

Atlantic Real Income Fund

Fund Prospectus



Product

Atlantic's Real Income Fund is an actively managed fixed income fund which aims to deliver inflation beating returns measured on an after cost basis over a 3 year rolling period. 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.

Regulation 28

Compliant with Regulation 28 of the Pension Funds Act, therefore suitable for retirement funds.

Target Investor

This fund is suitable for investors wanting:

- Inflation beating returns
- Capital stability
- A high degree of liquidity
- Regular and growing income

Return Expectation

This fund aims to protect investors' capital over the investment horizon and provide inflation beating returns. The targeted return for the Fund is CPI + 3%. Hence the fund is a low risk fund with capital growth potential but will focus on income returns in the form of interest and dividends.

Risk Profile:	Moderate risk
Benchmark:	CPI + 3% Measured over 36 months
ASISA classification:	Domestic - Asset Allocation - Target Absolute Return
Launch Date:	2 January 2009
Distribution Frequency:	Quarterly (Feb, May, Aug, Nov)
Annual Management Fee:	1.00% (excluding VAT)
Initial Fee:	0.00%
Minimum Investment:	Lump Sum R2000 Debit order R250 per month
Custodians & Trustee:	Standard Bank
Management Company:	PSG Collective Investments

"This fund is ideal for investors who want to protect their income and capital from the effects of inflation. The investment horizon for this fund is 18 months and longer."

Portfolio Manager



Arno Lawrenz

BSc (Hons), CFA

Arno has 19 years investment experience and heads up the Investment division within Atlantic. He is responsible for the execution of the Investment Policy for relevant funds managed by Atlantic. Arno has extensive portfolio management experience within the Fixed Income market and has a lengthy track record that demonstrates a consistent outperformance of required benchmarks, including peer groups. He has accumulated a number of industry awards during this time.

Investment Universe

The fund may invest in a selection of bonds, including but not limited to money market instruments, fixed deposits, listed debentures, inflation linked bonds, and other inflation protecting assets such as property and a selection of inflation correlated equities. The equity exposure will be limited to 25% and the combined property and equity exposure is limited to 35%.

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 re-invested in the Fund for the benefit of the unit holder. Neither PSG Collective Investments nor the Fund Manager retain any portion of such discount for their own account.