



Absolute Return Manager Watch™ Survey for the month ending December 2014

Research & Product Development
FINANCIAL SERVICES



COMMENTARY

SURVEY NOTES

The Absolute Return Manager Watch™ Surveys focuses on multi-asset class mandates that targets performance above the SA headline inflation rate (CPI), while simultaneously seeking to protect capital over a 12 month period. It is made up of 4 Categories; with the following being material changes over Q4 2014:

Absolute Return Manager Watch™: CPI +3%: Vunani Fund Managers CPI +3 % has exited this category of the survey.

Absolute Return Manager Watch™: CPI +4%: No change in the participants of this category

Absolute Return Manager Watch™: CPI +5%: RECM Balanced Full Discretion Composite has entered this category of the survey.

Absolute Return Manager Watch™: CPI +6%: No change in the participants of this category

It should be noted that historic performance is not an indication of future performance nor is it a direct indicator of skill. Many of the participating funds use peer relative performance benchmarks and not investable benchmarks. The current positioning and exposure of funds, is more relevant to an investment strategy. Please use and interpret all information within this survey cautiously and consult an expert advisor to ensure that your fund's assets and fund strategies are appropriately matched to its liabilities.

SOURCES OF PERFORMANCE

Absolute Return portfolios usually build and implement their investment strategies such that the portfolio is resilient to strong negative equity market moves and is able to capture the risk premia of the invested asset classes to deliver real returns above inflation.

They may use a multitude of methods to achieve this goal; some of the more popular strategies being asset allocation modeling (strategic and tactical), dynamic risk modeling, explicit hedging strategies; and fixed income strategies. Its primary driver of return is that over the medium term the asset classes will realise its risk premia and therefore real return.

MARKET DYNAMICS THAT INFLUENCED PERFORMANCE AND STRATEGY OVER 2014

Since the 2008 global financial crisis, investors globally have operated in a risk-on/risk-off framework. Six years on, the intervention policies and strategies applied to stabilize global capital markets and restore confidence remain significant drivers of investment decision making and valuation. This juxtaposition of weak economies and high levels of artificial liquidity has led to significant rotation between asset classes as managers seek to balance safety with the quest for yield.

The role of primary providers of stimulus shifted in 2014 in response to changes in underlying economies. After a difficult 2013, the US economy is showing strong signs of recovery allowing it to close its QE programme. As a result, US equities and bonds performed very well and the dollar strengthened substantially against other developed currencies.

In contrast, concerns about lackluster growth and stagflation have brought Japan and the EU to the fore in stimulus programmes. Consequently, earnings have been low in these markets and interest rates have at times even been negative.

In addition to these evolutions in the on-going and persistent theme of global stimulus, 2014 also saw a number of its own particular quirks. Concerns around the Chinese economy have been present for a while, but in 2014, the Chinese statistics department confirmed that the economy is slowing. This is primarily due to efforts to shift the economy from an export-driven structure to a consumption-driven one. As such, a resumption in its demand for commodities is not anticipated.

On the commodities front, oil had a dramatic collapse in the second half of the year (down -48.3% for the year), providing welcome relief to emerging markets but jitters to oil producing nations.

Oils woes only exacerbated Russia's woes after geopolitical tensions within Ukraine have tarnished its global image. In the wake of this, the rouble collapsed and Russian bonds flounder at junk status.

On the local front, commodity woes in the last part of the year came on top of a mining strike in the first part. Together with a myriad of other economic challenges, the SA outlook weakened in the latter half of the year.

Global market performance echoed the economic trends in many ways. Buoyed by a strong performance by US equity markets (+13.7%), developed equity markets finished off 2014 on a positive note in US dollar terms (MSCI World +5.5%). The US's strong performance masked a negative year for other major developed markets with Europe down 5.7% and Japan down 3.7%. Emerging markets were little better at -1.8%, while Frontier markets were 9.0% down. Many frontier markets are reliant on trade with Japan and Europe which led to their dismal performance.

Overall, the MSCI All Countries Index – which combines both developed and emerging equity markets - returned +4.7% in dollar terms. Global government bonds were relatively flat; the Citibank WGB Index being down -0.5% in dollar terms. The depreciation of the rand to the dollar meant that the rand returns of these indices were significantly higher – with the MSCI All Countries returning +15.7% and the WGB Index up +9.9%.

Despite deteriorating local economic conditions, the South African equity market finished the year in positive territory, though slightly down from its peak in July. Domestic consensus is that the local equity market is overpriced and may be heading into an asset price bubble. Another surprise for the year was the divergence in performance between the two major equity benchmarks. The FTSE JSE All Share Index (ALSI) returned +10.9% over the year, while the FTSE JSE Shareholder Weighted All Share Index (SWIX) returned +15.4% over the year. At 4.5%, this divergence is at the highest in its history.

The major difference between the two indices is that the ALSI holds 6% more in Resources than the SWIX, 5% less in Financials and 11% less in Industrials. This super-sector difference contributed to 2.5% of the performance differential as Financial shares outperformed Resources by 42%. The early part of the year saw Resources shares gain ground on the other two sectors, but this trend fell apart in the latter half, with Resources ending the year down 14.7%.

COMMENTARY

The best performing sub sector within Financials was Banking (+32.1%) despite the collapse of African Bank and rising interest rates. Other sub-sectors also contributing to performance were Real Estate (+26.5%) and Life Insurance (+21.5%). Industrials were bolstered by Health Care (+35.9%), Consumer Services (+29.7%), and Consumer Goods (+14.1%) with muted returns from Technology (+12.7%), Telecomms (+9.7%) and Industrials (+7.0%). Aside from Forestry and Paper (+11.7%), it was red across all the Resources sub-sectors.

An analysis of equity investment styles proved that Momentum, Minimum Volatility and Quality were rewarded in 2014. What is also very clear is that Value, and Deep Value in particular, has continued to struggle. For instance, the FTSE JSE Value Index returned 4.59% for the year, trailing the major indices by a considerable margin. Earnings and Price Momentum continues to dominate market returns to the detriment of the many South African managers who favour Deep Value and Contrarian styles.

South Africa's Monetary Policy Committee (MPC) hiked the repo rate twice over the course of 2014. The 50 basis point (bp) hike in January of 2014 caught the market unawares, introducing significant volatility to both interest rate and currency markets. The 25bp hike in July met a more muted response, but it did accelerate net foreign bond outflows. For the year, net foreign bond outflows totaled R58 billion as sovereign credit expectations deteriorated.

The drivers behind these hikes remained consistent through the year, including: concerns about the weak rand; rising inflation; labour conflicts and high wage increases; moderate to weak economic growth; a wider current account deficit; and stubborn unemployment. These drivers also led to credit agencies downgrading SA multiple times over the course of the year.

Despite these myriad concerns, bond markets delivered strong returns in line with equity markets. Inflation-linked bonds beat the ALSI with a +11.1% return as real rates continued to remain low. Nominal bonds were not far behind at +10.1%. Factors that significantly drove bond market performance were instrument term (duration) and credit pick up. The long end of the SA 10 year government bond curve (bonds maturing >12 years) flattened during 2014, most noticeably in Q4 as inflation expectations diminished with falling commodity prices. The short end of the curve (bonds maturing within 3 years) displayed the opposite effect by rising during the quarter and year due to the interest rate hikes. Fixed rate bonds remain unattractive compared to floating rate notes in the short end. Cash returns were the weakest asset class with the STeFI returning +5.3%.

The local property market shrugged off a poor 2013, and returned to its status as the best performing asset class (+26.6%). Strong performance over the second half of the year due to lower longer term bond yields and high income yields relative to prevailing rates.

All in all, market direction proved difficult to call both globally and locally.

HOW THE MANAGERS PERFORMED OVER 2014

All major asset classes performed positively over the last year. Therefore, fund managers would have had an easy task of balancing risk and return for their clients while protecting their portfolios from capital losses.

Only two of forty-four absolute return composites across all categories in the survey failed to protect capital during 2014; and only a further six composites failed to protect the investor from inflationary erosion.

ReCM's absolute composite performed in line with its overall house positioning, with its -2.38% return a result of an aggressive asset allocation towards equity. This decision in itself was not poor, but the local equity allocation was significantly exposed to the resources sector and, in particular, platinum shares. Their global equity allocation held significant positions in energy, UK retailers and Russian securities, all of which experienced severe declines through the year.

The Cadiz Equity Ladder Fund - which has not performed to objective over the past year - had a highly erratic performance versus other funds in the survey. The fund's strategy is to be almost fully invested in equities and simultaneously use options to protect it on the downside. The underlying equities are actively managed in line with their house-view value philosophy. Cadiz is of the view that given current market levels and the capital protection objectives of this fund, a hedged position is necessary. This, together with a weaker equity portfolio, impacted the entire suite of Cadiz products.

Interestingly, if one had to consider even a very conservative balanced portfolio with an asset allocation of: SA cash 45%; SA equity 20%; SA bond 15%; SA ILB's 10%; SA Property 5%; Global 5%; the one-year return would have been 10.4% using the returns of market indices.

This indicates that managers had ample opportunity to meet their inflation targets as well as protect capital over one year. Only 9 of the managers succeeded in generating returns better than this hypothetical conservative asset allocation.

Funds with global asset exposure did not have a performance advantage over domestic-only product offerings due to the similar performance of global and local assets. However, funds that were allowed global assets were on average better than the peer group, but not necessarily their domestic composites. An example would be that Prudential's global composites had lower returns than its domestic-only parallel product offering.

There was no particular manager strategy that was clearly identifiable as working better than others. However, managers applying more traditional balanced-type strategies which utilise asset allocation techniques have performed better than the peer group

Prudential's Real Return composites delivered very strong returns over the year, outperforming all inflation performance objectives and Prudential was the best performing manager in the CPI + 5% and 6% categories. The biggest contributor to their strong performance was their stock selection within and weighting of domestic equity. Within their higher target offerings, the larger weighting to international equity was the second biggest contributor, while their weighting to inflation-linked bonds was the second biggest contributor in the lower targeting offering. Property was also a strong contributor as they like listed property for its strong distribution growth prospects over the medium term.

The Foord Absolute Return composite in the CPI +5% category is a statistical outlier over 3 years and has the highest downside risk attributes amongst its peers. The performance of the Foord Absolute Return composite would have made it a better offering than its own Global Balanced composite over one year and would be the third best Global balanced composite over 3 years. This seems inconsistent with a composite managed to a CPI + 5% target and its similar attributes to its balanced offering cannot be coincidental.

Notably, performance across the categories does not with increase in relation to the performance targets, but the range of dispersions across categories has narrowed over the past year. The median returns over one year for the CPI + 3%, 4%, 5% and 6% are 8.2%, 9.7%, 9.8% and 10.4% respectively.

ABSOLUTE RETURN MANAGER WATCH™ SURVEY

Objective - The portfolios in this Survey comply with Regulation 28 and represent products targeted at real returns with a CPI Objective.

GENERAL INFORMATION										
	Portfolio Inception date	GIPS™ (Verified/ Compliant)	Global / Domestic Mandate	Notes	Managed to Regulation 28? (Y/N)	CPI/X Target Return	Dual objective (If applicable)	No. of funds in composite	Portfolio Size (R m)	Admin - efficiency : Date data submitted
INVESTMENT MANAGERS										
Headline CPI + 3%										
Absa Asset Management Absolute CPI +3%	Oct-02	V	Domestic		Y	Headline CPI + 3%		1	697	08 January 2015
Cadiz Inflation Plus 3	Oct-06	V	Domestic		Y	Headline CPI + 3%		4	1 645	14 January 2015
Coronation Inflation Plus Fund	Oct-09	V	Global	Headline CPI + 3.5%	Y	Headline CPI + 3.5%	Preserve capital over a rolling 12m period	1	2 655	14 January 2015
Momentum MoM Real Return	Jul-03		Domestic		Y	Headline CPI + 3%		n/a	1 004	12 January 2015
Prescient Positive Return Fund	Jan-99	V	Domestic		Y	Headline CPI + 3%		14	5 885	12 January 2015
Prescient Positive Return Medical Aid Fund	May-02	V	Domestic		Y	Headline CPI + 3%		7	809	12 January 2015
SIM Absolute	Dec-01	V	Domestic		Y	Headline CPI + 3%	SIM targets low volatility real returns that match the upside return objective (e.g. CPI+X %) over rolling three-year periods. At the same time, they target not to lose capital over rolling one-year periods	4	675	07 January 2015
SIM Absolute Return Income Fund	May-04	V	Domestic		Y	Headline CPI + 3%	SIM targets low volatility real returns that match the upside return objective (e.g. CPI+X %) over rolling three-year periods. At the same time, they target not to lose capital over rolling one-year periods	3	4 980	07 January 2015
Taqaanta Absolute	Jun-01	V	Domestic		Y	Headline CPI + 3%		6	705	13 January 2015
Headline CPI + 4%										
Absa Asset Management Absolute Global CPI +4%	Dec-06	V	Global		Y	Headline CPI + 4%		3	19 755	08 January 2015
Absa Asset Management Absolute Domestic CPI+4%	Aug-09		Domestic		Y	Headline CPI + 4%		9	9 719	08 January 2015
Argon Absolute Return	Oct-06	V	Domestic		Y	Headline CPI + 4%	Non negative returns over 1 year rolling period.	3	835	09 January 2015
Investment Solutions Stable Focus	Apr-05		Domestic		Y	Headline CPI + 4%	No negative returns over rolling 12 month period	n/a	2 310	12 January 2015
Momentum MoM Absolute Strategies	Dec-03		Domestic		Y	Headline CPI + 4%		n/a	2 076	12 January 2015
Mergence CPI + 4% Fund	Oct-09	C	Domestic		Y	Headline CPI + 4%		4	1 297	12 January 2015
OMIG Capital Builder	Mar-08	V	Domestic		Y	Headline CPI + 4%	Targets both positive returns every quarter and CPI+4% pa, or Cash+3% pa over rolling 3-year periods.	1	1 992	13 January 2015
OMIG MacroSolutions Stable Growth Fund	Jul-07	V	Global		Y	Headline CPI + 4%		1	3 881	13 January 2015
Headline CPI + 5%										
Cadiz Inflation + 5%	Feb-06	V	Domestic		Y	Headline CPI + 5%		1	288	14 January 2015
Coronation Absolute	Jan-04	Y	Domestic		Y	Headline CPI + 5%	Preserve capital over a rolling 12m period	12	9 226	14 January 2015
Foord Absolute	Jun-02	C	Global		Y	Headline CPI + 5%		4	1 522	09 January 2015
Investment Solutions Real Return Focus Local	Oct-02		Domestic		Y	Headline CPI + 5%	No negative returns over rolling 12 month period	n/a	6 234	12 January 2015
Investment Solutions Real Return Focus Portfolio	May-03		Global		Y	Headline CPI + 5%	No negative returns over rolling 12 month period	n/a	3 847	12 January 2015
JM BUSH Absolute AllClass	Oct-06	C	Domestic		Y	Headline CPI + 5%		3	1 333	08 January 2015
Mergence CPI +5% Fund	Jul-06	V	Domestic		Y	Headline CPI + 5%	Non-negative returns over a rolling 1-year period	2	1 698	12 January 2015
Momentum AM CPI+5% Global Fund	Nov-03	V	Global		Y	Headline CPI + 5%	CPI +5% (gross of fees) over a rolling 3-year period, and a low probability of losing capital over a rolling 1-year period.	n/a	895	14 January 2015
Prudential Domestic Real Return Plus 5%	Nov-09	Y	Domestic		Y	Headline CPI + 5%		3	1 040	06 January 2015
Prudential Global Inflation Plus 5%	Dec-02	V	Global		Y	Headline CPI + 5%	N/A	1	27 919	06 January 2015
OMIG Wealth Defender	Aug-03	C	Global		Y	Headline CPI + 5%		4	6 113	13 January 2015
RECM Balanced Full Discretion Composite	Jul-03	V	Global		Y	Headline CPI + 5%		6	5 435	14 January 2015
SIM CPI + 5%	Jan-07	V	Domestic		Y	Headline CPI + 5%	SIM targets low volatility real returns that match the upside return objective (e.g. CPI+X %) over rolling three-year periods. At the same time, they target not to lose capital over rolling one-year periods	8	1 703	07 January 2015
SIM CPI + 5% Global	Dec-03	V	Global		Y	Headline CPI + 5%	SIM targets low volatility real returns that match the upside return objective (e.g. CPI+X %) over rolling three-year periods. At the same time, they target not to lose capital over rolling one-year periods	8	11 664	07 January 2015
SMM Absolute Return	May-03		Global		Y	Headline CPI + 5%		1	462	12 January 2015
STANLIB AM Absolute	Jul-01	V	Global		Y	Headline CPI + 5%	Capital preservation over a rolling 12 month period	1	3 873	09 January 2015
STANLIB Domestic Absolute Return	Mar-04	V	Domestic		Y	Headline CPI + 5%	Capital preservation over a rolling 12 month period	1	302	09 January 2015
SYmmETRY Absolute Defensive Fund	Sep-02		Global		Y	Headline CPI + 4%	Non-negative returns over rolling 1-year periods	n/a	1 165	15 January 2015
Vunani Fund Managers CPI+ 5	Mar-05	V	Domestic		Y	Headline CPI + 5%		3	1 695	13 January 2015
Headline CPI + 6%										
Cadiz Equity Ladder Fund	Aug-01	V	Domestic		Y	Headline CPI + 6%		1	176	09 January 2015
Coronation Absolute	Aug-99	V	Global		Y	Headline CPI + 6%	Preserve capital over a rolling 12m period	1	7 029	14 January 2015
Investec Opportunity	Aug-99	V	Global		Y	Headline CPI + 6%		15	52 524	09 January 2015
Momentum AM (CPI+6% Global)	Apr-12	V	Global		Y	Headline CPI + 6%		n/a	263	14 January 2015
Prudential Domestic Inflation Plus 6%	Dec-02	V	Domestic		Y	Headline CPI + 6%	N/A	4	2 530	06 January 2015
Prudential Global Inflation Plus 6%	Dec-02	V	Global		Y	Headline CPI + 6%		1	262	06 January 2015
SIM CPI + 6%	Jan-03	V	Domestic		Y	Headline CPI + 6%	SIM targets low volatility real returns that match the upside return objective (e.g. CPI+X %) over rolling three-year periods. At the same time, they target not to lose capital over rolling one-year periods	2	519	07 January 2015
STANLIB Absolute Plus Fund	Dec-05	V	Domestic		Y	Headline CPI + 6%	Capital preservation over a rolling 12 month period	1	2 294	09 January 2015
				This includes multi-managers thus must be noted as possible "double-counting"						
TOTAL									213 030	

Inflation figures lagged by one month

* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

* While all possible care is taken in the compilation of the Survey, reliance is placed on information received from Investment Managers.

* The rankings and statistical information have been supplied for illustrative purposes only.

* Performance figures are shown gross of fees.

* Performance should not be judged over a short period of time.

* Past performance is not necessarily a guide to future performance.

ABSOLUTE RETURN MANAGER WATCH™ SURVEY

Objective - The portfolios in this Survey comply with Regulation 28 and represent products targeted at real returns with a CPI Objective.

Benchmark Methodology CPI - Due to the reweighting and rebasing of the CPI from January 2009 the benchmark numbers reflect a compound of month to month CPI returns. The historical month to month numbers used in calculations are the official month to month numbers based on the old basket prior to January 2009 and new basket post January 2009. The adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

Benchmark Methodology CPIX - The benchmark numbers prior to January 2009 reflected a compound of month to month CPIX returns. Due to the reweighting and rebasing of the CPI and discarding of the CPIX numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPIX prior to January 2009 and the new CPI basket post January 2009. The CPI excluding owners equivalent rent (I-Net code: AECPIX) and adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

INVESTMENT DATA TO THE END OF DECEMBER 2014													
PERFORMANCE DATA													
	Month	Quarter	Year to Date	1 Year		3 Years		5 Years		7 Years		10 Years	
	Portfolio	Portfolio	Portfolio	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
Headline CPI + 3%													
Absa Asset Management Absolute CPI +3%	0.14%	2.39%	9.82%	9.82%	8.80%	9.88%	8.58%	9.85%	8.29%	10.19%	9.12%	9.89%	*
Cadiz Inflation Plus 3	0.30%	2.02%	4.72%	4.72%	8.80%	9.93%	8.58%	10.47%	8.29%	*	*	*	*
Coronation Inflation Plus Fund	0.25%	1.95%	9.56%	9.56%	9.30%	12.54%	8.58%	12.77%	8.29%	*	*	*	*
Momentum MoM Real Return	0.21%	1.56%	8.51%	8.51%	8.80%	9.40%	8.58%	7.95%	8.29%	9.16%	9.12%	11.95%	*
Prescient Positive Return Medical Aid Fund	0.37%	1.45%	8.24%	8.24%	8.80%	9.60%	8.58%	8.21%	8.29%	9.58%	9.20%	12.54%	9.00%
Prescient Positive Return Fund	0.18%	1.13%	7.03%	7.03%	8.80%	8.81%	8.58%	7.54%	8.29%	8.81%	9.20%	11.83%	9.00%
SIM Absolute	0.28%	2.44%	8.65%	8.65%	8.80%	10.04%	8.58%	10.73%	8.29%	10.09%	9.12%	11.05%	8.99%
SIM Absolute Return Income Fund	0.37%	2.15%	7.58%	7.58%	8.80%	7.59%	8.58%	8.42%	8.29%	9.06%	9.12%	*	*
Taquantia Absolute	0.42%	0.63%	3.76%	3.76%	8.80%	4.82%	8.58%	6.30%	8.29%	8.00%	9.20%	8.24%	9.00%
Headline CPI + 4%													
Absa Asset Management Absolute Global CPI +4%	0.83%	2.93%	11.59%	11.59%	N/A	12.63%	9.58%	12.24%	9.29%	12.10%	10.12%	*	*
Absa Asset Management Absolute Domestic CPI+4%	0.36%	2.59%	10.32%	10.32%	N/A	11.97%	9.58%	*	*	*	*	*	*
Argon Absolute Return	0.18%	3.30%	11.75%	11.75%	N/A	13.32%	9.58%	11.52%	9.29%	9.12%	10.20%	*	*
Investment Solutions Stable Focus	0.17%	2.13%	8.98%	8.98%	N/A	10.17%	9.58%	9.50%	9.29%	10.29%	10.12%	*	*
Momentum MoM Absolute Strategies	0.18%	2.32%	8.41%	8.41%	N/A	8.24%	9.58%	7.33%	9.29%	7.41%	10.12%	10.04%	9.00%
Mergence CPI + 4% Fund	0.25%	1.68%	7.37%	7.37%	N/A	*	*	*	*	*	*	*	*
OMIG Capital Builder	0.27%	1.03%	7.93%	7.93%	N/A	9.35%	9.58%	7.54%	9.29%	*	*	*	*
OMIG MacroSolutions Stable Growth Fund	0.79%	3.26%	10.33%	10.33%	N/A	13.99%	9.58%	12.55%	9.29%	10.98%	10.12%	*	*
Headline CPI + 5%													
Cadiz Inflation + 5%	-0.48%	2.26%	4.47%	4.47%	N/A	11.67%	10.58%	12.02%	10.29%	11.62%	11.20%	*	*
Coronation Absolute	-0.20%	1.58%	9.90%	9.90%	N/A	12.59%	10.58%	12.74%	10.29%	12.17%	11.20%	15.48%	11.00%
Foord Absolute	1.31%	3.33%	11.15%	11.15%	N/A	20.49%	10.58%	17.28%	10.29%	13.48%	11.12%	18.08%	10.99%
Investment Solutions Real Return Focus Local	0.92%	2.36%	10.33%	10.33%	N/A	11.62%	10.58%	10.62%	10.29%	10.39%	11.12%	12.99%	10.99%
Investment Solutions Real Return Focus Portfolio	1.45%	2.10%	10.01%	10.01%	N/A	12.72%	10.58%	11.19%	10.29%	10.24%	11.12%	12.70%	10.99%
JM BUSH Absolute AllClass	-0.47%	3.95%	12.12%	12.12%	N/A	16.04%	10.58%	14.14%	10.29%	11.54%	11.20%	12.55%	11.00%
Mergence CPI +5% Fund	0.36%	1.70%	9.13%	9.13%	N/A	12.30%	10.58%	10.53%	10.29%	9.24%	11.12%	*	*
Momentum AM CPI+5% Global Fund	0.31%	2.12%	9.65%	9.65%	N/A	13.55%	10.58%	12.53%	10.29%	9.12%	11.20%	11.12%	11.00%
OMIG Wealth Defender	0.73%	1.46%	9.16%	9.16%	N/A	*	*	*	*	*	*	*	*
Prudential Domestic Real Return Plus 5%	0.09%	3.84%	13.51%	13.51%	N/A	*	*	*	*	*	*	*	*
Prudential Global Inflation Plus 5%	0.95%	3.54%	13.36%	13.36%	N/A	17.25%	10.58%	15.42%	10.29%	13.03%	11.12%	*	*
RECM Balanced Full Discretion Composite	-1.30%	-3.99%	-2.38%	-2.38%	N/A								
SIM CPI + 5%	0.25%	2.50%	9.65%	9.65%	N/A	11.97%	10.58%	11.71%	10.29%	10.50%	11.12%	*	*
SIM CPI + 5% Global	0.73%	2.39%	9.82%	9.82%	N/A	13.47%	10.58%	12.22%	10.29%	10.65%	11.12%	11.90%	10.99%
SIM Absolute Return	0.53%	3.20%	12.69%	12.69%	N/A	14.33%	10.58%	12.08%	10.29%	11.40%	11.12%	12.11%	10.99%
STANLIB AM Absolute	-0.27%	0.94%	5.16%	5.16%	N/A	10.25%	10.58%	9.06%	10.29%	7.65%	11.12%	9.87%	10.99%
STANLIB Domestic Absolute Return	0.38%	3.26%	6.57%	6.57%	N/A	11.09%	10.58%	9.56%	10.29%	8.09%	11.12%	10.34%	10.99%
SYmmETRY Absolute Defensive Fund	0.72%	1.84%	10.14%	10.14%	N/A	14.16%	10.58%	12.40%	10.29%	10.71%	11.20%	12.54%	11.00%
Vunani Fund Managers CPI+ 5	0.52%	2.88%	9.46%	9.46%	N/A	14.71%	10.58%	13.09%	10.29%	10.85%	11.20%	*	*
MARKET STATISTICS													
Combination of old CPIX and new CPI	0.00%	0.18%	5.80%	5.80%		5.58%		5.29%		6.20%		6.00%	
Consumer Price Inflation (Old/New combined CPI)	0.00%	0.18%	5.80%	5.80%		5.58%		5.29%		6.12%		5.99%	
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	0.00%	0.18%	5.80%	5.80%		5.58%		5.29%		6.04%		5.55%	
STEFI	0.56%	1.55%	5.90%	5.90%		5.55%		5.86%		7.14%		7.38%	
Number of Participants	36	36	36	36		32		31		28		18	

Inflation figures lagged by one month

* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

* While all possible care is taken in the compilation of the Survey, reliance is placed on information received from Investment Managers.

* The rankings and statistical information have been supplied for illustrative purposes only.

* Performance figures are shown gross of fees.

* Performance should not be judged over a short period of time.

* Past performance is not necessarily a guide to future performance.

ABSOLUTE RETURN MANAGER WATCH™

Objective - The portfolios in this Survey comply with Regulation 28 and represent products targeted at real returns.

Benchmark Methodology CPI - Due to the reweighting and rebasing of the CPI from January 2009 the benchmark numbers reflect a compound of month to month CPI returns. The historical month to month numbers used in calculations are the official month to month numbers based on the old basket prior to January 2009 and new basket post January 2009. The adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

Benchmark Methodology CPIX - The benchmark numbers prior to January 2009 reflected a compound of month to month CPIX returns. Due to the reweighting and rebasing of the CPI and discarding of the CPIX numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPIX prior to January 2009 and the new CPI basket post January 2009. The CPI excluding owners equivalent rent (I-Net code: AECPIX) and adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

INVESTMENT DATA TO THE END OF DECEMBER 2014													
	Month	Quarter	Year to Date	1 Year		3 Years		5 Years		7 Years		10 Years	
	Portfolio	Portfolio	Portfolio	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
Headline CPI + 6%													
Cadiz Equity Ladder Fund	-1.13%	-0.29%	-1.89%	-1.89%	N/A	2.13%	11.58%	3.00%	11.29%	9.95%	12.12%	*	*
Coronation Absolute	0.30%	1.88%	9.91%	9.91%	N/A	16.19%	11.58%	14.69%	11.29%	13.07%	12.20%	16.11%	12.00%
Investec Opportunity	0.38%	1.86%	10.46%	10.46%	N/A	15.73%	11.58%	14.53%	11.29%	12.68%	12.20%	15.87%	12.00%
Momentum AM (CPI+6% Global)	0.53%	1.91%	10.01%	10.01%	N/A	*	*	*	*	*	*	*	*
Prudential Domestic Inflation Plus 6%	0.18%	3.65%	13.74%	13.74%	N/A	17.17%	11.58%	15.86%	11.29%	13.99%	12.12%	16.11%	12.00%
Prudential Global Inflation Plus 6%	1.09%	3.70%	13.73%	13.73%	N/A	18.59%	11.58%	16.17%	11.29%	13.60%	12.12%	15.20%	11.99%
SIM CPI + 6%	0.25%	2.54%	10.31%	10.31%	N/A	13.13%	11.58%	12.58%	11.29%	11.18%	12.12%	*	*
STANLIB Absolute Plus Fund	0.52%	2.86%	11.13%	11.13%	N/A	13.05%	11.58%	12.51%	11.29%	11.45%	12.12%	*	*
MARKET STATISTICS													
Combination of old CPIX and new CPI*	0.00%	0.18%	5.80%	5.80%		5.58%		5.29%		6.20%		6.00%	
Consumer Price Inflation (Old/New combined CPI)	0.00%	0.18%	5.80%	5.80%		5.58%		5.29%		6.12%		5.99%	
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	0.00%	0.18%	5.80%	5.80%		5.58%		5.29%		6.04%		5.55%	
Consumer Price Inflation excluding OER [I-Net code: AECPIXU]	0.00%	0.18%	5.99%	5.99%		5.73%		5.42%		6.22%		6.01%	
STEFI	0.56%	1.55%	5.90%	5.90%		5.55%		5.86%		7.14%		7.38%	
Number of Participants	8	8	8	8		7		7		7		4	

Inflation figures lagged by one month

* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

* While all possible care is taken in the compilation of the Survey, reliance is placed on information received from Investment Managers.

* The rankings and statistical information have been supplied for illustrative purposes only.

* Performance figures are shown gross of fees.

* Performance should not be judged over a short period of time.

* Past performance is not necessarily a guide to future performance.

ABSOLUTE RETURN MANAGER WATCH™ SURVEY

Objective - The portfolios in this Survey comply with Regulation 28 and represent products targeted at real returns with a CPI Objective.

Benchmark Methodology CPI - Due to the reweighting and rebasing of the CPI from January 2009 the benchmark numbers reflect a compound of month to month CPI returns. The historical month to month numbers used in calculations are the official month to month numbers based on the old basket prior to January 2009 and new basket post January 2009. The adjusted CPI(I-Net code: AFCPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

Benchmark Methodology CPIX - The benchmark numbers prior to January 2009 reflected a compound of month to month CPIX returns. Due to the reweighting and rebasing of the CPI and discarding of the CPIX numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPIX prior to January 2009 and the new CPI basket post January 2009. The CPI excluding owners equivalent rent (I-Net code: AECPIX) and adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

INVESTMENT DATA TO THE END OF DECEMBER 2014															
	1 Year				3 Years				5 Years						
	Volatility	% positive months	Worst month	Maximum drawdown	3 Year Return (p.a.)	Volatility	% positive months	Worst month	Maximum drawdown	5 Year Return (p.a.)	Volatility	% positive months	Worst month	Maximum drawdown	
Headline CPI + 3%															
Absa Asset Management Absolute CPI +3%	3.46%	91.67%	-1.88%	-1.88%	9.88%	3.11%	86.11%	-1.88%	-1.88%	9.85%	2.61%	88.33%	-1.88%	-1.88%	
Cadiz Inflation Plus 3	3.92%	75.00%	-2.00%	-2.97%	9.93%	3.76%	80.56%	-2.00%	-2.97%	10.47%	3.90%	*	*	*	
Coronation Inflation Plus Fund	2.82%	83.33%	-1.10%	-1.10%	12.54%	3.45%	88.89%	-2.28%	-2.28%	12.77%	2.97%	*	*	*	
Momentum MoM Real Return	3.22%	83.33%	-1.02%	-1.02%	9.40%	3.81%	77.78%	-2.55%	-2.55%	7.95%	3.32%	75.00%	-2.55%	-2.55%	
Prescient Positive Return Medical Aid Fund	3.27%	75.00%	-0.92%	-0.92%	9.60%	4.17%	75.00%	-1.94%	-1.94%	8.21%	3.63%	73.33%	-1.94%	-1.94%	
Prescient Positive Return Fund	3.03%	83.33%	-1.34%	-1.34%	8.81%	4.03%	77.78%	-2.06%	-2.06%	7.54%	3.42%	75.00%	-2.06%	-2.06%	
SIM Absolute	1.98%	91.67%	-0.59%	-0.59%	10.04%	1.76%	91.67%	-0.59%	-0.59%	10.73%	2.03%	91.67%	-0.59%	-0.59%	
SIM Absolute Return Income Fund	1.45%	91.67%	-0.36%	-0.36%	7.59%	1.04%	97.22%	-0.36%	-0.36%	8.42%	1.15%	96.67%	-0.36%	-0.36%	
Taquantia Absolute	2.47%	75.00%	-1.34%	-1.53%	4.82%	1.63%	86.11%	-1.34%	-1.53%	6.30%	1.43%	91.67%	-1.34%	-1.53%	
Headline CPI + 4%															
Absa Asset Management Absolute Global CPI +4%	2.96%	83.33%	-1.98%	-1.98%	12.63%	3.20%	83.33%	-1.98%	-1.98%	12.24%	3.05%	*	*	*	
Absa Asset Management Absolute Domestic CPI+4%	3.85%	91.67%	-1.40%	-1.40%	11.97%	3.59%	88.89%	-1.68%	-1.68%	*	*	90.00%	-1.68%	-1.68%	
Argon Absolute Return	3.57%	83.33%	-1.14%	-1.14%	13.32%	3.77%	80.56%	-1.60%	-1.60%	11.52%	4.04%	78.33%	-1.67%	-1.67%	
Investment Solutions Stable Focus	3.43%	83.33%	-1.41%	-1.41%	10.17%	3.52%	83.33%	-2.32%	-2.32%	9.50%	2.97%	86.67%	-2.32%	-2.32%	
Momentum MoM Absolute Strategies	2.86%	75.00%	-0.46%	-0.85%	8.24%	4.18%	75.00%	-3.36%	-3.36%	7.33%	3.86%	70.00%	-3.36%	-3.36%	
Mergence CPI + 4% Fund	3.50%	75.00%	-1.42%	-1.42%	*	*	*	*	*	*	*	*	*	*	
OMIG Capital Builder	2.58%	83.33%	-0.69%	-0.69%	9.35%	3.16%	80.56%	-1.94%	-1.94%	7.54%	3.35%	73.33%	-1.96%	-1.96%	
OMIG MacroSolutions Stable Growth Fund	1.79%	91.67%	-0.26%	-0.26%	13.99%	3.24%	91.67%	-2.23%	-2.23%	12.55%	3.50%	88.33%	-2.23%	-2.23%	
Headline CPI + 5%															
Cadiz Inflation + 5%	5.44%	58.33%	-2.18%	-4.09%	11.67%	5.63%	72.22%	-2.29%	-4.09%	12.02%	6.08%	73.33%	-2.71%	-4.09%	
Coronation Absolute	3.98%	75.00%	-1.49%	-1.49%	12.59%	4.92%	77.78%	-2.99%	-2.99%	12.74%	5.29%	73.33%	-2.99%	-2.99%	
Foord Absolute	4.39%	83.33%	-2.17%	-2.17%	20.49%	7.31%	80.56%	-3.72%	-3.72%	17.28%	7.74%	75.00%	-4.36%	-5.02%	
Investment Solutions Real Return Focus Local	4.15%	83.33%	-1.94%	-1.94%	11.62%	4.11%	83.33%	-2.53%	-2.53%	10.62%	3.89%	80.00%	-2.53%	-2.53%	
Investment Solutions Real Return Focus Portfolio	2.38%	91.67%	-0.48%	-0.48%	12.72%	4.14%	83.33%	-2.94%	-2.94%	11.19%	3.67%	81.67%	-2.94%	-2.94%	
JM BUSH Absolute AllClass	7.23%	75.00%	-3.62%	-3.62%	16.04%	6.04%	80.56%	-3.62%	-3.62%	14.14%	6.21%	75.00%	-3.62%	-3.62%	
Mergence CPI +5% Fund	4.40%	83.33%	-1.79%	-1.79%	12.30%	4.33%	80.56%	-2.56%	-2.56%	10.53%	4.78%	68.33%	-2.56%	-3.00%	
Momentum AM CPI+5% Global Fund	5.23%	91.67%	-1.09%	-1.09%	13.55%	4.20%	86.11%	-2.68%	-2.68%	12.53%	4.92%	78.33%	-2.68%	-3.64%	
OMIG Wealth Defender	3.03%	83.33%	-0.86%	0.00%	*	*	*	*	*	*	*	*	*	*	
Prudential Domestic Real Return Plus 5%	6.62%	83.33%	-3.75%	-3.75%	*	*	*	*	*	*	*	*	*	*	
Prudential Global Inflation Plus 5%	3.44%	91.67%	-1.63%	-1.63%	17.25%	4.82%	88.89%	-3.57%	-3.57%	15.42%	4.69%	85.00%	-3.57%	-3.57%	
RECM Balanced Full Discretion Composite	7.36%	41.67%	-3.40%	0.00%	*	*	*	*	*	*	*	*	*	*	
SIM CPI + 5%	2.83%	100.00%	0.30%	0.00%	11.97%	2.82%	97.22%	-1.36%	-1.36%	11.71%	3.25%	90.00%	-1.36%	-1.36%	
SIM CPI + 5% Global	1.26%	83.33%	-0.99%	-0.99%	13.47%	2.91%	88.89%	-1.03%	-1.03%	12.22%	3.14%	83.33%	-1.03%	-1.03%	
SMM Absolute Return	2.05%	91.67%	-0.07%	-0.07%	14.33%	4.59%	83.33%	-2.29%	-2.29%	12.08%	4.18%	80.00%	-2.29%	-2.29%	
STANLIB AM Absolute	3.40%	75.00%	-1.31%	-1.31%	10.25%	4.06%	83.33%	-1.56%	-1.56%	9.06%	3.99%	75.00%	-1.56%	-1.56%	
STANLIB Domestic Absolute Return	4.45%	75.00%	-1.86%	-2.39%	11.09%	4.17%	80.56%	-1.86%	-2.39%	9.56%	4.16%	75.00%	-1.86%	-2.39%	
SymmETRY Absolute Defensive Fund	1.61%	91.67%	-0.14%	-0.14%	14.16%	3.91%	88.89%	-1.81%	-1.81%	12.40%	3.64%	86.67%	-1.81%	-1.81%	
Vunani Fund Managers CPI+ 5	3.77%	75.00%	-1.46%	-1.46%	14.71%	5.36%	77.78%	-3.61%	-3.61%	13.09%	5.71%	73.33%	-3.61%	-3.61%	
MARKET STATISTICS															
Combination of old CPIX and new CPI	1.47%				5.58%	1.32%				5.29%	1.21%				
Consumer Price Inflation (Old/New combined CPI)	1.47%				5.58%	1.32%				5.29%	1.21%				
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	1.47%				5.58%	1.32%				5.29%	1.21%				
STEFI	0.14%				5.55%	0.13%				5.86%	0.19%				

Inflation figures lagged by one month

* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

* While all possible care is taken in the compilation of the Survey, reliance is placed on information received from Investment Managers.

* The rankings and statistical information have been supplied for illustrative purposes only.

* Performance figures are shown gross of fees.

* Performance should not be judged over a short period of time.

* Past performance is not necessarily a guide to future performance.

ABSOLUTE RETURN MANAGER WATCH™ SURVEY

Objective - The portfolios in this Survey comply with Regulation 28 and represent products targeted at real returns with a CPI Objective.

Benchmark Methodology CPI - Due to the reweighting and rebasing of the CPI from January 2009 the benchmark numbers reflect a compound of month to month CPI returns. The historical month to month numbers used in calculations are the official month to month numbers based on the old basket prior to January 2009 and new basket post January 2009. The adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

Benchmark Methodology CPIX - The benchmark numbers prior to January 2009 reflected a compound of month to month CPIX returns. Due to the reweighting and rebasing of the CPI and discarding of the CPIX numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPIX prior to January 2009 and the new CPI basket post January 2009. The CPI excluding owners equivalent rent (I-Net code: AECPIX) and adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

INVESTMENT DATA TO THE END OF DECEMBER 2014														
	1 Year				3 Year Return (p.a.)	3 Years				5 Year Return (p.a.)	5 Years			
	Volatility	% positive months	Worst month	Maximum drawdown		Volatility	% positive months	Worst month	Maximum drawdown		Volatility	% positive months	Worst month	Maximum drawdown
Headline CPI + 6%														
Cadiz Equity Ladder Fund	7.65%	50.00%	-4.58%	-7.96%	2.13%	8.55%	52.78%	-5.81%	-12.05%	3.00%	8.58%	50.00%	-5.81%	-12.05%
Coronation Absolute	2.87%	83.33%	-0.75%	-0.75%	16.19%	5.70%	83.33%	-3.58%	-3.58%	14.69%	5.28%	80.00%	-3.58%	-3.58%
Investec Opportunity	2.99%	83.33%	-0.75%	-0.75%	15.73%	5.39%	83.33%	-3.05%	-3.05%	14.53%	5.48%	83.33%	-3.05%	-3.05%
Momentum AM (CPI+6% Global)	2.81%	91.67%	-0.85%	0.00%	*	*	*	*	*	*	*	*	*	*
Prudential Domestic Inflation Plus 6%	6.57%	83.33%	-3.54%	-3.54%	17.17%	6.17%	83.33%	-3.54%	-3.54%	15.86%	6.57%	80.00%	-3.54%	-3.54%
Prudential Global Inflation Plus 6%	3.37%	91.67%	-1.47%	-1.47%	18.59%	4.90%	91.67%	-3.40%	-3.40%	16.17%	5.02%	83.33%	-3.40%	-3.40%
SIM CPI + 6%	3.39%	83.33%	-1.20%	-1.20%	13.13%	3.48%	88.89%	-1.44%	-1.44%	12.58%	4.25%	80.00%	-1.44%	-1.70%
STANLIB Absolute Plus Fund	3.05%	83.33%	-0.70%	-0.70%	13.05%	4.31%	77.78%	-1.20%	-1.20%	12.51%	4.76%	71.67%	-1.23%	-1.61%
MARKET STATISTICS														
Combination of old CPIX and new CPI	1.47%				5.58%	1.32%				5.29%	1.21%			
Consumer Price Inflation (Old/New combined CPI)	1.47%				5.58%	1.32%				5.29%	1.21%			
Consumer Price Inflation (Headline CPI) (I-Net code: AECPI)	1.47%				5.58%	1.32%				5.29%	1.21%			
STEFI	0.14%				5.55%	0.13%				5.86%	0.19%			

Inflation figures lagged by one month

* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

* While all possible care is taken in the compilation of the Survey, reliance is placed on information received from Investment Managers.

* The rankings and statistical information have been supplied for illustrative purposes only.

* Performance figures are shown gross of fees.

* Performance should not be judged over a short period of time.

* Past performance is not necessarily a guide to future performance.

ABSOLUTE RETURN MANAGER WATCH™ SURVEY

Objective - The portfolios in this Survey comply with Regulation 28 and represent products targeted at real returns with a CPI Objective.

Benchmark Methodology CPI - Due to the reweighting and rebasing of the CPI from January 2009 the benchmark numbers reflect a compound of month to month CPI returns. The historical month to month numbers used in calculations are the official month to month numbers based on the old basket prior to January 2009 and new basket post January 2009. The adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

Benchmark Methodology CPIX- The benchmark numbers prior to January 2009 reflected a compound of month to month CPIX returns. Due to the reweighting and rebasing of the CPI and discarding of the CPIX numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPIX prior to January 2009 and the new CPI basket post January 2009. The CPI excluding owners equivalent rent (I-Net code: AECPIX) and adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

INVESTMENT DATA TO THE END OF DECEMBER 2014					
	Calendar Year				
	2014	2013	2012	2011	2010
Headline CPI + 3%					
Absa Asset Management Absolute CPI +3%	9.82%	5.53%	14.47%	9.33%	10.27%
Cadiz Inflation Plus 3	4.72%	8.60%	16.80%	7.64%	15.08%
Coronation Inflation Plus Fund	9.56%	13.61%	14.52%	10.32%	15.95%
Momentum MoM Real Return	8.51%	10.53%	9.16%	3.10%	8.60%
SIM Absolute	8.65%	9.80%	11.69%	10.05%	13.51%
SIM Absolute Return Income Fund	7.58%	6.64%	8.56%	8.63%	10.72%
Prescient Positive Return Medical Aid Fund	8.24%	11.87%	8.71%	3.44%	8.95%
Prescient Positive Return Fund	7.03%	11.14%	8.30%	3.22%	8.18%
Taquantia Absolute	3.76%	4.58%	6.13%	6.99%	10.13%
Headline CPI + 4%					
Absa Asset Management Absolute Global CPI +4%	11.59%	9.70%	16.71%	10.60%	12.72%
Absa Asset Management Absolute Domestic CPI+4%	10.32%	8.33%	17.46%	9.07%	*
Investment Solutions Stable Focus	8.98%	8.94%	12.63%	6.56%	10.50%
Momentum MoM Absolute Strategies	8.41%	6.88%	9.44%	2.79%	9.29%
OMIG Capital Builder	7.93%	9.99%	10.14%	3.45%	6.31%
OMIG MacroSolutions Stable Growth Fund	10.33%	14.27%	17.47%	8.84%	12.04%
Argon Absolute Return	11.75%	10.72%	17.62%	7.45%	10.32%
Headline CPI + 5%					
Cadiz Inflation + 5%	4.47%	9.58%	21.65%	5.81%	19.70%
Coronation Absolute	9.90%	12.76%	15.18%	4.99%	21.54%
Foord Absolute	11.15%	24.82%	26.06%	9.90%	15.44%
Investment Solutions Real Return Focus Local	10.33%	10.90%	13.67%	4.61%	13.82%
Investment Solutions Real Return Focus Portfolio	10.01%	14.72%	13.47%	7.13%	10.76%
JM BUSHA Absolute AllClass	12.12%	12.17%	24.25%	8.31%	14.48%
Mergence CPI +5% Fund	9.13%	9.78%	18.22%	6.53%	9.37%
Momentum AM CPI+5% Global Fund	9.65%	13.36%	17.80%	8.68%	13.41%
Prudential Global Inflation Plus 5%	13.36%	17.23%	21.31%	12.26%	13.18%
SIM CPI + 5%	9.65%	12.41%	13.88%	8.59%	14.12%
SIM CPI + 5% Global	9.82%	16.95%	13.76%	10.72%	10.04%
SMM Absolute Return	12.69%	18.11%	12.28%	4.35%	13.44%
STANLIB AM Absolute	5.16%	9.56%	16.31%	7.02%	7.58%
STANLIB Domestic Absolute Return	6.57%	8.67%	18.40%	6.63%	7.96%
SYmmETRY Absolute Defensive Fund	10.14%	17.39%	15.05%	8.92%	10.71%
Vunani Fund Managers CPI+ 5	9.46%	12.36%	22.72%	6.54%	15.02%
MARKET STATISTICS					
Combination of old CPIX and new CPI	5.80%	5.35%	5.60%	6.12%	3.58%
Consumer Price Inflation (Old/New combined CPI)	5.80%	5.35%	5.60%	6.12%	3.58%
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	5.80%	5.35%	5.60%	6.12%	3.58%
STEFI	5.90%	5.18%	5.55%	5.73%	6.93%

Inflation figures lagged by one month

* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

* While all possible care is taken in the compilation of the Survey, reliance is placed on information received from Investment Managers.

* The rankings and statistical information have been supplied for illustrative purposes only.

* Performance figures are shown gross of fees.

* Performance should not be judged over a short period of time.

* Past performance is not necessarily a guide to future performance.

ABSOLUTE RETURN MANAGER WATCH™ SURVEY

Objective - The portfolios in this Survey comply with Regulation 28 and represent products targeted at real returns with a CPI Objective.

Benchmark Methodology CPI - Due to the reweighting and rebasing of the CPI from January 2009 the benchmark numbers reflect a compound of month to month CPI returns. The historical month to month numbers used in calculations are the official month to month numbers based on the old basket prior to January 2009 and new basket post January 2009. The adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

Benchmark Methodology CPIX - The benchmark numbers prior to January 2009 reflected a compound of month to month CPIX returns. Due to the reweighting and rebasing of the CPI and discarding of the CPIX numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPIX prior to January 2009 and the new CPI basket post January 2009. The CPI excluding owners equivalent rent (I-Net code: AECPIX) and adjusted CPI(I-Net code: AECPI) figures are shown together with market statistics below should these numbers be preferred for comparison purposes.

INVESTMENT DATA TO THE END OF DECEMBER 2014					
	Calendar Year				
	2014	2013	2012	2011	2010
Headline CPI + 6%					
Cadiz Equity Ladder Fund	-1.89%	0.73%	7.78%	0.29%	8.50%
Coronation Absolute	9.91%	21.20%	17.74%	7.73%	17.45%
Investec Opportunity	10.46%	16.23%	20.72%	12.59%	12.94%
Prudential Domestic Inflation Plus 6%	13.74%	13.11%	25.04%	9.97%	18.03%
Prudential Global Inflation Plus 6%	13.73%	20.57%	21.62%	11.67%	13.59%
SIM CPI + 6%	10.31%	14.15%	14.97%	8.14%	15.52%
STANLIB Absolute Plus Fund	11.13%	15.40%	12.67%	9.33%	14.12%
MARKET STATISTICS					
Combination of old CPIX and new CPI*	5.80%	5.35%	5.60%	6.12%	3.58%
Consumer Price Inflation (Old/New combined CPI)	5.80%	5.35%	5.60%	6.12%	3.58%
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	5.80%	5.35%	5.60%	6.12%	3.58%
STEFI	5.90%	5.18%	5.55%	5.73%	6.93%

Inflation figures lagged by one month

* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

* While all possible care is taken in the compilation of the Survey, reliance is placed on information received from Investment Managers.

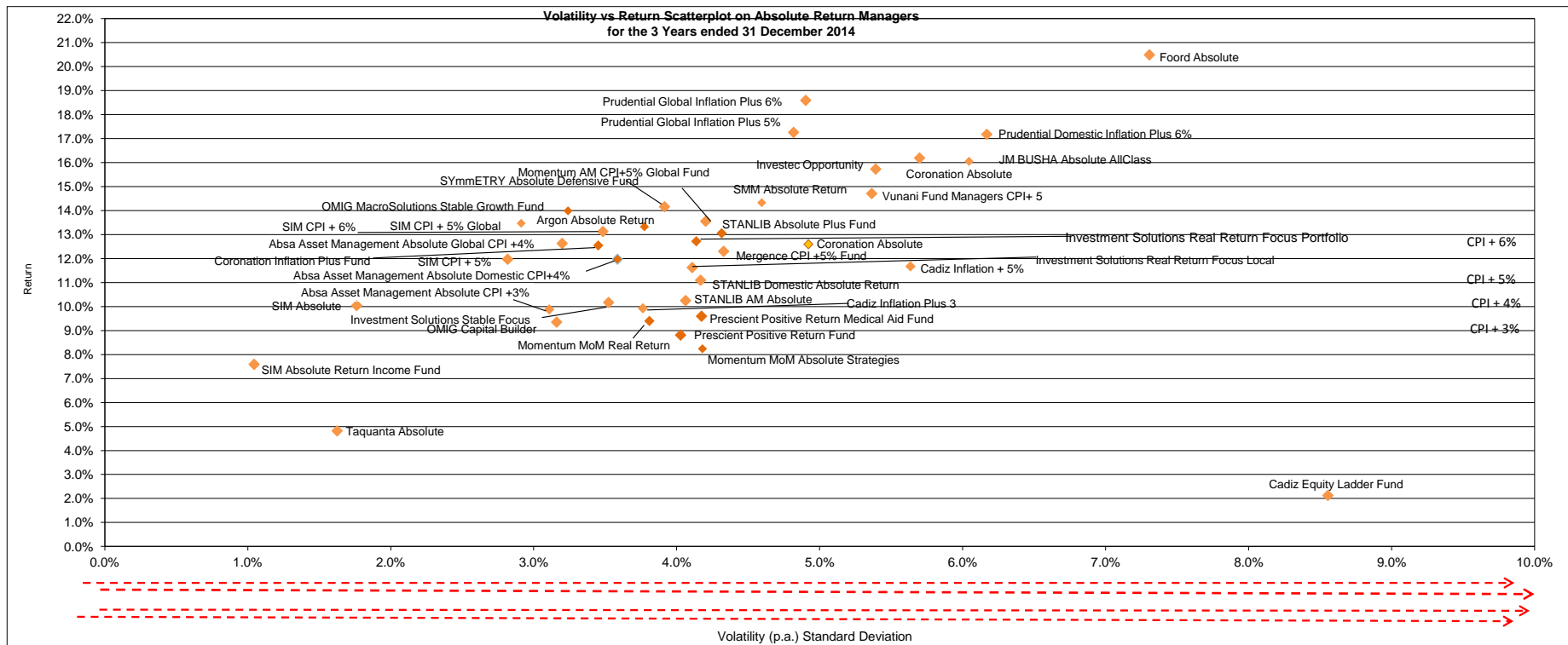
* The rankings and statistical information have been supplied for illustrative purposes only.

* Performance figures are shown gross of fees.

* Performance should not be judged over a short period of time.

* Past performance is not necessarily a guide to future performance.

ABSOLUTE RETURN MANAGER WATCH™ SURVEY



* Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes Research & Product Development".

** Please see final page for Disclaimers and Glossary **

ABSOLUTE RETURN MANAGER WATCH™

EXPLANATORY NOTES

General Disclaimers :

This document has been prepared for use by clients of the Alexander Forbes Group. Any other third party that is not a client of the Alexander Forbes Group and for whose specific use this document has not been supplied, must be aware that Alexander Forbes Group shall not be liable for any damage, loss or liability of any nature incurred by any third party and resulting from the information contained herein.

The information contained herein is supplied on an "as is" basis and has not been compiled to meet any third party's individual requirements. It is the responsibility of any third party to satisfy himself or herself, prior to relying on this information that the contents meets the third party's individual requirements.

Nothing in this document, when read in isolation and without professional advice, should be construed as solicitation, offer, advice, recommendation, or any other enticement to acquire or dispose of any financial product, advice or investment, or to engage in any financial transaction or investment. A third party should consult with an authorised financial advisor prior to making any financial decisions.

Alexander Forbes has taken all reasonable steps to ensure the quality and accuracy of the contents of this document and encourages all readers to report incorrect and untrue information, subject to the right of Alexander Forbes to determine, in its sole and absolute discretion, the contents of this document. Irrespective of the attempts by Alexander Forbes to ensure the correctness of this document, Alexander Forbes does not make any warranties or representations that the content will in all cases be true, correct or free from any errors. In particular, certain aspects of this document might rely on or be based on information supplied to Alexander Forbes by other persons or institutions.

Alexander Forbes has attempted to ensure the accuracy of such information, but shall not be liable for any damage, loss or liability of any nature incurred by any party and resulting from the errors caused by incorrect information supplied to Alexander Forbes.

Performance figures are shown gross of fees and taxes. Past history is not necessarily a guide to future performance.

Quantitative figures are calculated on 3 year performance returns.

Performance should not be judged over a short period of time.

FAIS Notice and Disclaimer: This information is not advice as defined and contemplated in the Financial Advisory and Intermediary Services Act, 37 of 2002, as amended. Alexander Forbes shall not be liable for any actions taken by any person based on the correctness of this information.

General :

Managers are ranked from highest to lowest active return. In some cases rankings may be different due to return differences disguised by the rounding. Rankings are purely for illustrative purposes.

GIPS™ is a trademark owned by the CFA Institute.

Statistical Definitions :

The Median is the value above or below which half the managers fall.

The Upper Quartile is the value above which one quarter of the managers fall.

The Lower Quartile is the value below which one quarter of the managers fall.

Risk Analysis Definitions :

"Volatility" is the annualised standard deviation of the manager's monthly returns.

"Volatility" is a measure of the variability of the manager's returns.

"Return to Risk" is the return divided by the

"Volatility"

"Return to Risk" is a measure of the return earned per unit of risk taken.

"Active return" is the return earned by the manager less the return on the benchmark.

"Active Return" is a measure of the value that the

manager has added or detracted over the

benchmark return.

"Tracking Error" is the annualised standard deviation of the monthly "Active Returns".

"Tracking Error" is a measure of the variability of the manager's returns relative to the benchmark returns.

"Information Ratio" is the "Active Return" divided by the "Tracking Error".

"Information Ratio" is a measure of the value added per unit of risk taken relative to the benchmark.

"Sortino Ratio (Capital Loss)" measures whether the return in excess of a zero benchmark was sufficient to cover the downside volatility/risk inherent in the investment ie whether capital was indeed preserved.

"Sortino Ratio (Inflation)" measures whether the return in excess of an inflationary benchmark was sufficient to cover the downside volatility/risk inherent in the investment ie whether capital was protected in real terms.

GIPS™ - Global Investment Performance Standards

Ethical principles to achieve full disclosure and fair presentation of investment performance

In South Africa GIPS™ SA requires managers to obtain a verification certificate on compliance

GIPS™ - Status:

C - Indication that manager is compliant but not verified

V - Indication that manager is verified

More information can be obtained from <http://www.gipstandards.org/>