

Atlantic Real Income Fund

Fund Factsheet

September
2011



Product

Atlantic's Real Income Fund is an actively managed fixed income fund which aims to deliver inflation beating returns over time. The fund will invest primarily in inflation linked bonds as well as other high yielding fixed income securities. The fund manager may also invest in listed property and a basket of selected equity securities to ensure the targeted return is achieved. The Fund aims to protect investors capital and at the same time generate an inflation beating income stream.

Portfolio Manager

Arno Lawrenz B.Sc (Hons), CFA

Investment Objective

The objective of the Atlantic Real Income Fund, as an inflation-themed income fund, is to provide a stable base of income, growing at least in line with inflation, whilst also providing capital appreciation opportunities linked to inflationary trends.

Portfolio Positioning and Activity

Given the uncertainty that we faced with respect to both the growth outlook as well as the inflation outlook during the course of September, we believed it appropriate to take some risk off the table. As such we opted to cut back on some of our equity positions, by taking some profit on some counters. We retain a focussed approach to this asset class, with a predominant exposure in the energy and food space.

“While early signs point to October potentially being slightly more constructive on risk as European officials appear to be appreciating the desirability of a workable long-term solution for peripheral credit issues, investors’ confidence has been dealt a severe blow.”

Market Outlook

During September we did also cut back on the exposure to Inflation Linked Bonds. This was based on a valuation basis, with yields on the R197 dropping to below 2.30%. These were record lows and on a relative value basis, nominal bonds offered more value. As such we opted to take profits and rather start a switch towards nominals. Subsequently, ILB yields have risen, and given our low exposure currently to ILB's we would consider adding to this position again should real yields offer value to us.

Delivering consistent real yield over time with low volatility is a central theme of ours and this is apparent in the current exposure to the money market, where we continue to benefit from a long term credit overlay on an accrual basis. This we believe, in the Real Income space, is the most appropriate manner of delivering growing income over time.

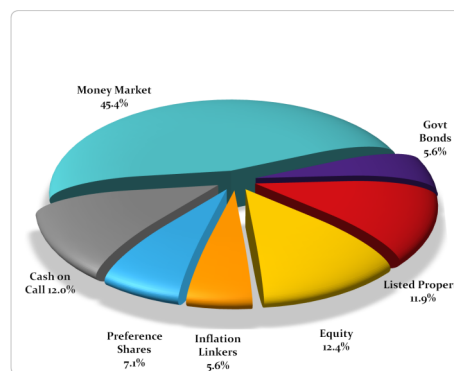
Investment Information

Risk Profile:	Low-Moderate
Benchmark:	CPI + 3% - Measured over a 3 year period
ASISA Fund classification:	Domestic - Asset Allocation - Targeted Absolute Real Return Portfolio
Launch Date:	1 January 2009
Distribution Frequency:	Quarterly
Fund Size at 30 September 2011:	R 35.71m
Distribution Per Unit:	Aug'11 0.90 cents per unit May'11 1.74 cents per unit Feb'11 1.12 cents per unit
Fees:	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:	101.89c
TER:	1.33%
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 Real Income Fund has a Total Expense Ratio (TER) as listed above. For the period from 1 July 2010 to 30 June 2011 1.33% 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 September 2011

Atlantic Real Income Fund



Performance (annualised)

	1-Year	2-Year
Atlantic Real Income	9.04%	8.12%
CPI +3%*	8.26%	7.47%

* up to 31/08/2011 Figures Quoted are from @2011 Moneymate for the period ending August 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 or 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



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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, Constanria, 7806, Member of ASISA.