

## Investment Policy and Objectives

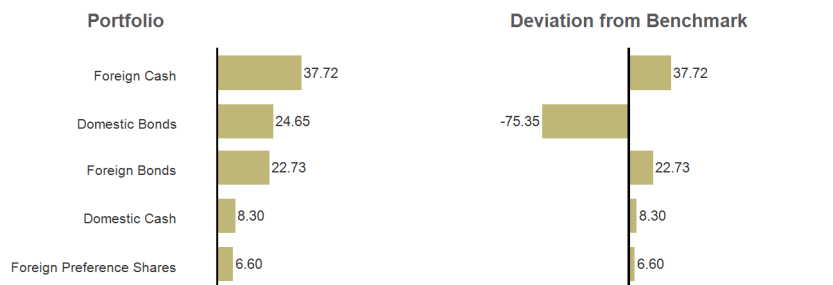
The portfolio's primary objective is to provide a reasonable level of current income and maximum stability for capital invested. Securities normally to be included in the portfolio will consist of fixed income securities embracing non equity securities, stock, financially sound preference shares, debenture stock, debenture bonds and unsecured notes to be acquired at fair market prices. The weighted average maturity of this portfolio may not exceed 2 Years. This portfolio may not have any direct/indirect foreign exposure.

## Performance (%)

|           | 1 year | 3 years | 5 years |
|-----------|--------|---------|---------|
| Class A   | 14.30  | 28.06   | -       |
| Benchmark | 16.76  | 9.24    | 8.79    |

Figures quoted are from MoneyMate for the period ending 30 June 2009 for a lump sum, using NAV-NAV prices and do not take any upfront managers charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the upfront managers charge applicable, the actual investment date and the date of reinvestment of income.

## Asset Allocation (%)



## Portfolio Facts

|                              |   |
|------------------------------|---|
| <b>Portfolio Size</b>        | N\$ 65.16 million   |
| <b>Sector Classification</b> | Fixed Interest - Income   |
| <b>Income Distribution</b>   | Net revenue is declared on a daily basis and distributed quarterly. |
| <b>Income Declaration</b>    | 31 March, 30 June, 30 September & 31 December                       |
| <b>Benchmark</b>             | BEASSA 1 to 3 Year Index  |

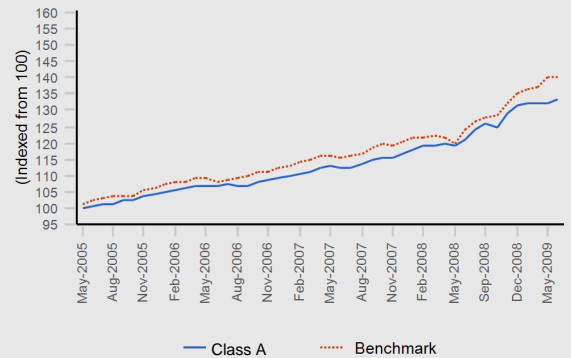
|                              | Class A      |
|------------------------------|--------------|
| <b>Launch Date</b>           | 14 Feb 2005  |
| <b>Minimum Investment</b>    |              |
| Lump Sum                     | N\$2,000     |
| Debit Order Per Month        | N\$200       |
| <b>ISIN No.</b>              | ZAE000060547 |
| <b>Official Code</b>         | SBNI         |
| <b>Total Expense Ratio *</b> | 0.00%        |

| Maximum Portfolio Charges **        |       |
|-------------------------------------|-------|
| Total Upfront Charge                | 1.00% |
| Upfront Charge Intermediary Portion | 0.00% |
| Total Service Charge                | 1.00% |
| Service Charge Intermediary Portion | 0.00% |

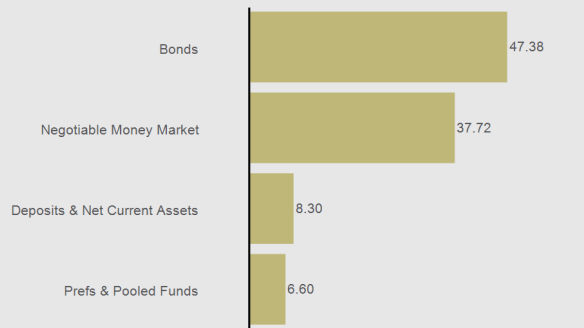
\* Please refer to page 2 under "Statutory Disclosure and General Terms & Conditions"  
 \*\* Additional Information can be obtained from Portfolio Charges Brochure on [www.stanlib.com](http://www.stanlib.com)

## Highlights

### Cumulative Performance - Since Inception



### Sector (%)



### Income Distribution

|         | Paid in the last 12 months | Paid during 2008 | 2008 payments as a % of year end price |
|---------|----------------------------|------------------|--|
| Class A | 9.00 cpu                   | 8.97 cpu         | 8.87 %                                 |

### Top Holdings (%)

|  |       |
|--|-------|
| Standard Bank Inst. Money Market Fund Class B4       | 37.72 |
| Fnb Namibia 9.15% 29/03/2012 - Callable Final Maturi | 9.10  |
| Vukile Investment Property Secur Series 1 Guarantor  | 7.77  |
| Mobile Telephone Networks 10.01% 13/07/2010          | 7.25  |
| Absa Bank 6.62% Non Cum Pref                         | 6.60  |
| Standard Bank Namibia 9.74% Subordinated Callable    | 4.70  |
| Standard Bank Namibia 9.65% Senior Unsecured 7/0     | 4.60  |
| Old Mutual Life Assurance Company Ltd 8.92% 27/10/   | 4.24  |
| Standard Bank Namibia 10.05% 7/07/2011 Senior Un     | 3.12  |
| TELECOM NAMIBIA LIMITED 10.70% - 17/04/2015          | 3.12  |

### Risk Rating



## Who should Invest

The Standard Bank Namibia Income Fund is suitable for investors who are prepared to accept a moderate amount of risk for an increase in potential income. Individuals who are looking for a professionally managed conservative to moderate risk investment option that provides exposure to an array of interest bearing investments. It provides access to investment vehicles that normally would not be available to the retail investor. The professionally managed fund enables investors to further diversify their funds and supplement their income - all whilst growing capital.

## Benefits

### Affordability:

A minimum of N\$200 per month or N\$2 000 lump sum is required for investment into the Income Fund. This fund provides you with a well managed, fully-diversified investment.

### Accessibility:

The Income Fund is easily accessible. You can purchase or sell units at any time. There are no withdrawal penalties or minimum "lock in" investment periods. It is however recommended that an investment in this fund be viewed as medium to long-term - typically a three to five year period.

### Income:

Income is accrued daily and distributed quarterly. Declaration takes place on the last day of March, June, September and December with the distribution payment taking place 14 days later.

### Regular Feedback:

Statements are provided on a quarterly basis.

### Professional Management:

Client funds are managed by dedicated and experienced investment specialists, thus ensuring peace of mind. Fund performance is available on request.

### Diversification:

The income fund may invest in a wide range of assets geographically spread between Namibia and South Africa. Diversifying your funds in this manner effectively reduces your risk.

### Switching Capabilities:

Investors may switch between other funds in the Standard Bank Namibia product range.

### Internet Access:

Investors have access to their Fund statements, monitor the performance of the Fund & where it is invested through the [www.stanlib.com](http://www.stanlib.com) website.

## Statutory Disclosure and General terms & Conditions

Unit trusts are generally medium to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. An investment in a unit trust fund is not the same as a deposit with a banking institution. Unit trusts are traded at ruling prices. Forward pricing is used. The price paid by an investor for units is based on the value of the underlying securities together with the accumulated income in the fund as determined on the day the investment is made PLUS certain charges. Provision for amortization of the funds' securities is made where applicable. A schedule of fees and charges and maximum commissions is available on request from the respective Management Company. Where different classes of units apply to certain funds, they would be subject to different charges and fees. Commission and incentives may be paid and if so, would be included in the overall costs. The Management Company reserves the right to close certain funds from time to time in order to manage them more efficiently. More details are available from the Management Company. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The Management Company undertakes to repurchase unit trusts at the price calculated according to the requirements of the Unit Trust Control Act, and on the terms and conditions of the relevant Trust Deeds. Payment will be made within 14 days of receipt of a valid repurchase form. Investments and Repurchases will receive the price of the same day if received prior to 15h30 (South African time). Finally, the Management Company is registered under the Unit Trust Control Act, 1981.

Trustees : First National Bank (Namibia), 207 Independence Avenue, Windhoek, Namibia

## Portfolio Manager

### Victor Mphaphuli

Victor joined SCMB Treasury in 1996 as a trainee dealer in the foreign exchange markets and later moved to Nedcor as a capital markets dealer. In early 2001, he joined Libam's (now STANLIB) fixed interest team as a capital markets dealer and assistant to Henk Viljoen.



## Quarterly Comments

Trades for the second quarter ending 30 June 2009 included the purchase of shorter dated money market instruments offering a higher yield. The Fund's modified duration position was reduced to neutral as the interest cycle neared its end. The position in government bonds was significantly reduced through the sale of RSA 2015 R157 paper, cutting the exposure in the 3-7 years sector of the yield curve. Purchases of corporate bonds consisted of Investec, African Bank, Nedbank, Absa, Firstrand, Bidvest and Imperial Bank paper at wider spread levels. Exposure to MTN paper was reduced. The exposure to floating rate notes was maintained due to the attractive levels being offered in the market and expectations of interest rates bottoming out.

During the second quarter of 2009 the South African Reserve Bank (SARB) MPC reduced the repo rate by 200 basis points to 7.50%, a decision which was precipitated by a deteriorating local economy despite consumer inflation remaining elevated. The SARB MPC remained concerned about weak real economic growth and the widening output gap. Shorter dated bond yields rose during the quarter as the probability of further repo rate cuts was fully priced and the SARB surprised the market by leaving the repo rate unchanged. The RSA 2010 R153 started the quarter at 6.89% touched a best level of 5.87%, before ending the quarter at 7.19%. Following the disappointment from the SARB, money market rates which had seen the 12 month NCD trade down to 7.5% retraced to higher levels, ending the quarter at 8.30%. Jibar, which measures interbank lending also retraced higher. With inflation not behaving as expected, the accommodative monetary stance that saw the SARB front load the rate cuts, was abruptly changed in the June SARB MPC. The next MPC meeting is at the end of August and, given the strong signal from the Reserve Bank Governor, the SARB is more likely to leave the repo rate unchanged unless macro economic data deteriorate much further than expected.

## Contact Details

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Compliance No :