

COMMUNIQUÉ

admin update

All clients with Managed Income Plans, please note that all income payments will now be paid from a PSG Money Market fund.

For further information or specific advice, please contact us on 0860 747 487 or e-mail: info@siriusgroup.org

fund facts

Sirius Fund Returns for January:

Balanced	-1.13%
Moderate	-0.71%
Income	-0.70%
Global	+2.95%
Global Active	-2.95%

Sirius Rolling 12-Monthly Returns:

Balanced	+20.39%
Moderate	+22.70%
Income	+17.01%
Global	+3.32%
Global Active	+5.51%

congrats to our dance champ!



Congratulations to Chantal & her dance partner who WON the South African Dance Championships held in Durban in December 2007! They proudly represented SA in the World Championships in February in Belgium.

WELL DONE!!

COMMUNICATION

Dear Clients, Business Contacts & Friends,

It's hard to believe we are already approaching the second quarter of 2008! Over the past year, even though we faced new challenges we also reached important goals. For 2008, we look forward to many positive and exciting opportunities for Sirius and our sister company, Mirzam, as they continue to grow and prosper.

Thank you, as always, for your continued support.

Best regards,

Shawn, Chantal & Staff

SIRIUS FUNDS PERFORMANCE 2007

Sirius' four local funds celebrated their 4th anniversary in August of 2007. Despite some last minute losses at year-end, three of the four enjoyed their most successful calendar years since inception posting returns which compared very favourably with the JSE All Share Index return for the year.

The Balanced and Moderate Growth Funds both started the year in strong fashion, both posted record gains in June on the back of the Targeted Property Fund, and both recorded their 12th consecutive positive return in July. August saw returns dip into negative territory as a result of a hedge fund redemption, but both funds immediately returned to winning ways before being dragged down by poor market performance towards the end of December. The re-alignment that took place over the course of the year made both funds substantially more resilient than they were during 2006, and their returns were nothing short of exceptional given their conservative make-up.

The Income Fund also made a strong start to 2007 and, after the setbacks suffered on the back of the listed property correction in mid-2006, reverted back to providing the consistent returns it was designed to. December also saw the fund dip into negative territory as the underlying managers across the board struggled with the volatility in the markets, but even this couldn't stop the fund from posting its first calendar year return in excess of 20%.

Despite an outstanding start to the year, the Sirius Global Fund struggled for most of 2007 as global markets, and the local currency, wreaked havoc with the underlying managers. Despite the poor returns from the fund, we continue to believe that having global exposure in a portfolio is the only way to claim true diversification as a South African investor. We will be making drastic changes to the fund in 2008, the results of which will be much closer relationships with the underlying managers than is currently the case – this too is in keeping with our investment philosophy.

The Sirius Global Active Fund provided a snapshot of the true extent of volatility on world markets during 2007. The fund showed good growth with significant corrections along the way, highlighting the tough market conditions by recording a record monthly loss and a record monthly gain in successive months! By the end of the year, despite a bleak Christmas period, dollar returns on the fund were still in double digit territory. We were very pleased that during the course of the year we were able to introduce the Mirzam Capital Appreciation Fund (Cliff's American baby) as one of the underlyings, and we've seen the MCAF substantially out-perform its benchmark since inclusion!

Early signs are that 2008 will be a tricky year for investors, but we will remain as vigilant as ever to make sure that we're well positioned to deliver on our mandates, irrespective of what the markets throw at us.

Quote of the Month: Prepare a nest for the hen and she will lay eggs for you. -Portuguese proverb-