



Absolute Return Manager Watch™ Survey for the month ending September 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 Q3 2014:

Absolute Return Manager Watch™: CPI +3%: No change in the participants of this category

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

Absolute Return Manager Watch™: CPI +5%: No change in the participants of this category

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 QUARTER 3 OF 2014

Thematically, the strengthening of the U.S. dollar against major developed and emerging market currencies, coupled with stagnant Euro growth dominated during the quarter, as improved economic fundamentals in the U.S. reflected this strengthening. The implications of this impact were several:

The MSCI World Index fell for the second time in the quarter, with only August producing positive performance. The index finished off -2.1% in dollar terms for the quarter, weighted down by growth troubles in Europe and emerging market uncertainty. US Equities went against this performance direction, producing 1.1% for quarter as currency appreciation and improved economic fundamentals produced positive returns. Best performing sectors were health care and information technology.

European equities performed poorly for the quarter in dollar terms (-7%), creating a substantial disparity relative to Q2's performance (3.7%). Reasons underpinning the poor performance for the quarter include deteriorating growth, deflationary concerns and currency depreciation, particularly against the U.S. Dollar. It is evident that the weakening euro was driven by targeted and actual policy actions of the ECB during the quarter.

Global emerging market equities also faltered for the quarter, falling 3.4% amid dollar appreciation despite finishing off strongly in Q2 (6.7%). A key theme in emerging markets' poor performance has been the impact of the dollar on commodities, particularly those countries relying on commodity prices such as Brazil and South Africa, as a strong dollar tends to result in lower commodity prices (as commodities are priced in dollars).

A generic problem with commodities has been the lag between demand and supply, driven by forecasts of continued robust Chinese growth. However, China's economy is stabilizing into a growth rate range of 6 per cent to 7 per cent, compared to the 9 per cent to 10 per cent previously expected, creating excess supply. Coupled with the slowdown of growth from other emerging economies (such as Russia and India) and growth weakness in Europe, commodities have had a tough quarter.

Global bonds performed negatively for the quarter (-3.8%) in dollar terms, despite performing well in Q2 (2.3%) as lackluster performance in July and September outweighed positive performance in August. Holistically, investors continued to be focused on policy accommodation by major central banks, with declines in yields being witnessed in several major markets the world over, i.e. U.S., Europe and Japan.

The local All Share Index (ALSI) tumbled -2.1% for the quarter in rand terms (-7.8% in dollar terms) after four previous quarters of strong performance. Previously there has been a disconnect between the ALSI's strong performance and deteriorating local economic conditions. With a slowdown in global growth expectations, the iron ore price collapsed to its lowest level since 2009, sparking a decline across most major commodities including oil. A major driver of the ALSI's performance was Resources, which ended off 7.1% lower for the quarter. The local economy is still vulnerable as twin deficits, stagnant growth, high unemployment and a weak currency still persist.

Local bonds (ALBI) continue to rally on a quarter basis producing 2.2% in Rand terms for Q3, driven by positive performance numbers in July 2014 (1%) and August 2014 (2.8%), with September 2014 producing a sudden turnaround of -1.6%. Adverse interest rate movements and currency depreciation during September underlined this dip. However, despite torrid conditions for bonds during September, ultimately local bonds managed to produce positive returns for investors for the quarter.

COMMENTARY

Inflation unexpectedly escalated during the quarter and remained outside the 3%-6% inflation target band, with August's CPI figure standing at 6.4%. The quarter was characterized by two MPC meetings, one in July and one in September. The repo rate was increased by 25bps in July and was unchanged in September as economic growth continued to deteriorate. The repo rate currently stands at 5.75%. With Gill Marcus expected to step down by November, comments from the SARB still signal that an interest rate hiking cycle will persist.

The most topical issue over the quarter was the demise of African Bank Investments Limited ("ABIL") and its impact on managers who held this company's securities in their funds, either as debt or equity. The implications of ABIL's demise were several, managers suffering significant losses by writing the asset value down while others in Collective Investment Schemes applied the SARB recommended "side pocketing" mechanism to ABIL debt. Side-pocketing is a process where the ABIL securities are ring fenced and removed from the main portfolio into a "side pocket" portfolio. The basis for this is that new investors do not have to participate in these impaired securities.

The ABIL failure resulted in global credit agencies downgrading SA banks on the basis that the probability of the financial system managing another default has reduced. As a result, credit spreads widened, and bank issued debt was worth less. Subdued credit demand still persists.

HOW THE MANAGERS PERFORMED OVER Q3 2013

The quarter saw all asset classes, except local equity, perform positively in Rand terms. Local property delivered the highest returns, with the SAPY rising 7.2% on the back of a strong Q2 (4.4%) and returning 15.1% over 1 year. The ALSI was down -2.1% for the quarter with Industrials returning -0.7% and Resources struggling at -7.1%. Fixed income markets continued their improvement with the ALBI returning 2.2%, Inflation Linked Bonds 1.0% and local cash 1.3%.

The Rand's depreciation (-6.1%) against the dollar supplemented global returns this quarter, culminating in a return of 4.0% for the MSCI World Index. Global bonds also performed positively for the quarter with the Citi World Government Bond Index rising 2.2%.

Fund managers would have had the arduous task of balancing risk and return for its clients as being highly exposed to equities and foreign assets while simultaneously protecting the portfolio from capital loss.

The absolute return funds across all categories in the survey have mostly protected capital during 2014 (year to date); and further, all but 8 funds protected the investor from inflationary erosion.

The asset class performances have been more volatile and thus making it difficult for managers' tactical views to materialize. With Equity being the worst performing asset class, managers with the highest effective local equity exposure should have performed the worst. It is also not surprising that global mandates performed marginally better than their domestic peers.

The performance gradient between each category over one year is 8.3%, 10.2%, 11.0% and 11.2% although this has narrowed significantly over the last nine months.

The Cadiz range of funds has been struggling over the last quarter and year to date with the Cadiz Equity Ladder fund and the Cadiz Inflation + 5% fund further generating negative returns. Taquanta, Stanlib and SIM also struggled on some of their absolute return strategies over the year to date. Prudential on the other hand had a much stronger quarter as their Global Inflation Plus 5% and Global Inflation Plus 6% portfolios were two of the best performing funds supported by stronger foreign returns and rand depreciation.

The Foord Absolute Return fund 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 fund would have made it a better offering than its own Global balanced fund over one year, and would be the best Global balanced fund over 3 years. This seems inconsistent with a fund managed to a CPI + 5% target and its direct performance to its balanced offering cannot be coincidental.

Interestingly, the performance across the categories are not linear as suggested by the performance targets, reflecting that the strategies change significantly as higher real returns are targeted. The median returns over one year for the CPI + 3%, 4%, 5% and 6% are 8.8%, 10.3%, 11.7% and 12.5% 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	737	06 October 2014
Cadiz Inflation Plus 3	Oct-06	V	Domestic		Y	Headline CPI + 3%		5	2 262	14 October 2014
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	2 545	14 October 2014
Momentum MoM Real Return	Jul-03		Domestic		Y	Headline CPI + 3%		n/a	1 380	14 October 2014
Prescient Positive Return Fund	Jan-99	V	Domestic		Y	Headline CPI + 3%		14	6 103	14 October 2014
Prescient Positive Return Medical Aid Fund	May-02	V	Domestic		Y	Headline CPI + 3%		6	815	14 October 2014
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	666	06 October 2014
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	4 952	06 October 2014
Tiafanta Absolute	Jun-01	V	Domestic		Y	Headline CPI + 3%		6	890	14 October 2014
Vunani Fund Managers CPI +3 %	Mar-05	V	Domestic		Y	Headline CPI + 3%		2	166	14 October 2014
Headline CPI + 4%										
Absa Asset Management Absolute Global CPI +4%	Dec-06	V	Global		Y	Headline CPI + 4%		3	20 009	06 October 2014
Absa Asset Management Absolute Domestic CPI+4%	Aug-09		Domestic		Y	Headline CPI + 4%		9	9 751	06 October 2014
Argon Absolute Return	Oct-06	V	Domestic		Y	Headline CPI + 4%	Non negative returns over 1 year rolling period	3	903	10 October 2014
Investment Solutions Stable Focus	Apr-05		Domestic		Y	Headline CPI + 4%	No negative returns over rolling 12 month period	n/a	2 283	15 October 2014
Momentum MoM Absolute Strategies	Dec-03		Domestic		Y	Headline CPI + 4%		n/a	1 949	14 October 2014
Mergerco CPI + 4% Fund	Oct-09	C	Domestic		Y	Headline CPI + 4%		5	1 299	14 October 2014
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	1 893	10 October 2014
OMIG MacroSolutions Stable Growth Fund	Jul-07	V	Global		Y	Headline CPI + 4%		1	3 687	10 October 2014
Headline CPI + 5%										
Cadiz Inflation + 5%	Feb-06	V	Domestic		Y	Headline CPI + 5%		3	606	14 October 2014
Coronation Absolute	Jan-04	V	Domestic		Y	Headline CPI + 5%	Preserve capital over a rolling 12m period	12	9 172	14 October 2014
Foord Absolute	Jun-02	C	Global		Y	Headline CPI + 5%		4	1 479	13 October 2014
Investment Solutions Real Return Focus Local	Oct-02		Domestic		Y	Headline CPI + 5%	No negative returns over rolling 12 month period	n/a	6 644	15 October 2014
Investment Solutions Real Return Focus Portfolio	May-03		Global		Y	Headline CPI + 5%	No negative returns over rolling 12 month period	n/a	3 838	15 October 2014
JM BUSHUA Absolute AllClass	Oct-06	C	Domestic		Y	Headline CPI + 5%		3	1 268	06 October 2014
Mergerco CPI +5% Fund	Jul-06	V	Domestic		Y	Headline CPI + 5%	Non-negative returns over a rolling 1-year period	2	1 672	14 October 2014
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	561	14 October 2014
Prudential Domestic Real Return Plus 5%	Nov-09	V	Domestic		Y	Headline CPI + 5%		3	1 027	03 October 2014
Prudential Global Inflation Plus 5%	Dec-02	V	Global		Y	Headline CPI + 5%	N/A	1	26 025	03 October 2014
OMIG Wealth Defender	Aug-03	C	Global		Y	Headline CPI + 5%		4	5 926	10 October 2014
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	1 668	06 October 2014
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	11 143	06 October 2014
SMM Absolute Return	May-03		Global		Y	Headline CPI + 5%		1	501	08 October 2014
STANLIB AM Absolute	Jul-01	V	Global		Y	Headline CPI + 5%	Capital preservation over a rolling 12 month period	1	3 983	14 October 2014
STANLIB Domestic Absolute Return	Mar-04	V	Domestic		Y	Headline CPI + 5%	Capital preservation over a rolling 12 month period	1	271	14 October 2014
SYMMETRY Absolute Defensive Fund	Sep-02		Global		Y	Headline CPI + 4%	Non-negative returns over rolling 1-year periods	n/a	1 135	14 October 2014
Vunani Fund Managers CPI+ 5	Mar-05	V	Domestic		Y	Headline CPI + 5%		3	1 649	14 October 2014
Headline CPI + 6%										
Cadiz Equity Ladder Fund	Aug-01	V	Domestic		Y	Headline CPI + 6%		1	183	14 October 2014
Coronation Absolute	Aug-99	V	Global		Y	Headline CPI + 6%	Preserve capital over a rolling 12m period	1	7 576	14 October 2014
Investec Opportunity	Aug-99	V	Global		Y	Headline CPI + 6%		15	52 609	14 October 2014
Momentum AM (CPI+6% Global)	Apr-12	V	Global		Y	Headline CPI + 6%		n/a	266	14 October 2014
Prudential Domestic Inflation Plus 6%	Dec-02	V	Domestic		Y	Headline CPI + 6%	N/A	4	2 546	03 October 2014
Prudential Global Inflation Plus 6%	Dec-02	V	Global		Y	Headline CPI + 6%		2	468	03 October 2014
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	504	06 October 2014
STANLIB Absolute Plus Fund	Dec-05	V	Domestic	This includes multi-managers thus must be noted as possible "double-counting"	Y	Headline CPI + 6%	Capital preservation over a rolling 12 month period	1	3 983	14 October 2014
TOTAL									208 983	

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 SEPTEMBER 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%	0.36%	1.51%	7.26%	9.46%	9.42%	10.33%	8.93%	9.90%	8.33%	10.07%	9.39%	9.92%	*
Cadiz Inflation Plus 3	-0.98%	-1.68%	2.65%	4.44%	9.42%	10.97%	8.93%	*	*	*	*	*	*
Coronation Inflation Plus Fund	-0.21%	1.41%	7.47%	12.06%	9.92%	13.27%	8.93%	13.04%	8.33%	*	*	*	*
Momentum MoM Real Return	-0.55%	0.23%	6.84%	9.54%	9.42%	9.35%	8.93%	8.14%	8.33%	8.79%	9.39%	11.98%	*
Prescient Positive Return Medical Aid Fund	-0.43%	0.54%	6.70%	10.12%	9.42%	9.66%	8.93%	8.58%	8.33%	9.43%	9.45%	12.67%	9.12%
Prescient Positive Return Fund	-0.78%	-0.01%	5.83%	8.85%	9.42%	8.97%	8.93%	7.85%	8.33%	8.49%	9.45%	12.00%	9.12%
SIM Absolute	0.23%	1.37%	6.06%	8.68%	9.42%	10.54%	8.93%	10.89%	8.33%	9.97%	9.39%	11.64%	9.08%
SIM Absolute Return Income Fund	0.43%	1.17%	5.31%	7.01%	9.42%	7.65%	8.93%	8.40%	8.33%	9.01%	9.39%	*	*
Taqaunta Absolute	0.13%	-0.23%	3.11%	4.33%	9.42%	5.16%	8.93%	6.78%	8.33%	8.16%	9.45%	8.48%	9.12%
Vunani Fund Managers CPI +3	-0.39%	0.65%	6.11%	8.44%	9.42%	11.02%	8.93%	10.22%	8.33%	8.62%	9.45%	*	*
Headline CPI + 4%													
Absa Asset Management Absolute Global CPI +4%	0.64%	2.07%	8.42%	11.36%	N/A	13.16%	9.93%	12.38%	9.33%	11.88%	10.39%	*	*
Absa Asset Management Absolute Domestic CPI+4%	-0.07%	1.20%	7.54%	10.11%	N/A	12.71%	9.93%	*	*	*	*	*	*
Argon Absolute Return	-0.16%	0.36%	8.17%	12.79%	N/A	14.47%	9.93%	11.01%	9.33%	8.78%	10.45%	*	*
Investment Solutions Stable Focus	-0.62%	0.39%	6.71%	9.40%	N/A	10.42%	9.93%	9.63%	9.33%	10.14%	10.39%	*	*
Momentum MoM Absolute Strategies	-0.46%	0.42%	5.95%	7.75%	N/A	8.42%	9.93%	7.48%	9.33%	7.13%	10.39%	10.59%	9.12%
Mergence CPI + 4% Fund	-0.65%	-0.32%	5.60%	8.99%	N/A	*	*	*	*	*	*	*	*
OMIG Capital Builder	-0.32%	0.88%	6.83%	10.53%	N/A	9.83%	9.93%	8.11%	9.33%	*	*	*	*
OMIG MacroSolutions Stable Growth Fund	0.28%	1.25%	6.85%	10.98%	N/A	14.00%	9.93%	12.44%	9.33%	10.67%	10.39%	*	*
Headline CPI + 5%													
Cadiz Inflation + 5%	-1.95%	-2.39%	2.16%	3.54%	N/A	13.30%	10.93%	12.31%	10.33%	11.60%	11.45%	*	*
Coronation Absolute	-1.49%	0.46%	8.19%	11.58%	N/A	13.68%	10.93%	13.63%	10.33%	11.89%	11.45%	16.60%	11.12%
Foord Absolute	0.64%	0.55%	7.57%	13.00%	N/A	21.81%	10.93%	17.94%	10.33%	12.60%	11.39%	18.79%	11.08%
Investment Solutions Real Return Focus Local	-0.82%	0.77%	7.79%	11.09%	N/A	11.98%	10.93%	10.89%	10.33%	9.99%	11.39%	13.52%	11.08%
Investment Solutions Real Return Focus Portfolio	0.02%	1.21%	7.74%	11.77%	N/A	13.02%	10.93%	11.41%	10.33%	9.88%	11.39%	13.02%	11.08%
JM BUSHUA Absolute AllClass	-1.77%	-0.05%	7.86%	11.08%	N/A	16.59%	10.93%	14.26%	10.33%	10.97%	11.45%	12.84%	11.12%
Mergence CPI +5% Fund	-0.88%	-0.22%	7.30%	10.66%	N/A	13.20%	10.93%	11.31%	10.33%	9.14%	11.39%	*	*
Momentum AM CPI+5% Global Fund	0.16%	1.07%	7.38%	11.87%	N/A	14.35%	10.93%	13.05%	10.33%	8.74%	11.45%	12.10%	11.12%
OMIG Wealth Defender	0.59%	1.35%	7.59%	13.29%	N/A	*	*	*	*	*	*	*	*
Prudential Domestic Real Return Plus 5%	-0.65%	1.59%	9.31%	12.65%	N/A	*	*	*	*	*	*	*	*
Prudential Global Inflation Plus 5%	0.38%	2.05%	9.48%	14.64%	N/A	17.75%	10.93%	15.57%	10.33%	12.46%	11.39%	*	*
SIM CPI + 5%	-0.10%	1.14%	6.98%	10.42%	N/A	12.70%	10.93%	12.07%	10.33%	10.31%	11.39%	*	*
SIM CPI + 5% Global	0.55%	1.49%	7.25%	11.76%	N/A	14.18%	10.93%	12.42%	10.33%	10.48%	11.39%	12.53%	11.08%
SMM Absolute Return	0.45%	1.82%	9.19%	13.78%	N/A	14.34%	10.93%	13.30%	10.33%	11.00%	11.39%	12.51%	11.08%
STANLIB AM Absolute	0.32%	-0.50%	4.18%	6.98%	N/A	11.24%	10.93%	9.17%	10.33%	7.63%	11.39%	10.55%	11.08%
STANLIB Domestic Absolute Return	-1.57%	-1.57%	3.20%	5.30%	N/A	11.44%	10.93%	8.97%	10.33%	7.64%	11.39%	10.63%	11.08%
SYMmetry Absolute Defensive Fund	0.42%	1.32%	8.15%	12.81%	N/A	14.63%	10.93%	12.87%	10.33%	10.49%	11.45%	13.18%	11.12%
Vunani Fund Managers CPI+ 5	-0.74%	0.06%	6.83%	10.88%	N/A	15.70%	10.93%	13.54%	10.33%	10.55%	11.45%	*	*
MARKET STATISTICS													
Combination of old CPIX and new CPI	0.36%	1.46%	5.61%	6.42%		5.93%		5.33%		6.45%		6.12%	
Consumer Price Inflation (Old/New combined CPI)	0.36%	1.46%	5.61%	6.42%		5.93%		5.33%		6.39%		6.08%	
Consumer Price Inflation (Headline CPI) (I-Net code: AECPI)	0.36%	1.46%	5.61%	6.42%		5.93%		5.33%		6.27%		5.62%	
STEFI	0.52%	1.50%	4.29%	5.64%		5.49%		5.92%		7.28%		7.41%	
Number of Participants	36	36	36	36		33		31		29		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 SEPTEMBER 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	-3.26%	-4.89%	-1.60%	-0.88%	N/A	3.77%	11.93%	5.03%	11.33%	9.94%	12.39%	*	*
Coronation Absolute	-0.75%	0.91%	7.88%	13.39%	N/A	17.04%	11.93%	15.31%	11.33%	12.79%	12.45%	17.12%	12.12%
Investec Opportunity	0.44%	-0.08%	8.44%	11.66%	N/A	17.25%	11.93%	15.68%	11.33%	12.81%	12.45%	17.06%	12.12%
Momentum AM (CPI+6% Global)	0.20%	1.22%	7.95%	13.33%	N/A	*	*	*	*	*	*	*	*
Prudential Domestic Inflation Plus 6%	-0.86%	1.48%	9.74%	13.80%	N/A	18.08%	11.93%	16.38%	11.33%	13.37%	12.39%	16.63%	12.12%
Prudential Global Inflation Plus 6%	0.23%	1.85%	9.68%	15.64%	N/A	19.18%	11.93%	16.39%	11.33%	13.01%	12.39%	15.57%	12.08%
SIM CPI + 6%	-0.31%	0.91%	7.58%	11.48%	N/A	14.02%	11.93%	13.12%	11.33%	10.97%	12.39%	*	*
STANLIB Absolute Plus Fund	0.32%	0.88%	8.04%	11.22%	N/A	13.86%	11.93%	13.21%	11.33%	10.72%	12.39%	*	*
MARKET STATISTICS													
Combination of old CPIX and new CPI*	0.36%	1.46%	5.61%	6.42%		5.93%		5.33%		6.45%		6.12%	
Consumer Price Inflation (Old/New combined CPI)	0.36%	1.46%	5.61%	6.42%		5.93%		5.33%		6.39%		6.08%	
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	0.36%	1.46%	5.61%	6.42%		5.93%		5.33%		6.27%		5.62%	
Consumer Price Inflation excluding OER [I-Net code: AECPIXU]	0.36%	1.46%	5.80%	6.51%		6.11%		5.44%		6.47%		6.13%	
STEFI	0.52%	1.50%	4.29%	5.64%		5.49%		5.92%		7.28%		7.41%	
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 SEPTEMBER 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%	3.45%	91.67%	-1.88%	-1.88%	10.33%	3.12%	86.11%	-1.88%	-1.88%	9.90%	2.59%	88.33%	-1.88%	-1.88%
Cadiz Inflation Plus 3	4.17%	66.67%	-2.00%	-2.97%	10.97%	3.89%	80.56%	-2.00%	-2.97%	*	*	*	*	*
Coronation Inflation Plus Fund	3.24%	83.33%	-1.10%	-1.10%	13.27%	3.49%	88.89%	-2.28%	-2.28%	13.04%	13.04%	*	*	*
Momentum MoM Real Return	3.44%	75.00%	-1.02%	-1.02%	9.35%	3.93%	75.00%	-2.55%	-2.55%	8.14%	3.31%	75.00%	-2.55%	-2.55%
Prescient Positive Return Medical Aid Fund	3.66%	66.67%	-0.92%	-0.92%	9.66%	4.29%	72.22%	-1.94%	-1.94%	8.58%	3.64%	73.33%	-1.94%	-1.94%
Prescient Positive Return Fund	3.54%	75.00%	-1.34%	-1.34%	8.97%	4.12%	75.00%	-2.06%	-2.06%	7.85%	3.41%	75.00%	-2.06%	-2.06%
SIM Absolute	1.89%	91.67%	-0.59%	-0.59%	10.54%	1.88%	91.67%	-0.59%	-0.59%	10.89%	2.02%	91.67%	-0.59%	-0.59%
SIM Absolute Return Income Fund	1.40%	91.67%	-0.36%	-0.36%	7.65%	1.02%	97.22%	-0.36%	-0.36%	8.40%	1.13%	96.67%	-0.36%	-0.36%
Taquanta Absolute	2.37%	83.33%	-1.34%	-1.34%	5.16%	1.58%	88.89%	-1.34%	-1.34%	6.78%	1.42%	93.33%	-1.34%	-1.34%
Vunani Fund Managers CPI +3	3.79%	75.00%	-1.39%	-1.39%	11.02%	3.99%	86.11%	-2.84%	-2.84%	10.22%	3.84%	81.67%	-2.84%	-2.84%
Headline CPI + 4%														
Absa Asset Management Absolute Global CPI +4%	3.26%	75.00%	-1.98%	-1.98%	13.16%	3.34%	83.33%	-1.98%	-1.98%	12.38%	3.22%	*	*	*
Absa Asset Management Absolute Domestic CPI+4%	4.09%	83.33%	-1.40%	-1.40%	12.71%	3.69%	88.89%	-1.68%	-1.68%	*	*	88.33%	-1.68%	-1.68%
Argon Absolute Return	3.96%	75.00%	-1.14%	-1.14%	14.47%	4.07%	80.56%	-1.60%	-1.60%	11.01%	4.27%	76.67%	-2.03%	-2.03%
Investment Solutions Stable Focus	3.79%	75.00%	-1.41%	-1.41%	10.42%	3.56%	83.33%	-2.32%	-2.32%	9.63%	2.99%	86.67%	-2.32%	-2.32%
Momentum MoM Absolute Strategies	2.98%	66.67%	-0.46%	-0.85%	8.42%	4.45%	72.22%	-3.36%	-3.36%	7.48%	3.88%	70.00%	-3.36%	-3.36%
Mergence CPI + 4% Fund	4.03%	66.67%	-1.42%	-1.42%	*	*	*	*	*	*	*	*	*	*
OMIG Capital Builder	2.94%	83.33%	-0.69%	-0.69%	9.83%	3.25%	80.56%	-1.94%	-1.94%	8.11%	3.42%	73.33%	-1.96%	-1.96%
OMIG MacroSolutions Stable Growth Fund	2.16%	91.67%	-0.26%	-0.26%	14.00%	3.36%	91.67%	-2.23%	-2.23%	12.44%	3.58%	86.67%	-2.23%	-2.23%
Headline CPI + 5%														
Cadiz Inflation + 5%	5.80%	58.33%	-2.18%	-4.09%	13.30%	5.86%	75.00%	-2.29%	-4.09%	12.31%	6.16%	73.33%	-2.71%	-4.09%
Coronation Absolute	4.47%	75.00%	-1.49%	-1.49%	13.68%	5.11%	77.78%	-2.99%	-2.99%	13.63%	5.39%	75.00%	-2.99%	-2.99%
Foord Absolute	5.79%	75.00%	-2.17%	-2.17%	21.81%	7.95%	77.78%	-3.72%	-3.72%	17.94%	7.95%	73.33%	-4.36%	-5.02%
Investment Solutions Real Return Focus Local	4.53%	75.00%	-1.94%	-1.94%	11.98%	4.20%	83.33%	-2.53%	-2.53%	10.89%	3.92%	80.00%	-2.53%	-2.53%
Investment Solutions Real Return Focus Portfolio	2.91%	83.33%	-0.48%	-0.48%	13.02%	4.22%	80.56%	-2.94%	-2.94%	11.41%	3.72%	80.00%	-2.94%	-2.94%
JM BUSHA Absolute AllClass	7.20%	75.00%	-3.62%	-3.62%	16.59%	6.04%	83.33%	-3.62%	-3.62%	14.26%	6.11%	76.67%	-3.62%	-3.62%
Mergence CPI +5% Fund	4.95%	75.00%	-1.79%	-1.79%	13.20%	4.56%	77.78%	-2.56%	-2.56%	11.31%	4.83%	68.33%	-2.56%	-3.00%
Momentum AM CPI+5% Global Fund	5.23%	83.33%	-1.09%	-1.09%	14.35%	4.20%	83.33%	-2.68%	-2.68%	13.05%	5.01%	78.33%	-2.68%	-3.64%
OMIG Wealth Defender	2.90%	91.67%	-0.79%	0.00%	*	*	*	*	*	*	*	*	*	*
Prudential Domestic Real Return Plus 5%	6.75%	75.00%	-3.75%	-3.75%	*	*	*	*	*	*	*	*	*	*
Prudential Global Inflation Plus 5%	4.00%	91.67%	-1.63%	-1.63%	17.75%	4.96%	88.89%	-3.57%	-3.57%	15.57%	4.77%	83.33%	-3.57%	-3.57%
SIM CPI + 5%	2.92%	100.00%	0.30%	0.00%	12.70%	3.02%	97.22%	-1.36%	-1.36%	12.07%	3.25%	90.00%	-1.36%	-1.36%
SIM CPI + 5% Global	1.78%	83.33%	-0.99%	-0.99%	14.18%	3.23%	88.89%	-1.03%	-1.03%	12.42%	3.22%	83.33%	-1.03%	-1.03%
SMM Absolute Return	2.56%	91.67%	-0.07%	-0.07%	14.34%	4.65%	83.33%	-2.29%	-2.29%	12.30%	4.21%	80.00%	-2.29%	-2.29%
STANLIB AM Absolute	3.66%	75.00%	-1.31%	-1.31%	11.24%	4.11%	86.11%	-1.56%	-1.56%	9.17%	4.13%	75.00%	-1.59%	-1.59%
STANLIB Domestic Absolute Return	4.62%	66.67%	-1.86%	-2.39%	11.44%	4.18%	80.56%	-1.86%	-2.39%	8.97%	4.35%	73.33%	-2.21%	-2.39%
SymmENTRY Absolute Defensive Fund	2.01%	100.00%	0.21%	0.00%	14.63%	3.99%	91.67%	-1.81%	-1.81%	12.87%	3.75%	86.67%	-1.81%	-1.81%
Vunani Fund Managers CPI+ 5	4.68%	66.67%	-1.46%	-1.46%	15.70%	5.63%	77.78%	-3.61%	-3.61%	13.54%	5.75%	73.33%	-3.61%	-3.61%
MARKET STATISTICS														
Combination of old CPIX and new CPI	1.34%				5.93%	1.26%				5.33%	1.20%			
Consumer Price Inflation (Old/New combined CPI)	1.34%				5.93%	1.26%				5.33%	1.20%			
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	1.34%				5.93%	1.26%				5.33%	1.20%			
STEFI	0.12%				5.49%	0.11%				5.92%	0.21%			

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 SEPTEMBER 2014					
	Calendar Year				
	2013	2012	2011	2010	2009
Headline CPI + 3%					
Absa Asset Management Absolute CPI +3%	5.53%	14.47%	9.33%	10.27%	10.48%
Cadiz Inflation Plus 3	8.60%	16.80%	7.64%	15.08%	*
Coronation Inflation Plus Fund	13.61%	14.52%	10.32%	15.95%	*
Momentum MoM Real Return	10.53%	9.16%	3.10%	8.60%	11.67%
SIM Absolute	9.80%	11.69%	10.05%	13.51%	13.17%
SIM Absolute Return Income Fund	6.64%	8.56%	8.63%	10.72%	8.51%
Prescient Positive Return Medical Aid Fund	11.87%	8.71%	3.44%	8.95%	12.86%
Prescient Positive Return Fund	11.14%	8.30%	3.22%	8.18%	11.83%
Taquantia Absolute	4.58%	6.13%	6.99%	10.13%	12.79%
Vunani Fund Managers CPI +3	7.57%	15.83%	6.67%	11.25%	11.58%
Headline CPI + 4%					
Absa Asset Management Absolute Global CPI +4%	9.70%	16.71%	10.60%	12.72%	12.04%
Absa Asset Management Absolute Domestic CPI+4%	8.33%	17.46%	9.07%	*	*
Investment Solutions Stable Focus	8.94%	12.63%	6.56%	10.50%	13.51%
Momentum MoM Absolute Strategies	6.88%	9.44%	2.79%	9.29%	10.93%
OMIG Capital Builder	9.99%	10.14%	3.45%	6.31%	12.15%
OMIG MacroSolutions Stable Growth Fund	14.27%	17.47%	8.84%	12.04%	14.26%
Argon Absolute Return	10.72%	17.62%	7.45%	10.32%	10.25%
Headline CPI + 5%					
Cadiz Inflation + 5%	9.58%	21.65%	5.81%	19.70%	18.84%
Coronation Absolute	12.76%	15.18%	4.99%	21.54%	22.94%
Foord Absolute	24.82%	26.06%	9.90%	15.44%	18.18%
Investment Solutions Real Return Focus Local	10.90%	13.67%	4.61%	13.82%	16.09%
Investment Solutions Real Return Focus Portfolio	14.72%	13.47%	7.13%	10.76%	12.99%
JM BUSHA Absolute AllClass	12.17%	24.25%	8.31%	14.48%	14.75%
Mergence CPI +5% Fund	9.78%	18.22%	6.53%	9.37%	12.79%
Momentum AM CPI+5% Global Fund	13.36%	17.80%	8.68%	13.41%	15.11%
Prudential Global Inflation Plus 5%	17.23%	21.31%	12.26%	13.18%	12.12%
SIM CPI + 5%	12.41%	13.88%	8.59%	14.12%	15.30%
SIM CPI + 5% Global	16.95%	13.76%	10.72%	10.04%	10.99%
SMM Absolute Return	18.11%	12.28%	4.35%	13.44%	18.70%
STANLIB AM Absolute	9.56%	16.31%	7.02%	7.58%	7.40%
STANLIB Domestic Absolute Return	8.67%	18.40%	6.63%	7.96%	10.66%
SYmmETRY Absolute Defensive Fund	17.39%	15.05%	8.92%	10.71%	10.75%
Vunani Fund Managers CPI+ 5	12.36%	22.68%	6.55%	15.04%	14.52%
MARKET STATISTICS					
Combination of old CPIX and new CPI	5.35%	5.60%	6.12%	3.58%	5.09%
Consumer Price Inflation (Old/New combined CPI)	5.35%	5.60%	6.12%	3.58%	4.79%
Consumer Price Inflation (Headline CPI) (I-Net code: AECPI)	5.35%	5.60%	6.12%	3.58%	5.83%
STEFI	5.18%	5.55%	5.73%	6.93%	9.13%

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 SEPTEMBER 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 + 6%														
Cadiz Equity Ladder Fund	7.89%	50.00%	-4.58%	-7.69%	3.77%	8.94%	55.56%	-5.81%	-12.05%	5.03%	8.89%	53.33%	-5.81%	-12.05%
Coronation Absolute	3.48%	83.33%	-0.75%	-0.75%	17.04%	5.80%	83.33%	-3.58%	-3.58%	15.31%	5.52%	78.33%	-3.58%	-3.58%
Investec Opportunity	3.07%	83.33%	-0.75%	-0.75%	17.25%	5.76%	86.11%	-3.05%	-3.05%	15.68%	5.75%	83.33%	-3.05%	-3.05%
Momentum AM (CPI+6% Global)	3.94%	83.33%	-0.85%	0.00%	*	*	*	*	*	*	*	*	*	*
Prudential Domestic Inflation Plus 6%	6.83%	75.00%	-3.54%	-3.54%	18.08%	6.32%	83.33%	-3.54%	-3.54%	16.38%	6.58%	80.00%	-3.54%	-3.54%
Prudential Global Inflation Plus 6%	4.17%	91.67%	-1.47%	-1.47%	19.18%	5.26%	88.89%	-3.40%	-3.40%	16.39%	5.18%	81.67%	-3.40%	-3.40%
SIM CPI + 6%	3.56%	83.33%	-1.20%	-1.20%	14.02%	3.73%	88.89%	-1.44%	-1.44%	13.12%	4.28%	80.00%	-1.44%	-1.70%
STANLIB Absolute Plus Fund	3.54%	75.00%	-0.70%	-0.70%	13.86%	4.59%	75.00%	-1.20%	-1.20%	13.21%	4.87%	71.67%	-1.23%	-1.61%
MARKET STATISTICS														
Combination of old CPIX and new CPI	1.34%				5.93%	1.26%				5.33%	1.20%			
Consumer Price Inflation (Old/New combined CPI)	1.34%				5.93%	1.26%				5.33%	1.20%			
Consumer Price Inflation (Headline CPI) (I-Net code: AECPI)	1.34%				5.93%	1.26%				5.33%	1.20%			
STEFI	0.12%				5.49%	0.11%				5.92%	0.21%			

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 SEPTEMBER 2014					
	Calendar Year				
	2013	2012	2011	2010	2009
Headline CPI + 6%					
Cadiz Equity Ladder Fund	0.73%	7.78%	0.29%	8.50%	42.63%
Coronation Absolute	21.20%	17.74%	7.73%	17.45%	20.15%
Investec Opportunity	16.23%	20.72%	12.59%	12.94%	21.84%
Prudential Domestic Inflation Plus 6%	13.11%	25.04%	9.97%	18.03%	17.19%
Prudential Global Inflation Plus 6%	20.57%	21.62%	11.67%	13.59%	12.45%
SIM CPI + 6%	14.15%	14.97%	8.14%	15.52%	17.89%
STANLIB Absolute Plus Fund	15.40%	12.67%	9.33%	14.12%	18.57%
MARKET STATISTICS					
Combination of old CPIX and new CPI*	5.35%	5.60%	6.12%	3.58%	5.09%
Consumer Price Inflation (Old/New combined CPI)	5.35%	5.60%	6.12%	3.58%	4.79%
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	5.35%	5.60%	6.12%	3.58%	5.83%
STEFI	5.18%	5.55%	5.73%	6.93%	9.13%

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.

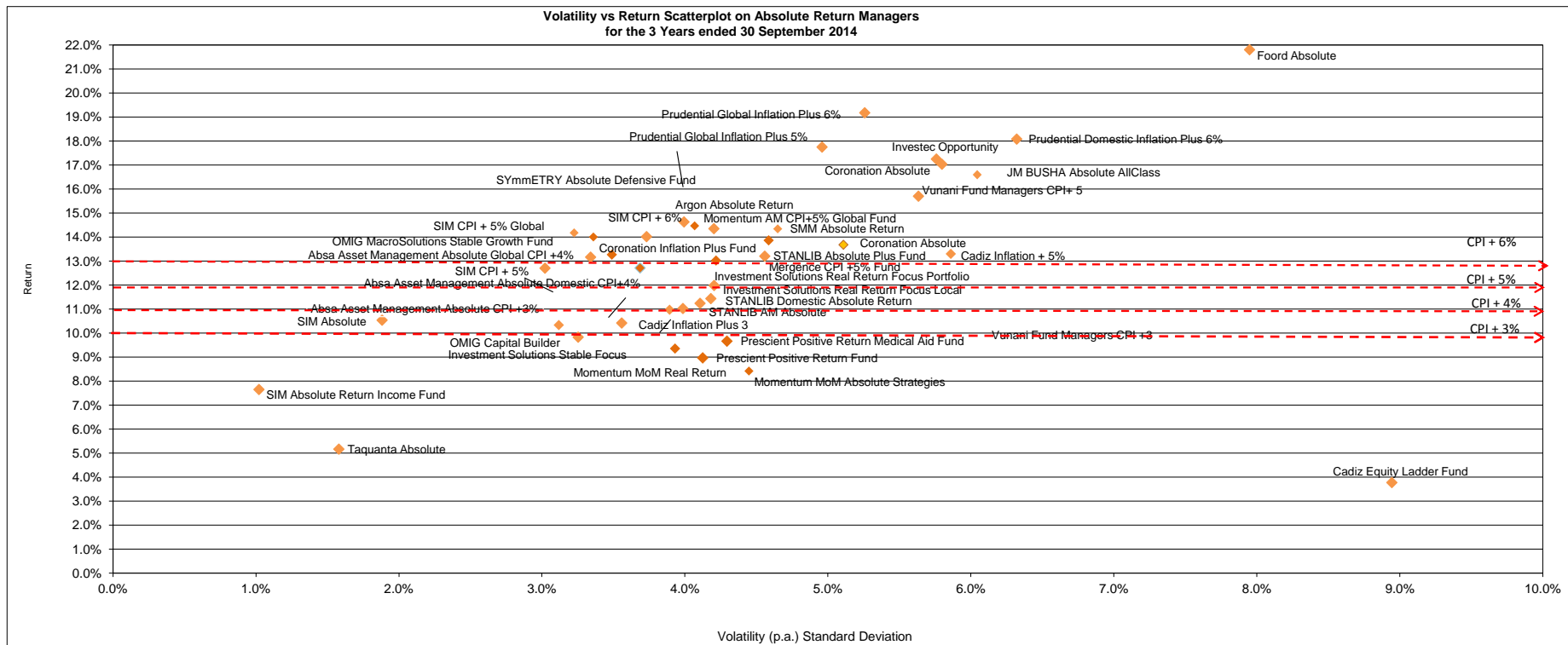
* The rankings and statistical information have been supplied for illustrative purposes only.

* 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/>