	19.54	19.19	9.33	2.72	22.11
Prudential Dividend Maximiser A	19.46	23.57	13.93	11.12	24.00
STANLIB Value A	19.37	19.93	12.72	5.26	15.71
Coronation Equity R	19.19	22.52	14.71	12.76	25.74
Oasis Crescent Equity	18.87	17.49	9.78	1.18	15.92
Nedgroup Inv Growth R	18.69	21.41	11.65	7.99	19.84
Old Mutual Growth R	18.40	20.53	13.16	8.15	20.89
FNB Growth	18.39	18.41	9.72	6.19	22.26
Old Mutual Value R	18.29	18.37	10.83	8.05	18.42
RMB Equity R	17.97	18.27	9.27	5.09	20.30
Investec Growth R	17.95	18.98	10.49	3.90	26.26
SIM General Equity R	17.35	21.46	13.85	11.14	23.92
Old Mutual Investors R	17.06	19.28	11.11	6.95	24.67
Old Mutual Top Companies R	17.03	19.26	11.77	7.86	21.12
Nedgroup Inv Quants Core Eq A	17.00	19.98	12.05	9.81	22.79
ABSA General R	16.92	20.02	11.39	7.43	20.01
PSG Equity A	16.91	19.93	8.73	10.88	26.15
Old Mutual Albaraka Equity	16.73	14.54	4.97	0.24	24.72
Community Growth Equity	16.16	18.74	10.35	3.58	18.55
Old Mutual Active Quant Equity A	16.07	19.07	10.75	6.81	22.92
STANLIB Growth R	16.07	17.80	7.53	0.93	22.09
Marriott Dividend Growth R	15.30	19.52	13.39	20.79	19.38
Nedgroup Inv Equity R	15.27	18.37	9.26	7.61	23.59
Momentum MultiFocus FoF	15.18	17.07	9.41	6.03	16.98
RMB Strategic Opportunities R	15.12	19.10	11.46	8.70	22.22
STANLIB MM Equity A1	14.56	17.34	8.83	6.44	20.64
STANLIB SA Equity R	14.52	16.02	5.76	2.41	25.47
ABSA Growth FoF	14.26	15.57	6.47	0.93	14.77
SYmmETRY Equity FoF A	14.14	18.24	9.40	8.05	19.89
Coris Capital General Equity	13.67	18.41	10.42	9.13	19.58
Metropolitan General Equity	13.43	17.48	9.17	5.66	19.45
STANLIB Equity R	13.33	16.08	6.75	0.92	25.35
Tri-Linear Equity	11.65	13.91	4.28	4.16	0.61
ALSI	16.73	21.09	11.45	4.47	24.64
SWIX		21.46	12.39	7.55	24.39

KEY:

	Top Quartile
	Middle
	Bottom Quartile



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