



## Boshoff Visser / PSG Balanced Income Portfolio:

For the last six years Boshoff Visser Financial Services together with PSG Konsult manages a very unique portfolio for clients. The philosophy of this portfolio is to enter the market directly to save costs for the clients. The portfolio concentrates on income in the form of dividends and rental which is conducive to low risk investors as well as pensioners. The purpose of the investment income portfolio is to offer the investor a competitive after tax growth over time. This means that the after inflation real buying power of the investor will be protected. This income can be paid to the investor or be re – invested.

The fund invests in all asset classes namely, shares, listed property trusts, preference shares and interest bearing investments. The prospects of all the asset classes are taken in consideration in the portfolio. After the asset allocation the individual companies are selected on the basis of their cash flows and dividend prospects.

Although the portfolio mainly concentrates on income earned the volatility of the investment is actively managed. Asset allocation is an important consideration in the management process.

For the last five years the portfolio has had an average annual return of 10, 99% after costs. Whereas, the money market had returns of 8, 58 % per annum over the same period. An investment of R 100, 000.00 over a period of five years will be as follows:

	Annual returns	R100 000.00 after five years
Money market	8.58%	R 150,920.83
Boshoff Visser / PSG	10.99%	R 168,429.92

\* Figures up to 31/12/2008

Over the past 12 months the stock exchange dropped drastically with the result that dividends payments were lowered or stopped. Preference shares and property investments which comprise 62% of our portfolio, maintained strong income streams which are tax effective. All the property trusts in which we invested had an income growth in 2008.

In the following table we compare our portfolio with the index of all shares over the last 12 months.

	Points on 01/01/2008	Points on 31/12/2008	Returns for the year
Portfolio of all shares	28957.97	21509.2	-25.72%
Boshoff Visser / PSG	2221.46	2007.78	-9.62%

\*Figures up to 31/12/2008

