

New offshore funds are now available on the Allan Gray Investment Platform

As you are aware, since its launch in 2005, The Allan Gray Investor Services platform has enabled Independent Financial Advisers (IFAs) and their clients to diversify their investment portfolios with the benefit of consolidated reporting and the flexibility to switch between funds. It initially offered access to Allan Gray funds and those of our global asset management partner Orbis. Orbis is based in Bermuda and London and was founded by Allan WB Gray who is still actively involved in managing the company and investment analysis. The two groups share the same ethos and value-based investment approach.

The Orbis funds available on the Allan Gray Investor Services platform

Orbis Global Equity Fund (US\$)	The core and largest of the Orbis funds, is an actively managed fund investing in global shares, seeking to outperform the benchmark FTSE World Index.
Orbis Optimal SA Fund (US\$, EUR)	Offered in US dollar and euro classes, these funds invest in global equities and employ stockmarket hedging to reduce risk of loss.
Orbis Japan Equity Fund (YEN, EUR)	Offered in yen, US dollar and euro classes that invest solely in Japanese stockmarkets.
Orbis SICAV Asia ex-Japan Equity Fund	Aimed at investors who are seeking a portfolio that is fully invested in and exposed to Asian equities outside of Japan.

New offshore funds are now available

We are pleased to announce the next stage in our platform development, which is to enable South African investors who wish to diversify their portfolios, the additional choice of funds from certain other offshore fund providers via the same platform. The enhanced offshore range now includes funds from the following global investment managers:

- Ashburton
- Franklin Templeton
- GinsGlobal
- Investec
- Sarasin

Please refer to the Allan Gray Offshore Investment Platform Fund List and the various fund fact sheets available on our website www.allangray.co.za for more information about the range of funds.

What is the investment minimum?

The investment minimum for the above offshore funds is R100 000 (or foreign currency equivalent). A minimum of R10 000 per fund applies and South African investors must use their foreign exchange allowance under the Exchange Control rules. A reminder that for those investors who may either not have foreign exchange permission/capacity or may not have R100 000 to invest but still wish to diversify their portfolio offshore, the Allan Gray-Orbis Rand-denominated offshore funds are an alternative option. You need a minimum investment of R5 000 for these funds. Investors may in any event find these easier to invest in and disinvest from as they transact in Rands.

A totally transparent cost structure

The administration fees are the same for both local and offshore investments:

- No initial platform fees apply.
- The maximum annual administrative platform fee (charged quarterly in arrears) will be 50 basis points (bps). This is reduced by any fund provider fee discount. Due to the current fund provider discounts, there is no net administration fee for the investor's account on any of the new offshore funds other than the offshore money market funds.
- Underlying fund management fees apply and are specific to each fund offered.

This new development means that investors may invest in a choice of local and offshore unit trusts or mutual funds via one investment platform with pricing parity between the two. Moreover investors using Allan Gray's online service may choose consolidated reporting in Rands or any other major currency of their choice. Whether you are investing in a local unit trust or an offshore mutual fund, Allan Gray Investor Services provides a convenient, transparent and integrated way of constructing globally diversified investment portfolios.

Commentary by Johan de Lange, Director, Allan Gray Investor Services