

Atlantic Enhanced Income Fund

Fund Factsheet

June 2011



Product

The Atlantic Enhanced Income Fund is an actively managed income-producing fund, which seeks to provide income levels in excess of that provided by money market funds, while at the same time provide moderate capital growth by careful risk-constrained investment into securities offering good trading opportunities. By actively allocating and diversifying between various interest-bearing asset classes and listed property, total returns are also maximized.

Portfolio Manager

Arno Lawrenz B.Sc (Hons), CFA

Investment Objective

The objective of the Atlantic Enhanced Income Fund is to preserve capital and to maximize income returns for investors. The performance objective of the fund is to achieve a total return in excess of the benchmark over rolling 36-month periods.

Portfolio Positioning and Activity

The news headlines from Greece in particular dominated the screens during June, as the excruciating process by which they go about their inevitable default continues to grind away. So the question as to whether they would gain parliamentary approval for the austerity package proposed by the ECB engendered all sorts of manipulations and social unrest. In the end, approval was gained but the questions remain as to whether this is just another kicking of the can down the road. We suspect it is.

"It is clear that Europe continues to pose the biggest risk to the global economic outlook for the foreseeable future..."

Market Outlook

As such the risk-on and risk off type of market gyrations continued unabated in our markets. Given the binary types of outcomes around these sorts of events we retained a cautious approach in our fund, opting where we could to lock in profits and keep risk at a fairly low level. Thus we opted for example to lock in gains on our inflation-linked bond component – reducing exposure there to below 10%. Given that food and commodity price risks remain hanging around the edges, we would not hesitate to add to these positions again should they cheapen up on a material basis.

We continue to keep a significant component of the fund exposed to money market assets, thereby giving a core stability and predictability of return to the fund. In addition, the credit overlay on these assets continues, although we remain particularly conservative in the underlying credit risk names that we take on.

Our listed property component, which took a beating in the early part of the year has recovered very nicely and continues to present good upside possibilities in the medium to longer term, although we are wary of a "start-of-the-rate-hike-cycle-blues" syndrome that sometimes occurs. In this respect we will practice caution when it comes to this sector.

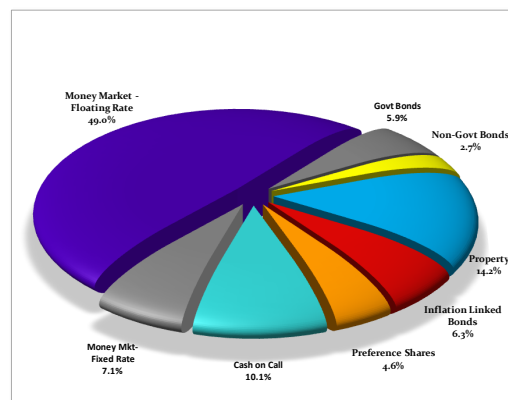
Investment Information

Risk Profile:	Low-Moderate
Benchmark:	ALBI 1-3 Year Total Return Index
ASISA Fund classification:	Domestic - Fixed Interest - Varied Specialist Portfolio
Launch Date:	1 November 2007
Distribution Frequency:	Quarterly
Fund Size at 30 June 2011:	R 1,343.80m
Distribution Per Unit (Class A):	May'11 2.00 cents per unit Feb'11 1.55 cents per unit Nov'10 1.82 cents per unit
Fees (Class A):	Initial: 0.00% Annual: 1.14% per annum including VAT.
Valuation time of fund:	15:00 (Quarter end: 17:00)
Trading Closing Time:	16:45
Month End Nav Price:	103.29c (class A)
TER:	Class A 1.14% Class C 2.39%
Minimum Investment amount:	Monthly debit order R250 pm, Single premium R2000 or subject to LISP minimums
Initial Max Broker Fee:	1.14% including VAT.
Management Company:	PSG Collective Investments Limited

The Atlantic Enhanced Income Fund has a Total Expense Ratio (TER) as listed above. For the period from 1 April 2010 to 31 March 2011 the above TER of the average Net Asset Value of the portfolio were incurred as charges, levies and fees related to the management of the portfolio. The ration does not include transaction costs. A higher TER does not necessarily imply a poor return, nor does a lower TER imply a good return. The current TER can not be regarded as an indication of future TER's.

Asset Allocation June 2011

Atlantic Enhanced Income Fund



Performance (annualised)	1-Year	2-Year	3-Year	Inception
Atlantic Enhanced Income Fund	7.12%	7.94%	9.07%	8.90%
*ALBI 1-3 Total Return	7.81%	8.12%	10.93%	9.09%

* Figures Quoted are from @2011 Moneymate for the period ending June 2011 for a lumpsum using NAV to NAV prices with income distributions reinvested

Conflict of Interest Disclosure : The Fund may from time to time invest in a fund managed by a related party. A process is in place to ensure the same selection criteria apply to all funds when selecting the underlying portfolios. PSG Collective Investments the Fund Manager may negotiate a discount on the fees charged by the underlying Fund Manager. All discounts negotiated are reinvested in the Fund for the benefit of the unit holder. Neither PSG Collective Investments or the Fund manager retain any portion of such discount for their own account



Atlantic Asset Management Pty (Ltd)

Address: 1st Floor Barinor's Vineyard North The Vineyards Office Estate 99 Jip de Jager Road Bellville 7530

Tel: +27 21 913 8941 Email: info@atlanticam.com Web: www.atlanticam.com



ASISA

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Collective Investment Schemes in Securities (Unit Trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not a guide as to future performance. Collective Investment Schemes are traded at ruling price and can engage in borrowing and scrip lending. The price of participatory interests (units) and the amount of income distributed or accumulated may go down as well as up. Commission and incentives must be paid and if so, included in the overall costs. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The portfolio may be capped at anytime in order for the fund to be managed in accordance with the mandate. Atlantic Asset Management is an associate member of the Association for Savings and Investment South Africa (ASISA). A schedule of fees and charges and maximum commissions is available on request from the company. Company Scheme PSG Collective Investments, 1st Floor PSG House, Alphen Park, onstantia Main Road, Constanatia, 7806, Member of ASISA.