

Investment Portfolio Profile and Suitability

The ISASA Conservative Growth portfolio has a limited allocation to growth assets. The portfolio is well-diversified through alternative asset classes and strategies such as inflation-linked bonds, fund-of-hedge funds and absolute-return-targeting portfolios. As a result the ISASA Conservative Growth portfolio is expected to have lower volatility relative to similar portfolios targeting a significant return, but with a good chance of achieving the objective over the medium term.

Inception Date

August 2008

Benchmark

Local asset class	Benchmark	Allocation
Cash	STeFI Call Deposit Index	36.2%
Equity	FTSE/JSE Capped SWIX ALSI	18.7%
Bonds	All Bond Index	15.3%
Inflation-Linked Bonds	Barclays/ABSA SA Govt ILB Index	9.1%
Alternatives	Caveo Stable	5.0%
	Caveo Moderate	5.0%
Property	FTSE/JSE SA Property	5.7%
Global asset class	Benchmark	Allocation
Equity	MSCI AC World	3.1%
Bonds	Citi WGBI	1.0%
Cash	French Treasury Bill	0.5%
	US Treasury Bill	0.5%
Total		100.0%

Risk Profile



Total expense ratio and Transaction cost breakdown¹

Period (Annualised, rolling three-year period):
01 Jul 2014 to 30 Jun 2017

Average annual service charge (incl VAT)	0.39%
Underlying manager performance fees expense	0.02%
Underlying fund expense	0.09%
Other expenses	0.02%
Total Expense Ratio (TER)	0.52%
Transaction Costs (TC)	0.04%
Total Investment Charges (TER + TC)	0.56%

Market Performance

	1 Month	1 Year	3 Years	5 Years	10 Years
FTSE/JSE All Share	2.65%	10.15%	6.56%	13.10%	10.18%
FTSE/JSE SWIX	2.42%	7.94%	7.11%	13.50%	11.13%
FTSE/JSE Capped SWIX ALSI	2.60%	6.51%	6.22%	12.93%	0.00%
FTSE/JSE SA Property	0.76%	9.40%	13.02%	11.65%	14.58%
All Bond Index	1.03%	10.20%	6.65%	6.31%	8.57%
STeFI Composite index	0.62%	7.63%	7.01%	6.36%	7.22%
MSCI AC World	-1.08%	3.39%	12.89%	20.50%	10.61%
Citi WGBI	-0.30%	-12.48%	7.09%	9.16%	9.66%

Investment Returns

	Portfolio	Benchmark
1 Month	0.84%	1.05%
3 Months	2.36%	2.23%
YTD	6.56%	6.05%
1 Year	7.20%	6.34%
3 Years	7.87%	7.01%
5 Years	9.12%	8.32%
Since Inception	9.56%	9.02%

Asset Allocation

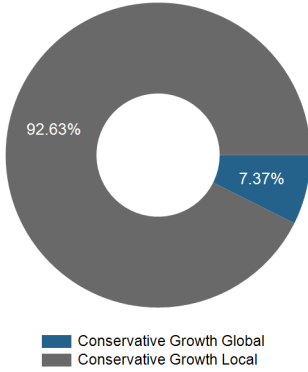
Asset Class	Local	Africa	Global	Combined
Equity Excluding Property	17.0%	0.1%	4.5%	21.6%
Property	6.5%	0.0%	0.3%	6.8%
Bonds	27.7%	0.0%	1.9%	29.6%
Cash	32.4%	0.0%	0.6%	33.0%
Alternatives	9.1%	0.0%	0.0%	9.1%
Balanced	0.0%	0.0%	0.0%	0.0%
Total	92.6%	0.1%	7.3%	100.0%

Top 10 Equity Holdings (% of total portfolio)

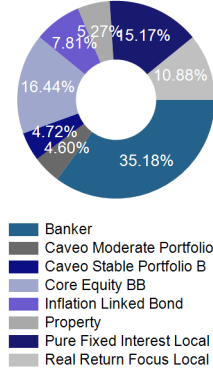
NASPERS	2.0%
GROWTHPOINT PROP LTD	1.0%
NEPI ROCKCASTLE PLC	0.8%
MTN GROUP	0.8%
BRITISH AMERICAN TOBACCO PLC	0.8%
SASOL	0.8%
STANDARD BANK GROUP	0.7%
FIRSTRAND LIMITED	0.7%
REDEFINE PROPERTIES	0.7%
STEINHOFF INTERNATIONAL HOLDINGS N.V.	0.6%
Total	8.9%

Underlying Building Block Weights

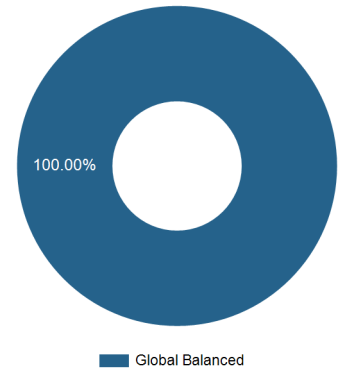
ISASA Conservative Growth



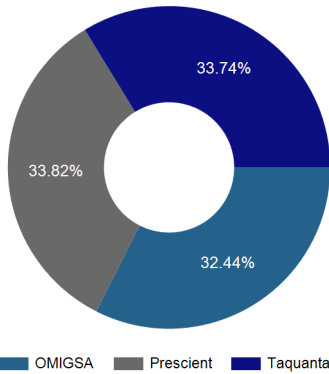
AF Conservative Growth Local BB



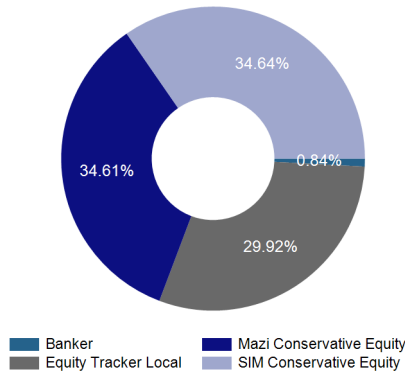
AF Conservative Growth Global BB



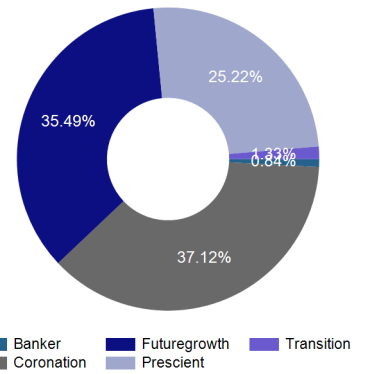
Banker BB



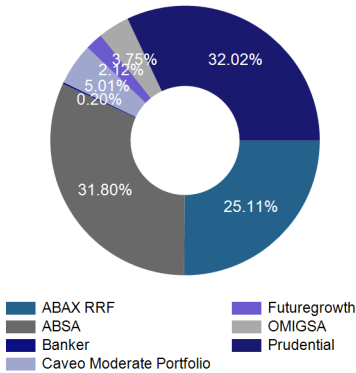
Core Equity BB



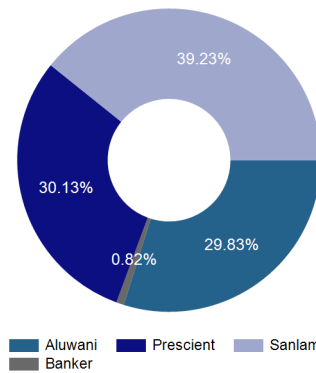
Pure Fixed Interest Local BB



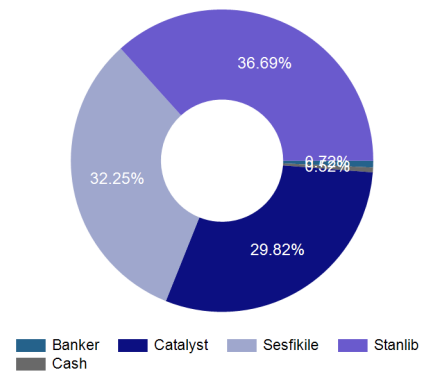
Real Return Focus Local BB



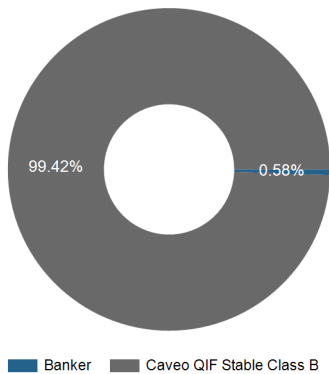
Inflation linked Bond BB



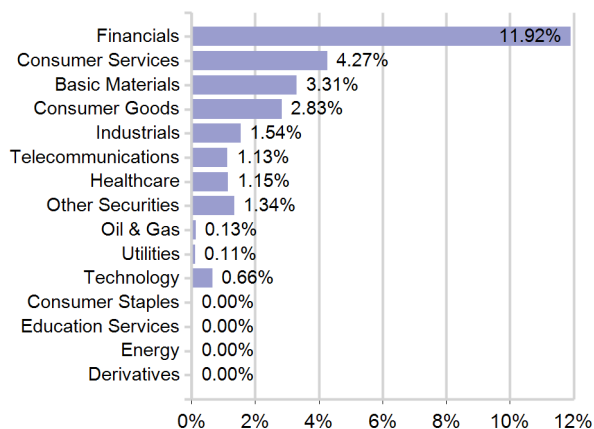
Property Fund BB



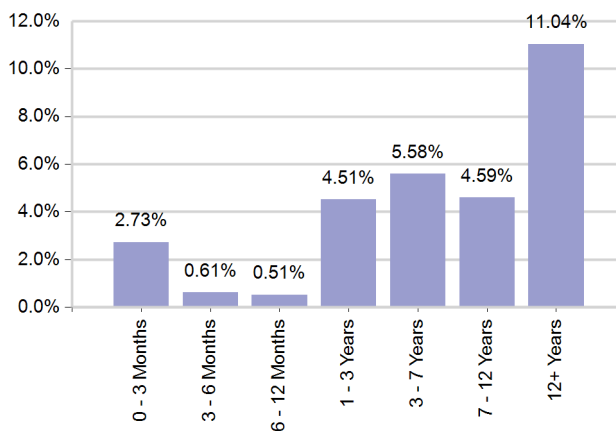
Caveo Stable Portfolio B



Industry Sector Breakdown (% of total portfolio)



Bond Maturity Profile



Notes

- Total Expense Ratio (TER): The percentage of the value of the portfolio that was incurred as expenses relating to the administration (charges, levies and fees) of the portfolio. TER is calculated over a rolling three year period (or since inception where applicable) and annualised to the most recently completed quarter. The TER as at the end of June 2017 is calculated using a rolling three year period. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs. Transaction cost (TC): The percentage of the value of the portfolio that was incurred as costs relating to the buying and selling of the assets underlying the portfolio. Transaction costs are a necessary cost in administering the Fund and impacts returns. It should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager and the TER. Calculations are based on actual data where possible and best estimates where actual data is not available. Total investment charge (TIC): This percentage of the portfolio was incurred as costs relating to the investment of the portfolio. It is the sum of the TER and TC.
- Past investment returns are not indicative of future returns. All returns are before deduction of Alexander Forbes Investments' policy fees and performance fees, but net of other expenses. Returns for periods exceeding one year are annualized and all returns are quoted in Rands.
- The portfolio structure was changed in February 2012 and as a result the benchmarks have been revised. Prior to that date the benchmarks were as follows : 17% SWIX +13% Composite Benchmark (Old Mutual Absolute Stable Growth*) +17% BESA All Bond Index +6% Composite Benchmark (Real Return Focus) ** + 9% (90% Barclays BESA SA Government ILB Index + 10% SteFI) +33% SteFI Call +5% (Global Market Index Composite) * Stable Growth uses 40/30/20/10 Cash/Equity/Bonds/ILBs, wherever they form part of a composite benchmark in a risk-profiled portfolio. When markets are very positive OM Stable Growth may underperform market linked benchmark due to smoothing and when markets are very negative, OM Stable Growth may outperform market linked benchmark due to smoothing. **Real Return Focus uses 40/30/30 Equities/Bonds/Cash, wherever they form part of a composite benchmark in a risk profiled portfolio.
- The Policy fee consists of a flat fee of 0.34% p.a for local assets and 1.00% p.a for global assets.
- Kindly note that with effect from 1 April 2017, all Alexander Forbes Investments South African equity benchmarks have changed from the FTSE/JSE SWIX to the FTSE/JSE Capped SWIX ALSI Index.

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