

September 2011

The Quest for Alpha



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

Quarter ended September 2011

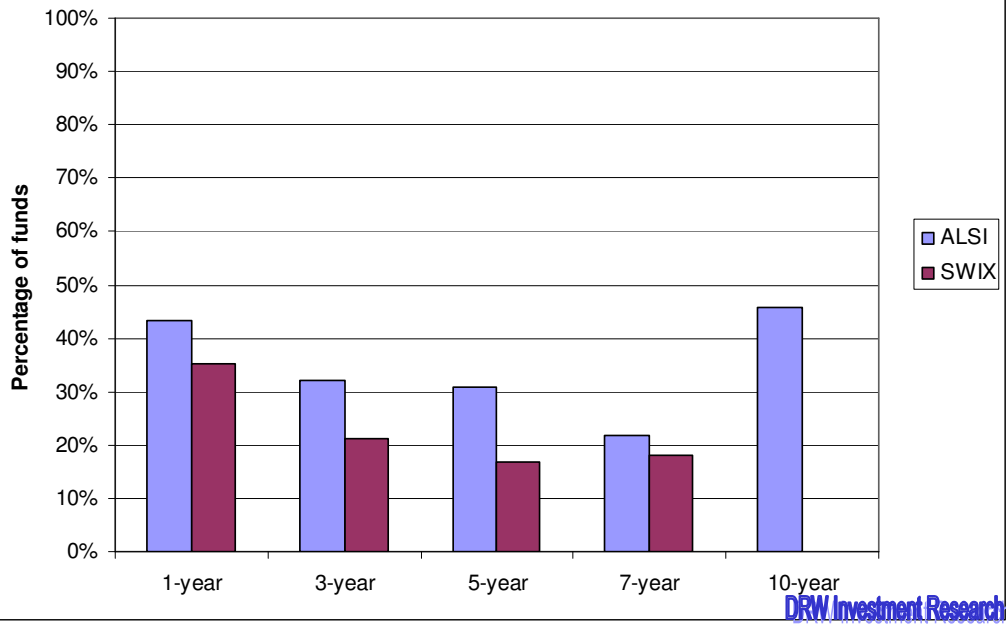
DRW Investment Research

1. Outperformance

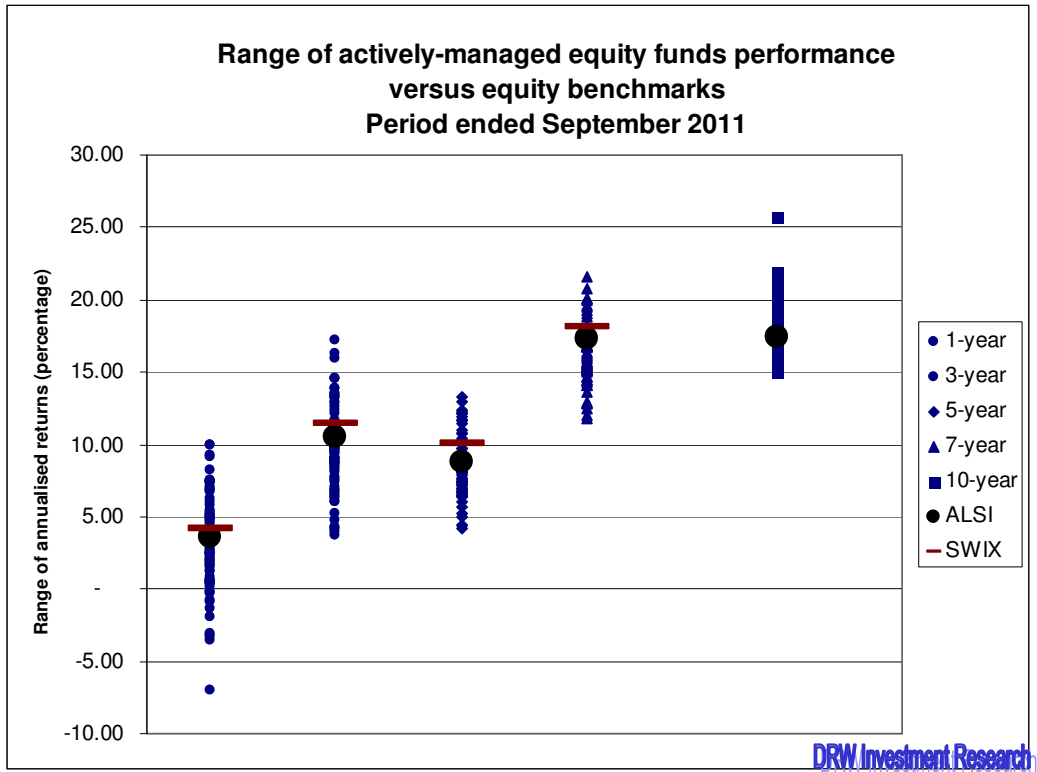
- 1) Equity funds categorised under General, Growth and Value.
- 2) Only actively-managed funds evaluated, index tracker funds excluded.
- 3) The analysis does not account for *survivorship bias*, meaning the performance of funds that ceased to exist is no longer part of the database.
- 4) Annualised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

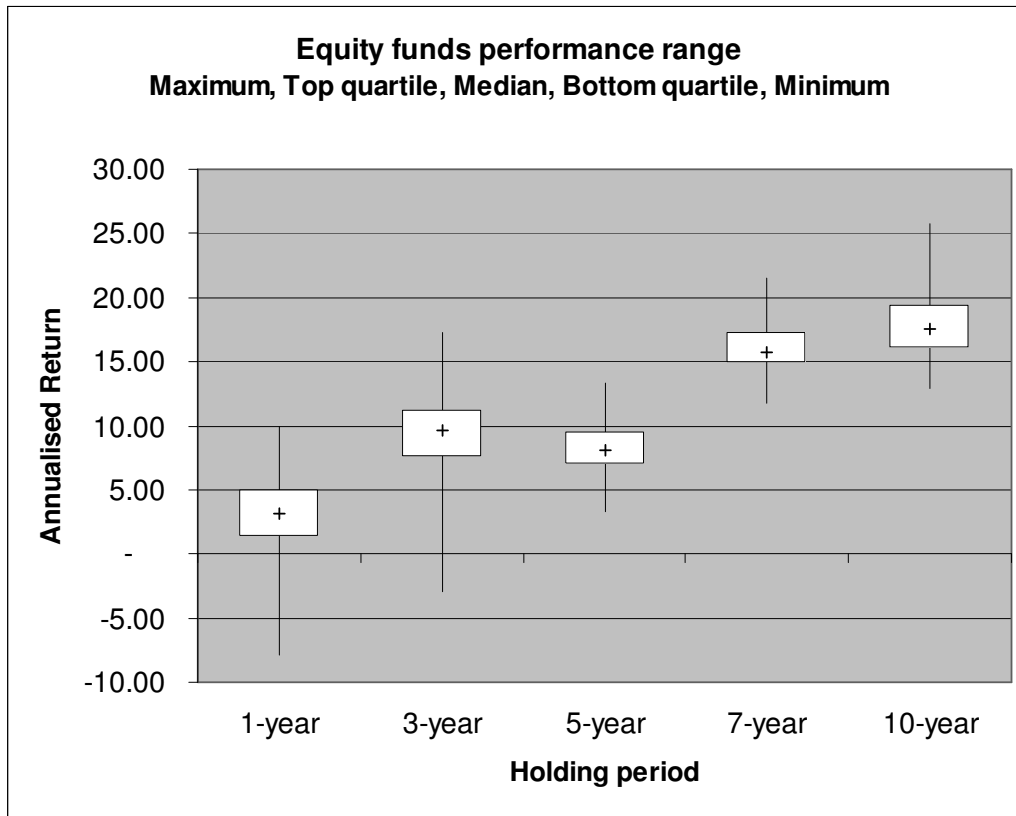
Equity Funds	1-year	3-year	5-year	7-year	10-year
Number of funds	97	90	71	55	46
Best performing fund	10.0%	17.2%	13.3%	21.5%	25.7%
Worst performing fund	-7.9%	-3.0%	3.3%	11.8%	12.9%
Top quartile	5.0%	11.0%	9.3%	17.2%	18.8%
Median	3.1%	9.6%	7.8%	15.6%	17.3%
Bottom quartile	1.3%	7.4%	6.8%	14.6%	16.0%
Average	3.1%	9.2%	8.1%	16.0%	17.6%
Benchmark: ALSI	3.6%	10.6%	8.8%	17.3%	17.4%
% Funds outperforming ALSI	43%	32%	31%	22%	46%
Benchmark: SWIX	4.1%	11.4%	10.0%	18.1%	
% Funds outperforming SWIX	35%	21%	17%	18%	

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



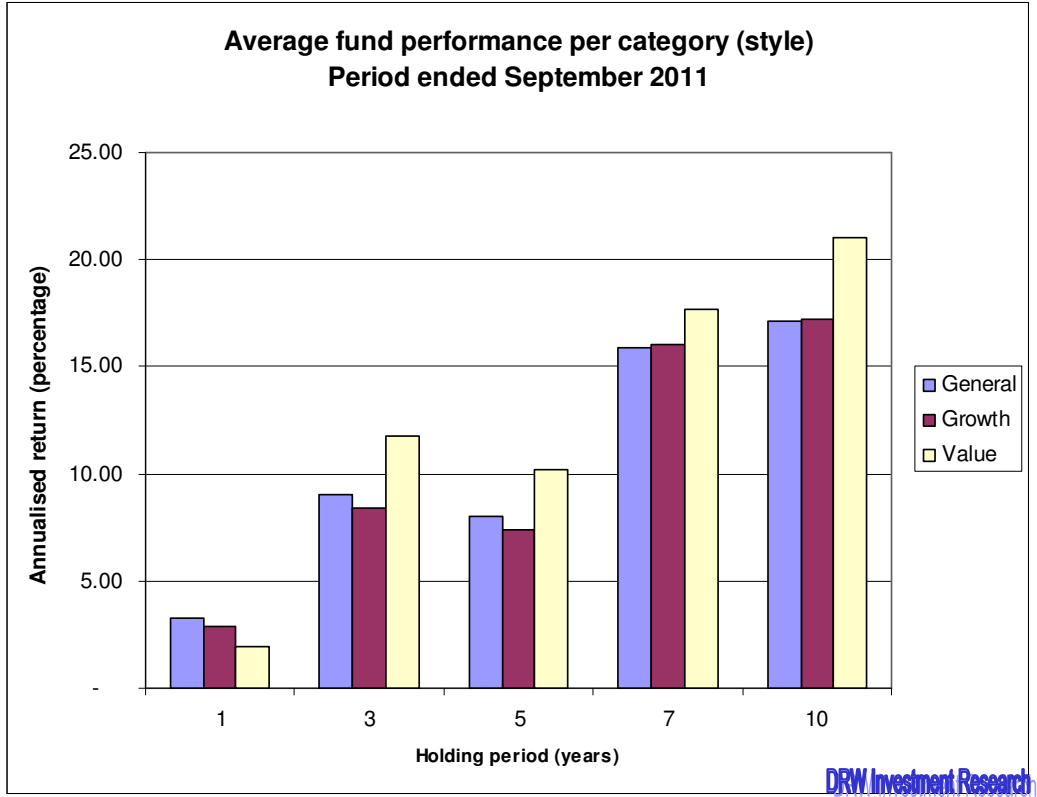
2. Performance range





Top of vertical line:	Top-performing fund
Upper box boundary:	Top-quartile range
Bottom box boundary:	Bottom-quartile range
Bottom of vertical line:	Worst-performing fund

3. Style



4. Top Performing Equity Funds (Top Quartile Performers)

One-year period

Old Mutual Albaraka Equity	9.97
Imara Equity	9.95
PSG Equity A	9.30
STANLIB Equity R	9.15
BJM Multi-Manager Equity B1	8.18
Marriott Dividend Growth R	7.58
Kagiso Islamic Equity	7.51
Discovery Equity	7.40
Foord Equity R	7.40
Metropolitan Multi-Manager Equity	7.36
Harvard House General Equity	7.29
Sasfin Value	7.01
FG Mercury Equity FoF A1	6.98
Personal Trust SA Equity	6.84
Investec Value R	6.80
Allan Gray Equity A	6.74
Inv Solutions MM Equity A	6.28
Stewart Macro Equity FoF A	5.99
PSG Konsult Creator FoF A	5.77
Prime General Equity B	5.46
STANLIB SA Equity R	5.38
Momentum Mod Equity FoF B1	5.19
Aylett Equity A3	5.15
Kagiso Equity Alpha	5.13

Three-year period (annualised)

Marriott Dividend Growth R	17.22
Discovery Equity	16.25
Nedgroup Inv Value R	15.91
Aylett Equity A3	14.60
ABSA Select Equity	14.55
Investec Value R	14.50
Kagiso Equity Alpha	13.92
Imara Equity	13.88
Foord Equity R	13.57
PSG Equity A	13.55
SIM Value R	13.37
Coronation Equity R	13.31
Metropolitan Multi-Manager Equity	13.23
SIM General Equity R	13.21
Prudential Dividend Maximiser A	12.99
Prudential Equity A	12.82
Old Mutual High Yield Opp A	12.54
Allan Gray Equity A	12.40
SIM Top Choice Equity A1	12.18
Momentum Strategic Opportunities R	11.66
PSG Konsult Creator FoF A	11.57
ABSA General R	11.38
Metropolitan Value	11.24

Five-year period (annualised)

ABSA Select Equity	13.32
Kagiso Equity Alpha	12.92
Coronation Equity R	12.40
Investec Value R	12.23
Aylett Equity A3	12.15
Nedgroup Inv Value R	12.14
Prudential Equity A	11.85
Marriott Dividend Growth R	11.71
SIM Top Choice Equity A1	11.69
SIM Value R	11.65
Prudential Dividend Maximiser A	11.47
SIM General Equity R	10.92
Allan Gray Equity A	10.81
Foord Equity R	10.76
STANLIB Value A	10.43
Old Mutual Growth R	10.01
Momentum Value A	9.73
Oasis General Equity	9.72

Seven-year period (annualised)

Kagiso Equity Alpha	21.55
ABSA Select Equity	20.82
SIM Value R	20.11
Prudential Dividend Maximiser A	20.09
Prudential Equity A	20.02
Nedgroup Inv Value R	19.59
Investec Value R	19.52
Allan Gray Equity A	19.27
Coronation Equity R	19.10
Foord Equity R	18.82
SIM General Equity R	18.27
Nedgroup Inv Rainmaker A	18.18
Nedgroup Inv Growth R	17.99
ABSA General R	17.35

Ten-year period (annualised)

Investec Value R	25.72
Nedgroup Inv Rainmaker A	21.95
Nedgroup Inv Value R	21.78
SIM Value R	21.71
Momentum Value A	21.14
Allan Gray Equity A	20.73
Prudential Equity A	20.41
Oasis General Equity	20.29
Prudential Dividend Maximiser A	19.83
Investec Equity R	19.72
Coronation Equity R	19.63
Old Mutual High Yield Opp A	19.44

5. Persistence of Fund Performance (annualised returns)

KEY:

	Top Quartile
	Middle
	Bottom Quartile

Fund	10-year	7-year	5-year	3-year	1-year
Investec Value R	25.72	19.52	12.23	14.50	6.80
Nedgroup Inv Rainmaker A	21.95	18.18	9.35	11.02	3.83
Nedgroup Inv Value R	21.78	19.59	12.14	15.91	2.99
SIM Value R	21.71	20.11	11.65	13.37	2.52
Momentum Value A	21.14	17.33	9.73	10.80	1.79
Allan Gray Equity A	20.73	19.27	10.81	12.40	6.74
Prudential Equity A	20.41	20.02	11.85	12.82	4.69
Oasis General Equity	20.29	16.91	9.72	8.69	2.97
Prudential Dividend Maximiser A	19.83	20.09	11.47	12.99	3.81
Investec Equity R	19.72	15.89	6.98	7.73	4.57
Coronation Equity R	19.63	19.10	12.40	13.31	3.96
Old Mutual High Yield Opp A	19.44	15.17	8.59	12.54	2.63
STANLIB Value A	19.22	16.91	10.43	8.81	- 0.23
Nedgroup Inv Growth R	18.78	17.99	8.41	10.89	3.00
FNB Growth	18.70	15.56	6.49	10.24	2.47
Momentum Equity R	18.65	15.40	6.03	9.05	2.40
Old Mutual Growth R	18.36	16.73	10.01	9.71	0.80
PSG Equity A	18.32	16.73	7.22	13.55	9.30
SIM General Equity R	18.30	18.27	10.92	13.21	4.26
Oasis Crescent Equity	18.23	15.47	7.36	5.21	4.91
Old Mutual Value R	18.07	15.24	8.30	8.81	- 0.33
Investec Growth R	17.87	15.20	8.05	6.88	2.60
ABSA General R	17.66	17.35	9.20	11.38	3.92
Old Mutual Top Companies R	17.58	15.69	9.31	10.31	2.00
Nedgroup Inv Quants Core Eq A	17.40	16.78	9.36	10.95	3.01
Old Mutual Investors R	17.25	15.66	8.30	8.96	0.19
Marriott Dividend Growth R	17.04	17.13	11.71	17.22	7.58
Analytics Managed Equity A	16.66	16.19	8.59	10.48	2.32
STANLIB Growth R	16.59	14.62	4.42	4.22	2.45
Old Mutual Albaraka Equity	16.39	12.51	3.73	8.25	9.97
Old Mutual Active Quant Equity A	16.29	15.56	8.07	9.64	- 0.20
Community Growth Equity	16.26	15.32	7.56	7.54	- 3.34
Inv Solutions MM Equity A	16.20	15.51	7.68	9.91	6.28
Momentum Mod Equity FoF B1	16.01	14.62	7.20	9.34	5.19
Momentum Aggressive Equity FoF B1	15.99	14.46	6.99	8.78	4.88
Nedgroup Inv Equity R	15.97	15.01	6.49	9.66	4.28
Momentum MultiFocus FoF	15.82	14.41	6.87	8.50	3.57
Momentum Strategic Opportunities R	15.63	16.38	8.57	11.66	3.41
STANLIB MM Equity A1	15.12	14.30	6.38	8.07	2.27
STANLIB SA Equity R	15.03	12.94	3.66	4.30	5.38
ABSA Growth FoF	14.97	12.82	4.37	3.99	1.50

Fund	10-year	7-year	5-year	3-year	1-year
SYmmETRY Equity FoF A	14.75	15.35	7.42	10.14	3.09
Coris Capital General Equity	14.45	15.17	7.60	10.64	0.52
Metropolitan General Equity	14.28	14.15	6.38	8.37	- 1.34
STANLIB Equity R	14.13	13.63	5.00	6.53	9.15
IP Equity	12.92	11.81	3.29	1.33	- 6.99

Benchmark	10-year	7-year	5-year	3-year	1-year
ALSI	17.39	17.33	8.77	10.56	3.60
SWIX		18.10	10.04	11.43	4.14



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