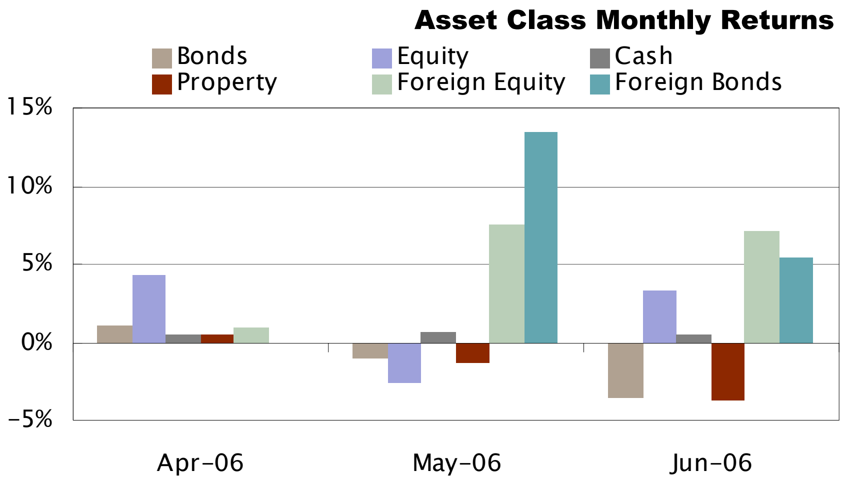
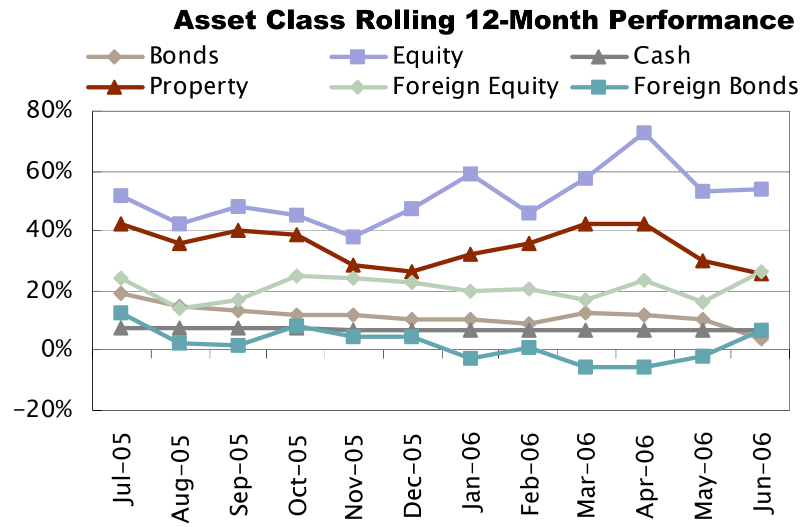
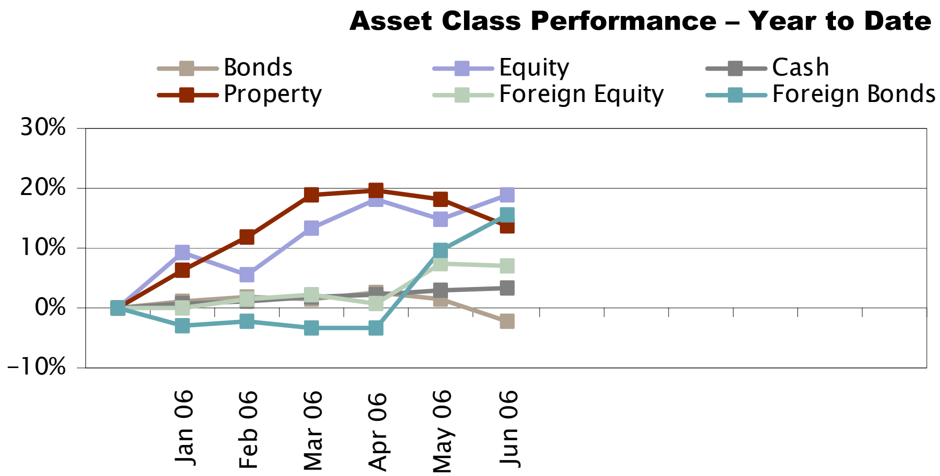
RisCUpdate

quarterly overview
30 Jun 2006

How the different asset classes performed





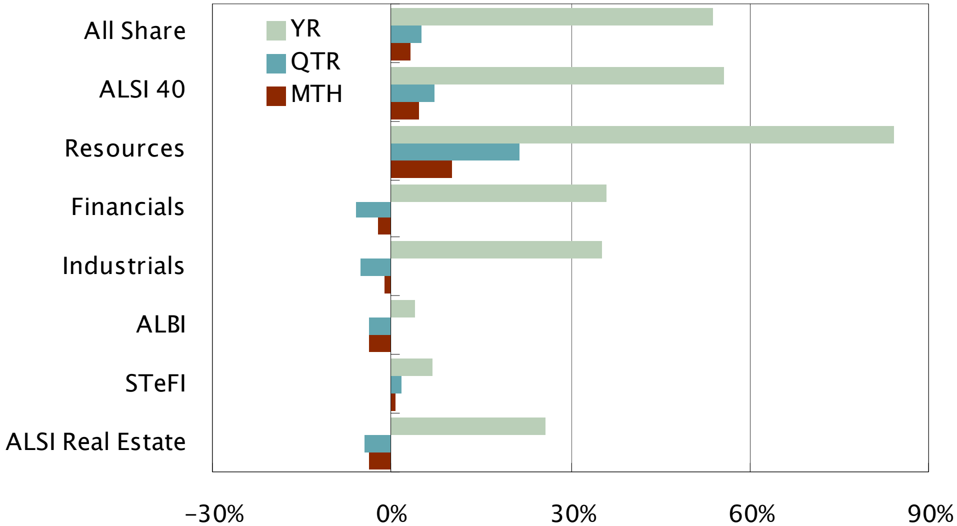


Sector Indices

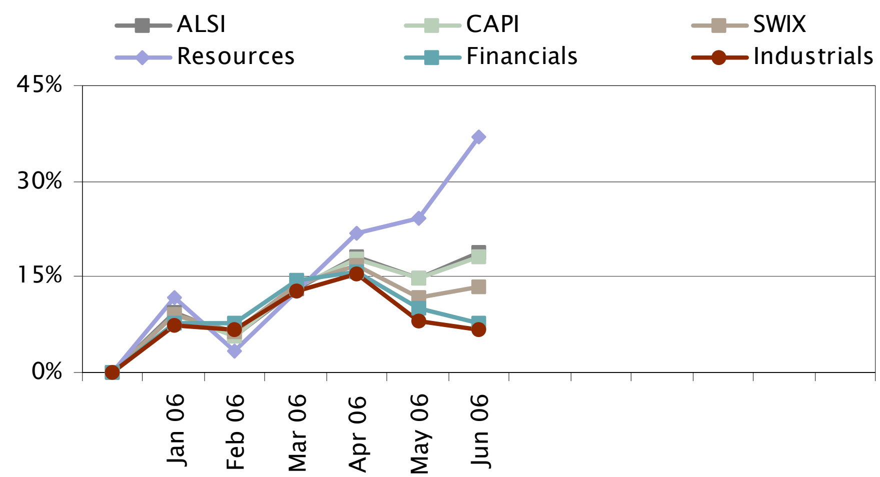
Bonds	ALBI
Equity	All Share
Cash	STeFI
Property	ALSI Real Estate
Foreign Equity	MSCI World
Foreign Bonds	JP Morgan Govt Bond

How the local market indices performed

Returns of FTSE/JSE Sectors & Indices

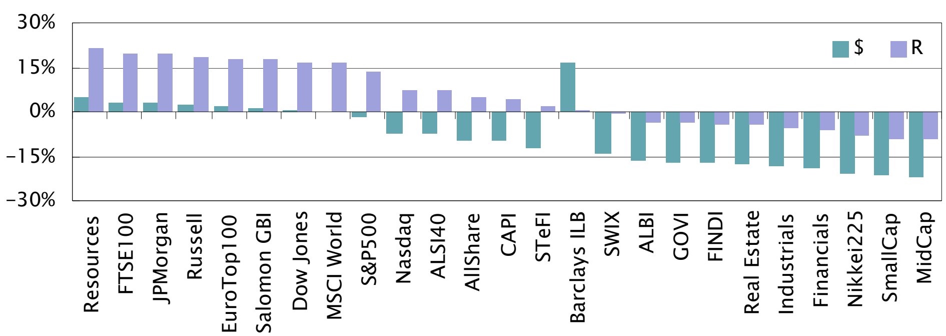


Sector & Indices Performance – Year to Date

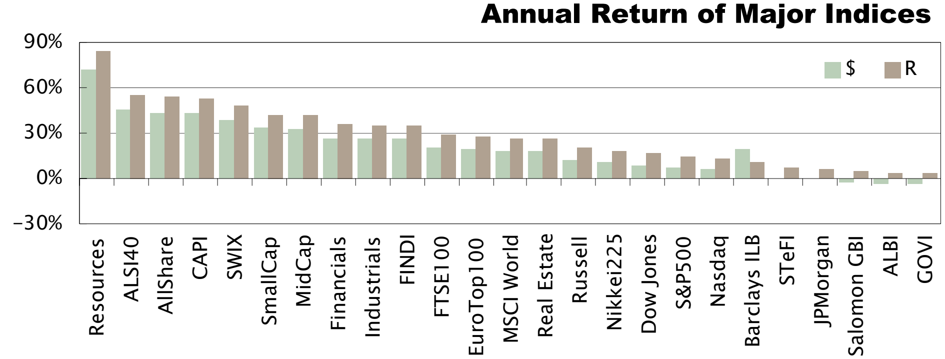


How the world market indices performed

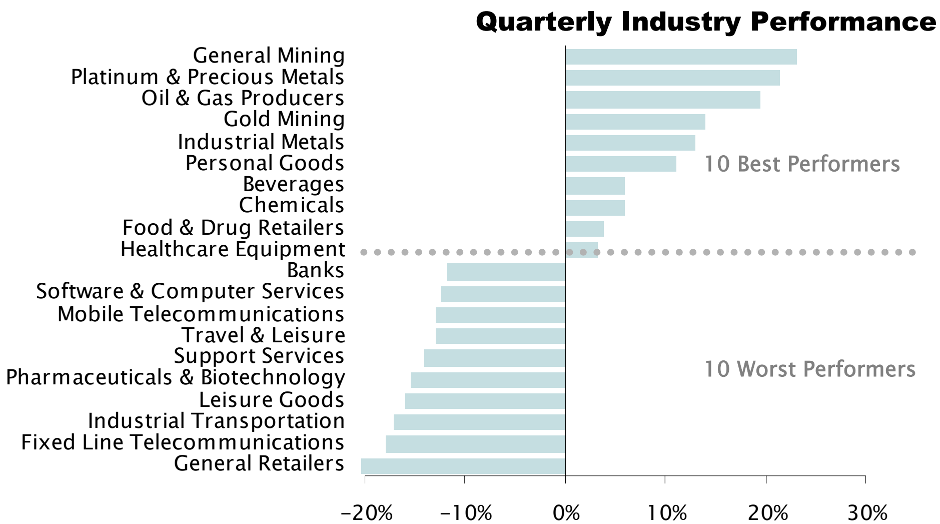
Quarterly Return of Major Indices

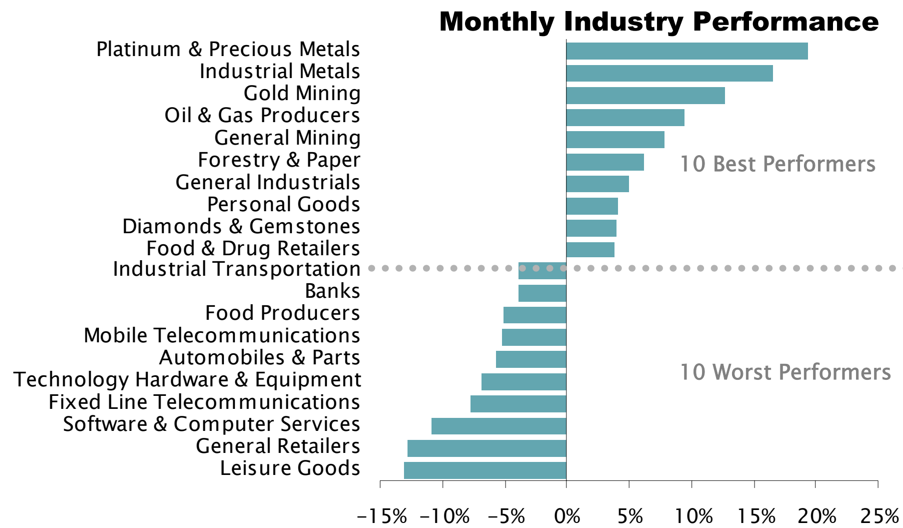


Annual Return of Major Indices



Equity market - how the equity sectors performed





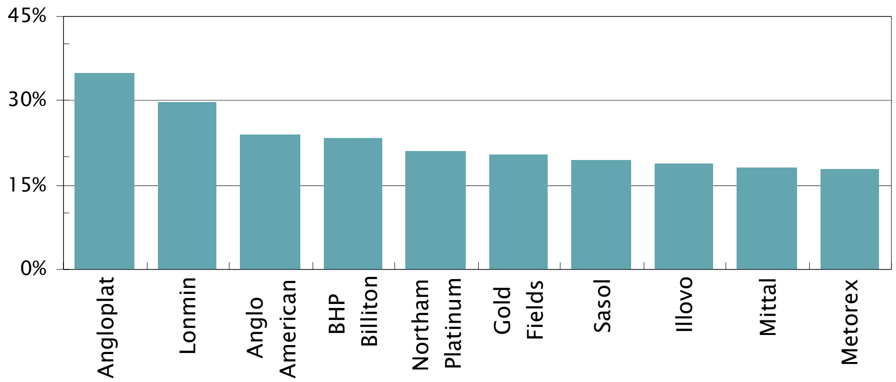
20 largest shares by market cap

	Share	R'million		Share	R'million		Share	R'million		Share	R'million
1	Anglo American	448,034	6	Angloplat	165,305	11	Implats	88,666	16	Remgro	60,593
2	BHP Billiton	342,455	7	Old Mutual	118,628	12	MTN	88,182	17	Lonmin	53,078
3	SAB Miller	192,040	8	Standard Bank Group	104,721	13	Goldfields	80,162	18	Nedbank	50,491
4	Sasol	187,817	9	Anglogold	97,680	14	Telkom	71,927	19	Liberty Int	48,082
5	Richemont	169,650	10	FirstRand	95,217	15	ABSA	67,217	20	Harmony	45,290

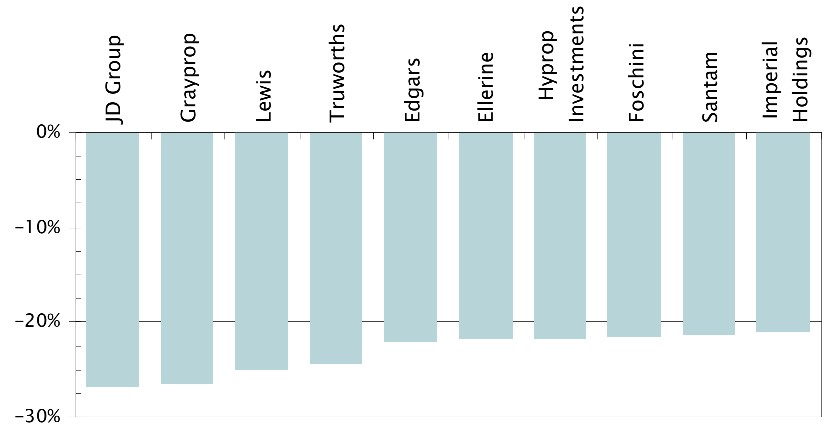
Equity market - how specific equities performed

Best and worst performing shares within the All Share Index.

10 Best Performing Stocks for Quarter

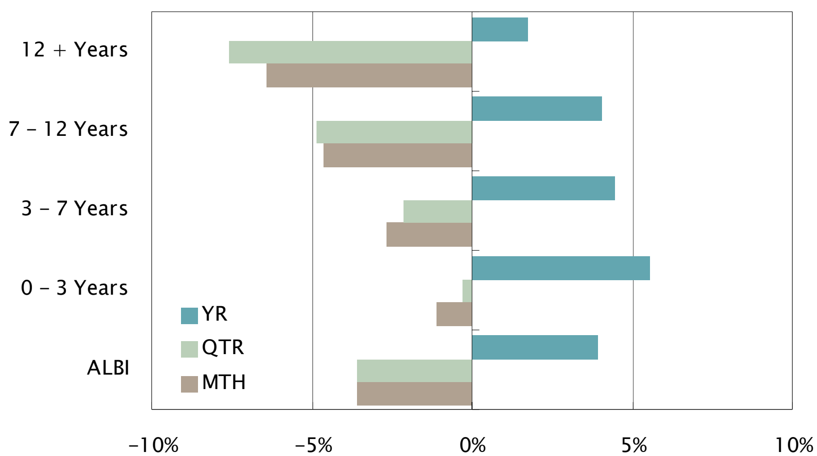


10 Worst Performing Stocks for Quarter

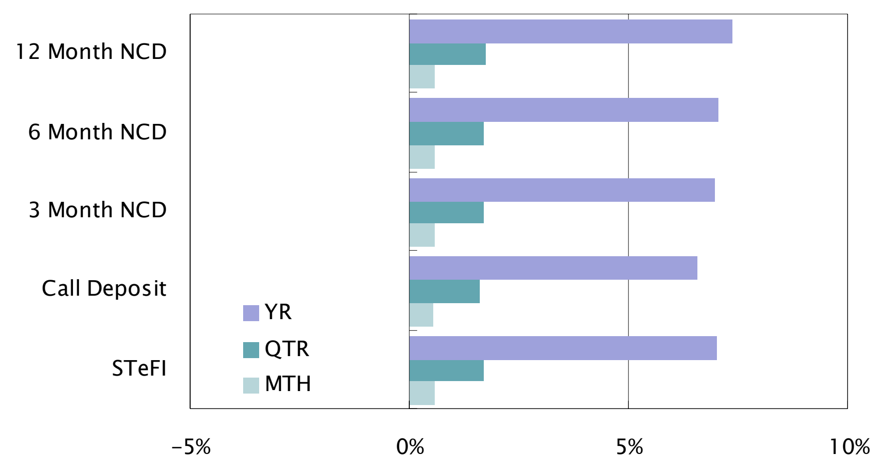


How the fixed interest market performed

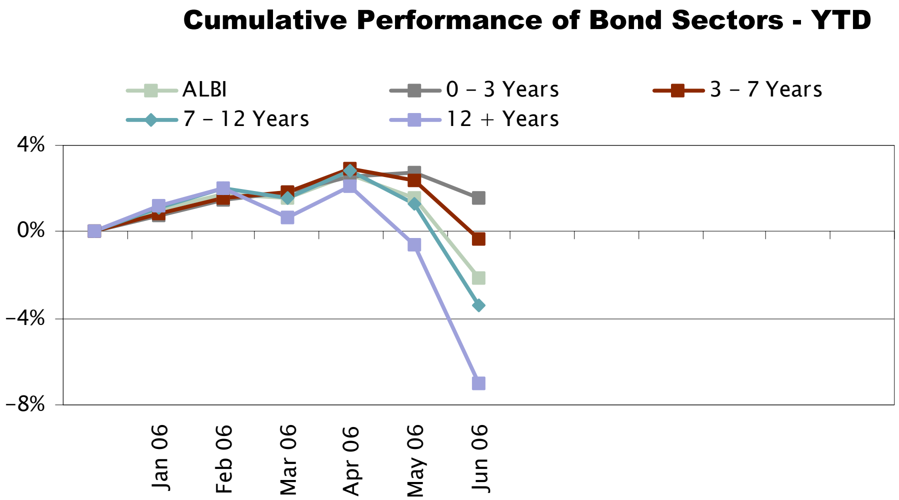
Returns of Bond Sectors

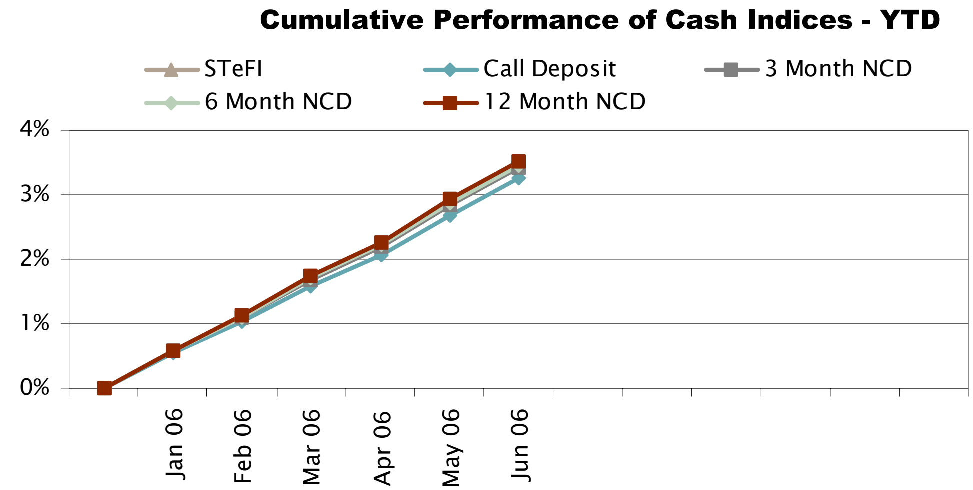


Returns of Cash Indices



Fixed interest market – how the different sectors performed





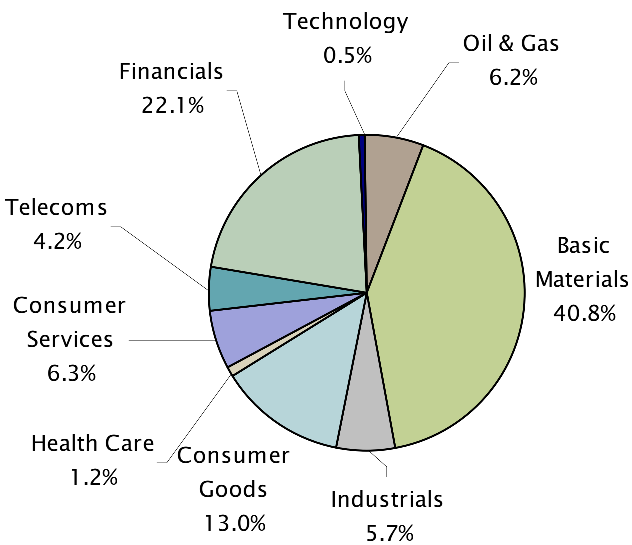
Fixed interest market – how the currency performed...

	31 Mar 06	30 Jun 06	% Change
Rand/dollar	6.16	7.13	-13.70%
Rand/pound	10.70	13.19	-18.87&
Rand/euro	7.46	9.13	-18.26%
Dollar/euro	1.21	1.28	5.49%

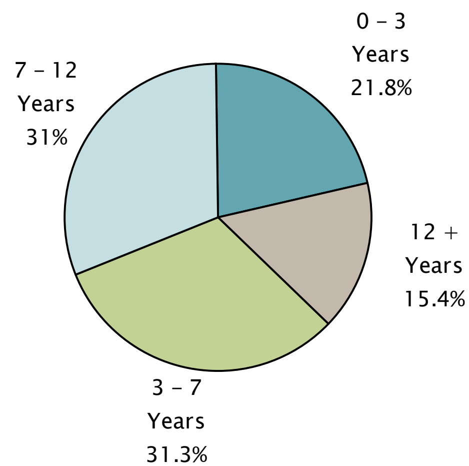
What makes up the benchmarks

Quarterly Composition of all Indices

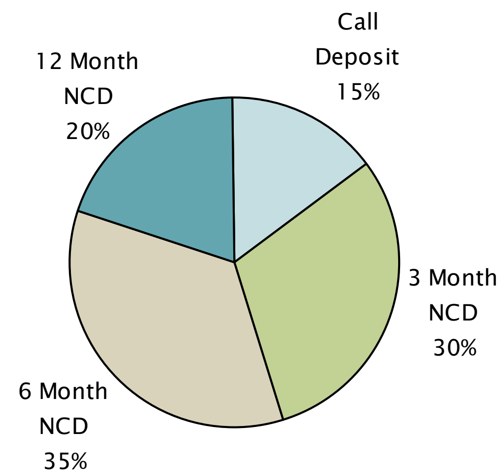
Equity – All Share



Bond - ALBI



Cash - STeFI



Market and economic update

Globally speaking

Background

- In mid-May, equity markets suffered their first setback in 3 years as investor risk aversion rose in response to concerns over inflation and deterioration in economic growth deterioration caused by anticipated aggressive interest rate increases.
- Emerging markets fell substantially, affected by the progressive tightening of Japanese monetary policy, which reduced global liquidity.
- Bond yields rose as investors feared the US Fed might increase rates above 5.5% (5.25% currently).
- The US dollar was supported by prospects of yet higher interest rates, but weakened against the Euro as European economic growth is expected to lead to further rate rises.
- Commodity prices fell sharply on the back of anticipated rate hikes and reduced world economic growth expectations.
- The oil price remained elevated on fears that Iran might retaliate if UN sanctions are applied.

Outlook

- A reduction in global liquidity does not necessarily imply any significant slowdown in economic growth unless Central Banks raise interest rates further than expected to curb excessive credit creation rather than inflation.
- Equities should outperform bonds as the outlook for corporate profits still remains favourable and valuations do not appear excessive.
- Equities should also be supported by buoyant takeover activity, often for cash and debt, which indicates that equities are not regarded by corporates as overvalued.
- US interest rates appear to be close to peaking as does the economy, but Continental European and Japanese rates are expected to rise as they remain low by historical standards.
- Inflation threats are admittedly posed by the continuing strength of commodities and oil in particular but Chinese manufactured exports should continue to be an offsetting disinflationary factor.

Market and economic update

Locally speaking

Background

- Having reached an all time high in mid-May, equities fell sharply as investors exited emerging markets.
- Financials (including listed properties) and industrials were particularly adversely affected as interest rates were unexpectedly raised by 0.5% with the hint of more to follow due to excessive credit creation and (as has subsequently emerged) a burgeoning current account deficit (6.4% of Q1 GDP).
- Resource shares rose strongly as lower dollar commodity prices were more than offset by the much weaker currency.
- Gold, having hit a 25-year peak ($730) in a speculative frenzy, succumbed to profit taking on a more realistic perception of the Central Bank's determination to avert inflationary pressures.
- The Rand suffered together with other emerging economy currencies that have unsustainably large current account deficits.
- Bond yields rose by 1% as the likelihood of further rate hikes to prevent inflation exceeding 6% due to Rand weakness, were factored in.

Outlook

- The inflation outlook is no longer as benign as previously assumed with SARB monetary tightening accelerated due to unsustainably high domestic credit creation and current account deficit levels.
- Overall, the economy should benefit from the lower Rand with weakness in retail sales growth being offset by an improved export (and manufacturing) outlook.
- Government is committed to major infrastructure projects, which should ensure economic growth in excess of 3.5% for next few years at least.
- Commodity prices should be underpinned by Chinese and world demand, and limited supply response from mining companies.
- Local bond yields should rise further in an environment of rising local and world interest rates.
- Listed property is likely to outperform bonds as commercial property rents rise in response to a tightening in available space.
- There is a risk that undue further Rand weakness could cause the SARB to counter the imported inflation effects by raising rates more than the expected 0.5% this year.
- Equities are being supported by attractive valuations and strong profits growth, but the volatile foreign investor community's sentiment remains of paramount importance.

Economic comment supplied by Foord

FOORD SERIOUSLY GROWING YOUR ASSETS

Performance table

Index/Sector	1Month	3Month	YTD	1Year	3Year
All Share	3.37%	4.87%	18.76%	53.91%	40.49%
Capped All Share Index	3.01%	4.24%	18.10%	53.00%	40.99%
Shareholder Weighted All Share Index	1.53%	-0.44%	13.44%	47.94%	40.54%
Top 40	4.79%	7.17%	20.21%	55.63%	40.32%
Mid Cap	-5.86%	-9.48%	8.89%	42.14%	39.29%
Small Cap	-5.94%	-8.94%	9.68%	42.57%	51.53%
Resources	10.14%	21.30%	36.85%	84.20%	41.43%
Mining	10.24%	21.59%	39.41%	89.59%	39.75%
Gold Mining	12.77%	13.97%	30.22%	86.15%	15.12%
Diamonds & Gemstones	3.96%	-8.24%	-25.29%	-31.32%	-16.80%
Platinum & Precious Metals	19.44%	21.37%	58.55%	150.76%	50.75%
General Mining	7.74%	23.15%	37.88%	81.02%	45.73%
Oil & Gas	9.43%	19.46%	22.89%	56.16%	53.99%
All Share Industrials	-1.27%	-5.34%	6.82%	35.40%	41.98%
Basic Materials	10.12%	20.68%	38.38%	73.87%	38.52%
Chemicals	-2.23%	5.93%	15.41%	39.05%	39.50%
Construction & Materials	0.37%	-8.80%	23.40%	70.13%	48.38%
Forestry & Paper	6.25%	-4.15%	21.64%	22.69%	1.53%
Industrial Metals	16.59%	12.96%	19.77%	74.96%	82.73%
Industrials	-0.47%	-10.58%	10.64%	42.11%	42.08%
General Industrials	5.02%	-4.47%	11.98%	43.02%	41.96%
Electronic & Electrical Equipment	-2.53%	-5.26%	21.75%	60.30%	48.45%
Industrial Engineering	-1.86%	-3.20%	17.06%	28.47%	48.17%
Consumer Goods	2.16%	4.86%	12.93%	41.43%	40.25%
Automobiles & Parts	-5.70%	-9.78%	2.47%	16.56%	37.17%
Leisure Goods	-13.04%	-15.97%	-1.96%	23.07%	33.80%
Health Care	1.11%	-5.08%	18.28%	42.83%	44.99%
Beverages	3.20%	5.96%	8.88%	26.03%	39.78%
Food Producers	-5.12%	-10.63%	7.78%	38.80%	40.83%
Health Care Equipment & Services	3.59%	3.36%	25.11%	60.16%	45.16%
Pharmaceuticals & Biotechnology	-2.41%	-15.51%	9.28%	55.69%	70.76%
Consumer Services	-7.13%	-13.67%	0.37%	29.19%	44.02%
General Retailers	-12.82%	-21.38%	-7.32%	19.49%	44.86%
Travel & Leisure	-3.68%	-12.91%	2.17%	32.28%	42.30%
Media	-1.68%	-4.51%	6.33%	45.79%	65.39%
Support Services	-2.57%	-14.05%	6.88%	34.23%	30.85%
Industrial Transportation	-3.84%	-17.23%	0.09%	18.33%	40.67%
Telecommunication	-5.94%	-14.33%	-10.44%	19.90%	48.09%
Food & Drug Retailers	3.96%	3.82%	22.29%	52.13%	50.34%
Fixed Line Telecommunications	-7.70%	-17.84%	-2.05%	32.75%	55.53%
Technology	-10.51%	-11.84%	7.84%	36.13%	35.05%
Technology Hardware & Equipment	-6.82%	-5.96%	4.49%	3.51%	39.96%
Software & Computer Services	-10.79%	-12.29%	11.27%	43.76%	33.84%

RisCUpdate

Q2 2006

Index/Sector	1Month	3Month	YTD	1Year	3Year
Financials	**-2.22%**	**-6.03%**	**7.60%**	**36.01%**	**36.67%**
Banks	-3.95%	-11.79%	-0.37%	26.86%	37.14%
Non-life Insurance	-0.94%	-10.17%	-2.60%	16.03%	28.81%
Life Assurance	0.71%	-1.66%	14.25%	42.91%	31.40%
Equity Investment Instruments	-2.21%	-0.73%	11.23%	48.22%	39.11%
Real Estate	-3.68%	-4.50%	13.70%	25.83%	29.40%
General Finance	-1.59%	0.10%	14.63%	64.02%	62.06%
Financials And Industrials	**-1.66%**	**-5.62%**	**7.14%**	**35.65%**	**39.62%**
ALBI	**-3.61%**	**-3.58%**	**-2.10%**	**3.94%**	**9.68%**
1-3 Years	-1.09%	-0.28%	1.57%	5.53%	8.28%
3-7 Years	-2.67%	-2.16%	-0.36%	4.44%	9.27%
7-12 Years	-4.61%	-4.86%	-3.39%	4.06%	10.62%
12+ Years	-6.42%	-7.56%	-6.99%	1.73%	10.54%
STeFI	**0.56%**	**1.71%**	**3.42%**	**6.98%**	**8.05%**
Call Deposit	0.54%	1.62%	3.24%	6.59%	7.40%
3 Month NCD	0.56%	1.70%	3.41%	6.94%	7.89%
6 Month NCD	0.57%	1.73%	3.46%	7.03%	8.11%
12 Month NCD	0.58%	1.76%	3.52%	7.26%	8.69%
International Index / Other	**1Month**	**3Month**	**YTD**	**1Year**	**3Year**
S&P 500	6.47%	13.67%	14.50%	14.27%	7.45%
MSCI World	7.15%	16.23%	20.44%	26.73%	15.61%
JPMorgan GBI	5.96%	15.06%	10.11%	4.72%	0.14%
Salomon Brothers GBI	3.55%	17.52%	17.15%	4.98%	1.84%
Dow Jones	6.29%	16.30%	17.07%	16.31%	5.70%
Euro Top 100	8.30%	17.80%	23.92%	28.18%	15.94%
Nikkei 225	0.24%	-7.91%	-5.09%	18.11%	13.06%
FTSE 100	9.75%	19.65%	26.42%	29.13%	15.26%
Nasdaq	6.13%	7.57%	10.83%	13.18%	8.40%
Russell 1000	6.31%	18.38%	19.58%	19.81%	9.81%
Barclays Inflation Linked Bond Index	-0.61%	0.62%	3.35%	10.66%	9.95%

Contact us...

Cape Town
Ground floor, Colinton house, The Oval, 1 Oakdale Road, Claremont, 7735
PO Box 23983, Claremont, 7735
Tel: +27 21 683 7111
Fax: +27 21 683 8277

Johannesburg
Ground floor, 23 Melrose boulevard, Melrose Arch, 2076
Postnet suite 116, Private Bag X1, Melrose Arch, 2076
Tel: +27 11 214 9800
Fax: +27 11 214 9801

info@riscura.com
www.riscura.com