

JM BUSHA Zambia Domestic Fund Retail Investment Product



About JM BUSHA Capital Zambia Ltd

JM BUSHA Capital Zambia Ltd is a subsidiary of JM BUSHA Investment Group (Pty) Ltd – a unique, independent, specialist quantitative investment management; investment banking and advisory services company with subsidiary companies in Lesotho, Namibia, Swaziland and South Africa.

The Group manages both institutional and retail private clients' funds. With total funds under management approximately equal to **ZAR2.47 billion**, JM BUSHA has a traceable track record in managing funds – since 2001.

About the Product: JM BUSHA Zambia Domestic Fund

Introduction

Life presents many challenges and opportunities. Central to all is money – i.e., money required to manage one's life. Two questions arise immediately. First, how can money be saved – e.g., for **education, housing and retirement expenses?** Second, how much should be saved?

The JM BUSHA Zambia Domestic Fund, an absolute-return unit trust investment product presents a vehicle for saving money in order to meet future financial needs. You choose what you want to save for!

Product Description

The JM BUSHA Zambia Fund is an actively managed and low risk savings fund fully invested in liquid assets. This is a long-term investment product suitable for any person, association or legal entity.

Investment Assets

The Fund invests in listed equities, bonds, money-market instruments, derivatives and other allowable securities. Equities' dividend income improves after tax-free returns.

Product Accessibility

No minimum investment period is required. Although not advisable, clients can withdraw their investments at any time – that's investment banking for you.

Historical Performance

Table below shows historical returns for the periods indicated, *which are not guaranteed in the future.*
Period ending 31 Dec 2010 (annualised except for 6 months)

Period	JM BUSHA Zambia Domestic Fund	1-Yr Govt TB Return	
6 Months	10.10%	4.01%	
1 Year	6.87%	7.55%	
3 Years	0%	0%	
Inception	17.42%	7.32%	
EXPOSURE			
RSA	0.00%	NAMIBIA	0.00%
ZAMBIA	100.00%	SWAZILAND	0.00%
LESOTHO	0.00%		

Product Salient Features

▪ Target returns	1-yr Govt T-Bill Yield
▪ Minimum monthly contribution	: ZMK 50,000
▪ Minimum lump sum deposit	: ZMK 500,000
▪ Initial fees	: 0.00
▪ Exit charges	: 0.00
▪ Management fees (incl. VAT)	: 2.50% pa
▪ Total Expense Ratio (TER)	: xxx% pa
▪ Income declaration dates	: 30 Jun / 31 Dec
▪ Income payment date	: 07 Jul / 07 Jan
▪ Launch Date	: 1 August 2009
▪ Buying price at launch	: ZMK 1.00
▪ NAV (CPU) on 31 Dec 2010	: ZMK 1.34
▪ Fund Size	: ZMK 16.9 million
▪ Classification	: Domestic

Investment Objectives

To produce returns in line with 1-year Zambia Govt Treasury Bill yield pa as target (benchmark) over 3-year rolling terms

Investment Strategy

As a medium risk balanced fund that seeks real returns and capital protection, the strategy is to invest in secure, high yield instruments in order to meet investment objectives on a risk-adjusted basis. The portfolio is managed on a core-satellite approach.

Asset Allocation

Discretionary portfolio structured as a medium risk balanced fund. Asset allocation varies from time to time with equities not exceeding 60%.

How to invest?

There are 3 ways to invest:

- (1) Direct lump sum deposits,
- (2) Monthly automatic debit order,
- (3) Lump sum deposits and monthly debit orders.

Banking Details – please see application form.

Sector Allocation

