

Absa Global Bond Fund 31 July 2010

Fund Description / Objective

This is a Specialist Rand denominated Fund in the Foreign Fixed Income Funds category. The primary objective of this fund is to seek above-average income for unitholders and capital growth will be of an incidental nature. This fund displays rand-hedge qualities. This fund has a medium-term investment with a moderate risk profile.

Fund Facts

Inception Date	1 November 2000
JSE Code	ABDB
Fund Size	R 107 million
Industry Category	Foreign - Fixed Interest - Bond
Minimum Investment	R 2 000 lump sum R 500 debit order
Initial Fee	1,14% (VAT incl.)
Total Expense Ratio	1,46%
Annual Service Fee	1,43% (VAT incl.)
Income Declaration	31 March, 30 June, 30 September & 31 December
Income Distribution	15 April, 15 July, 15 October & 15 January
Performance target	Citigroup World Government Bond 3-7 years
Risk Rating	Low - Medium

Income Distribution

Distribution for the 3 months ended 31 December 2009	0,77 c.p.u
Distribution for the 3 months ended 31 March 2010	0,41 c.p.u
Distribution for the 3 months ended 30 June 2010	0,80 c.p.u

Top Holdings

- Astrazeneca PLC
- Diago Capital BV
- E on International
- GDF Suez
- Germany Federal Republic BDS
- KFW Bankengruppe
- Mcdonalds Corp
- New Zealand (Gov)
- Toyota Finance Australia
- Unilever

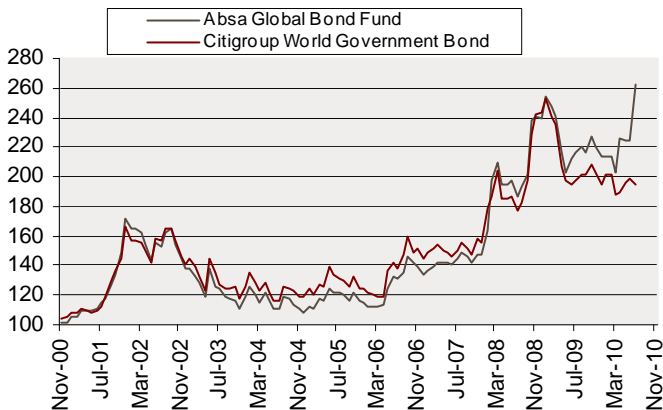
Historic Performance

	Absa Global Bond Fund	Sector Average	Ranking
1 Year	-6,30%	-0,32%	8/8
3 Years*	6,91%	7,12%	5/8
5 Years*	7,42%	6,98%	4/8

* Figures are annualised

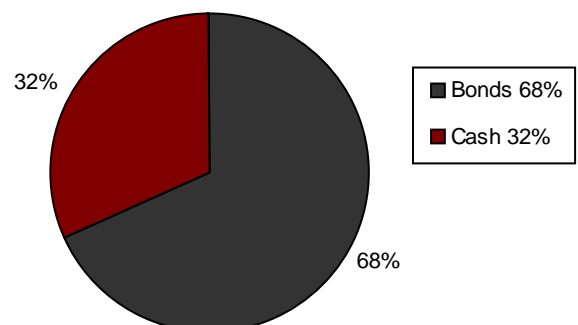
Source: Morningstar

Performance History Graph



*Index performance of Fund & Benchmark based to 100 at inception of fund

Asset Allocation



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Fund Commentary

Following two months of decline, global equity markets bounced back strongly during the month of July, buoyed by reported improvements in the fiscal status of the indebted Eurozone countries. The weaker than expected economic data emanating from the USA and the dovish stance adopted by most central banks were largely ignored by global equity markets. The outlook for inflation remains unclear with views being divided as to whether it is inflation or deflation that lies ahead.

Global sovereign bond yields followed the same cues as yields rose over the month.

While short term yields have moved slightly and in different directions over the month, depending on the economic zone, global bond yields have risen. Given the constantly changing opinions on the economic recovery, bond yields are expected to remain choppy in the near future. At some point, however, the quantitative easing that has characterised the recent past will be gradually removed resulting in higher bond yields.

Asset Management Co:

Absa Asset Management (Pty) Ltd

Portfolio Manager

Greg Kettles
B Com (Hons),
CA(SA), CFA



Contact Details

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To find out more about this fund and
Absa's unit trust range visit :
www.absainvestments.co.za

Absa Fund Managers,
Reg no 1991/000881/06
Authorised Financial Services Provider

Trustees:

Standard Bank Trustee Services
PO Box 54, Cape Town, 8000

DISCLAIMER

The Absa Global Bond Fund is a low to medium risk fund. The maximum initial charge is 1,14% (incl. VAT) of consideration received and will include a maximum of 0,57% (incl. VAT) payable for commissions and incentives. An annual service charge of 1,43% (incl. VAT) against the assets of the fund will be calculated and accrued daily. The Absa Global Bond Fund requires a minimum balance of R2000. 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 necessarily a guide to the future. Forward pricing is used. Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. Income is distributed quarterly and any income may be paid out into an account as nominated by the investor or be represented by additional units. All requests for transactions received on or before 16:00 every day will be traded at ruling prices and valued after 16:00 on that day. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. This Fund may be closed to new investments. The Fund Manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Foreign interest and dividends as well as foreign currency movements affecting capital may be fully taxable under current legislation. Figures quoted are from Morningstar, for the period ending 31/07/2010, using NAV-NAV prices, with income distributions reinvested. This product is not for sale to USA persons. The Total Expense Ratio (TER) is expressed as an annualised percentage of the charges, levies and fees incurred by the portfolio related to its management, for the period from 1 July 2009 to 30 June 2010 against the average NAV of the portfolio over this period. A higher TER does not necessarily imply a poor return, nor does a lower TER imply a good return. The current TER cannot be regarded as an indication of future TER's. Consult the Management Company for details. Absa Fund Managers is a member of the Association for Savings and Investment SA.

ASSET MANAGEMENT

PRIVATE CLIENT ASSET MANAGEMENT

MULTI MANAGEMENT

UNIT TRUSTS

STOCKBROKING

PARTICIPATION BONDS

LINKED INVESTMENTS

