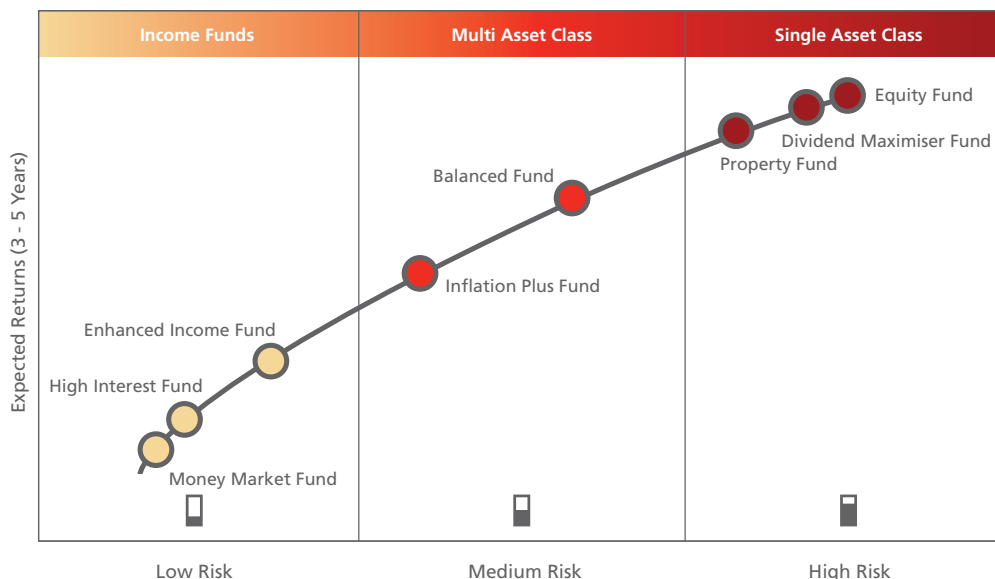


PRUSPECTIVE

PRUDENTIAL FUNDS' REVIEW & MARKET PERFORMANCE AS AT 31 JULY 2014



Prudential Solution Funds



SA Market Performance

Equity:
The FTSE/JSE All Share (ALSI) gained 0.9% on a total return basis for the month and over the 12 months gained 28.3%. Mid Caps (up 3.2%) outperformed Small Caps (up 1.0%) and Large Caps (up 0.6%).

The best-performing sectors were Industrial Metals (up 13.0%), Fixed Line Telecommunications (up 8.7%) and General Mining (up 7.7%). The worst were Personal Goods (down 8.8%), Household Goods (down 8.7%) and Beverages (down 5.1%).

Over a 10-year period, Industrials (up 25.5% p.a.) outperformed Financials (up 19.3% p.a.) and Resources (up 15.6% p.a.). The composition of the ALSI as at the end of the month was Industrials 53.8%, Resources 26.6% and Financials the remaining 19.6%.

Bonds:

The All Bond Index gained 1.0% for the month and over the 12 months gained 7.2%. The Inflation-linked Bond Index declined 0.1% for the month and over the 12 months gained 9.8%.

Property:

The SA Listed Property Index gained 1.9% for the month and over 12 months gained 12.7%.

Cash:

Cash returned 0.5% for the month and over the 12 months returned 5.6%. Over a 10-year period, inflation in the form of ECPI has been 5.9% p.a.

International Market Performance

The Rand weakened 0.6% against the US Dollar and strengthened 1.6% against the Euro in July 2014.

The MSCI World Index declined 1.6% on a total return basis in US Dollar terms for the month and over the 12 months gained 16.6%. The MSCI Emerging Markets Index gained 2.0% for the month and over the 12 months gained 15.7%.

The best-performing emerging market index from the selection of international equity indices for the month was the MSCI China (up 8.2%), while the worst-performing was the MSCI Russia (down 8.4%).

The best-performing developed market index from the selection of international equity indices for the month was the Hang Seng (up 7.5%), while the worst-performing was the DAX 30 (down 6.5%).

The US Dollar Platinum price declined 0.5% for the month and over the 12 months gained 2.7%. The US Dollar Gold price declined 2.3% for the month and over the 12 months declined 1.8%. Brent Crude declined 6.0% for the month and over the 12 months declined 1.9%.

Asset Class Preference for Retail Multi-Asset Class Funds: Five-Year Time Horizon

Overweight	<ul style="list-style-type: none"> • SA Corporate Bonds • SA Listed Property • SA Sovereign Bonds • International Equity • International Corporate Bonds
Neutral	<ul style="list-style-type: none"> • SA Equity
Underweight	<ul style="list-style-type: none"> • SA Inflation-linked Bonds • SA Cash • International Sovereign Bonds • International Cash

Disclaimer

Prudential Portfolio Managers Unit Trusts Ltd (Registration number: 1999/0524/06) is an approved CISC management company (#29). Assets are managed by Prudential Investment Managers (South Africa) (Pty) Ltd, which is an approved discretionary Financial Services Provider (#45199). Collective Investment Schemes (unit trusts) are generally medium to long-term investments. The value of participatory interest (units) may go down as well as up. Past performance is not necessarily a guide to the future. Unit trust prices are calculated on a net asset value basis, which for money market funds is the total book value of all assets in the portfolio divided by the number of units in issue. Fluctuations or movements in exchange rates may also be the cause of the value of underlying international investments going up or down. Unit trusts are traded at ruling prices. Commissions and incentives may be paid and if so, would be included in the overall costs. Different classes of units apply to the Prudential Collective Investment Scheme Funds and are subject to different fees and charges. A detailed schedule of fees and charges and maximum commissions is available on request from the company. Forward pricing is used. All of the unit trusts may be capped at any time in order for them to be managed in accordance with their mandates. Performance figures are sourced from Morningstar and are based on lump sum investments using NAV prices with gross income reinvested. Purchase and repurchase requests must be received by the Manager by 13h30 (11h30 for Money Market and 10h30 for Dividend Income Funds) SA time each business day. All online purchase and repurchase transactions must be received by the Manager by 10h30 (for all Funds) SA time each business day. General market performance data may have been provided for illustrative and explanatory purposes. This information is not intended to constitute the basis for any specific investment decision. Investors are advised to familiarize themselves with the unique risks pertaining to their investment choices and should seek the advice of a properly qualified financial consultant or adviser before investing.

PRUSPECTIVE

PRUDENTIAL FUNDS' REVIEW & MARKET PERFORMANCE AS AT 31 JULY 2014



FUND	FUND DESCRIPTION	ASSET ALLOCATION							REG 28 COMPLIANT	INTENDED MAXIMUM LIMITS				PERFORMANCE HISTORY #					ADDITIONAL INFORMATION
		DOMESTIC				FOREIGN				Equity	Listed property	Offshore (excl. Africa)	Africa (excl. SA)	1 month	1 year	3 years	5 years	Since inception	
Income		Equity	Listed property	Bonds*	Cash	Equity	Bonds*	Cash		Equity	Listed property	Offshore (excl. Africa)	Africa (excl. SA)	1 month	1 year	3 years	5 years	Since inception	Current annualised yield**
Low Risk	Prudential High Interest Fund (South African - Interest Bearing - Short Term)	A low risk fund that offers a high level of income in excess of current account or money market yields. (Investment horizon 3-12 months).																	
		0.0%	0.0%	7.8%	92.2%	0.0%	0.0%	0.0%	Yes	0%	0%	0%	0%	0.5%	5.6%	5.7%	N/A	5.7%	5.7%
Low - Med Risk	Prudential Enhanced Income Fund (South African - Multi Asset - Income)	A low to medium risk income solution fund that offers higher income returns together with moderate capital growth. (Investment horizon 1-3 years).																	
		0.0%	7.1%	35.3%	45.1%	1.3%	11.0%	0.2%	Yes	10%	25%	20%	5%	0.6%	7.7%	8.6%	9.3%	9.4%	5.6%
Multi-Asset		Top Holdings**																	
Med Risk	Prudential Inflation Plus Fund (South African - Multi Asset - Low Equity)	A low to medium risk multi-asset class fund which protects against inflation by targeting a return of CPI+5% p.a. before fees and costs. (Investment horizon 3+ years).																	
		20.6%	9.0%	39.6%	5.9%	15.6%	8.1%	1.2%	Yes	40%	25%	25%	5%	0.5%	15.2%	16.2%	14.2%	14.3%	1. RSA 186 5.6% 2. RSA 210 5.2% 3. IShares MSCI World ETF 5.1% 4. RSA 197 4.9% 5. RSA 12025 2.9%
	Prudential Balanced Fund (South African - Multi Asset - High Equity)	A medium risk multi-asset class fund which offers a steady growth of capital and income over the medium to long-term. (Investment horizon 5+ years).																	
		41.6%	3.6%	15.8%	14.0%	20.5%	3.9%	0.6%	Yes	75%	25%	25%	5%	0.8%	19.7%	18.9%	16.6%	15.7%	1. Pru High Interest Fund B 13.6% 2. IShares MSCI World ETF 5.2% 3. IShares MSCI ACWI ETF 4.4% 4. MTN Group 4.3% 5. Naspers 4.1%
Property																			
Med - High Risk	Prudential Enhanced SA Property Tracker Fund (South African - Real Estate - General)	A medium to high risk fund, which provides medium to long-term capital growth through efficient cost-effective exposure to SA listed property shares. (Investment horizon 5+ years).																	
		0.0%	98.1%	0.0%	1.9%	0.0%	0.0%	0.0%	No	0.0%	100%	0.0%	0.0%	1.7%	12.6%	17.8%	19.1%	17.9%	1. Growthpoint 20.2% 2. Redefine Properties 13.5% 3. Hyprop 10.2% 4. Capital Property 7.5% 5. New Europe Property 6.0%
Equity																			
High Risk	Prudential Dividend Maximiser Fund (South African - Equity - General)	A high risk domestic equity fund which aims to provide medium to long-term capital growth together with a dividend yield higher than the market average. (Investment horizon 7+ years).																	
		75.2%	1.3%	0.0%	0.8%	22.5%	0.0%	0.2%	No	100%	10%	25%	5%	1.1%	25.2%	21.5%	19.0%	20.3%	1. Sasol 7.4% 2. MTN Group 5.7% 3. British American Tobacco 5.1% 4. BHP Billiton 4.8% 5. Old Mutual 3.9%
	Prudential Equity Fund (South African - Equity - General)	A high risk domestic equity fund which invests in shares that offer value and medium to long term growth. (Investment horizon 7+ years).																	
		82.1%	1.9%	0.0%	1.3%	14.7%	0.0%	0.0%	No	100%	10%	15%	0%	1.3%	25.2%	22.6%	19.6%	20.2%	1. Sasol 7.5% 2. MTN Group 6.2% 3. BHP Billiton 6.0% 4. British American Tobacco 5.9% 5. Anglo American 4.3%

* Bonds may include Corporate Bonds, Government Bonds and Inflation-linked bonds.

** The current annualised yield is calculated by dividing the annual income of each holding in the portfolio by that holdings' current market price. This does not make any allowances for capital returns. This is a nominal yield for the A class Funds.

■ Top quartile in category - Morningstar

Source: Morningstar, annualised (A Class performance).

** Top Holdings updated quarterly