



Absolute Return Manager Watch™ Survey for the month ending September 2015

Research & Product Development
FINANCIAL SERVICES


ALEXANDERFORBES
Securing your financial well-being

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 2015:

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 Q3 2015

The dominant economic themes that influenced markets and portfolio management strategy were:

- The financial woes of Greece which dominated the economic news came to head; where the Greek government was essentially given an ultimatum: accept the terms of the bailout or leave the European Union. With Greece forced to into accepting austerity measures, the immediate risks to global markets seemed to dissipate
- However, simultaneously the Chinese stock market experienced its worst decline since the 2008 financial crisis in late June. After weeks of declining returns in the Chinese equity market c. -40% (since mid-June) despite government interventions; weak manufacturing data indicated that conditions in China may be much worse than GDP numbers suggest. The Chinese government's move to devalue the yuan after spending billions of dollars to hold its level against the dollar was confirmation of a weakening economy
- The declining economic growth in China was apparent in the economic statistics released through the year, with talks of a shift towards a more consumption-led economy from its production-driven framework. Growth forecasts have fallen to less than 5%, with many indicators pointing towards a hard landing of the Chinese economy. In its wake, China's many trading partners including South Africa are also a knock-on impediment to their own growth rates
- Emerging markets, especially those with strong economic ties to China and commodity driven economies were worst hit with both their equity markets down and sharp devaluations in the currency markets. Economic data from China will be closely monitored over the forthcoming months to provide insight as to the potential extent of the slowdown
- The US labour market continued to tighten with accelerating job growth with jobless claims now at multi-year lows. The weeks approaching the US Federal Reserve's September meeting, introduced further volatility into the currency and bond markets with increased expectations that interest rates would be hiked. However, despite the positive indicators; US GDP growth at 3.7% (q-o-q annualized), and unemployment at its lowest levels since 2008, the current market turmoil shifted expectations of the rate hike further out, possible not even this year. Market participants are further unnerved at its potential ramifications given the vulnerable nature of economies across the globe. This extends the pressure on commodity prices, EM currencies, bond and equity markets
- Despite having negative returns for most of the past year, commodity prices fell further. The oil price was severely hit over the quarter down 23.4% with a significant oversupply relative to global demand as production remains subdued. Gold, a traditional safe haven in risk-off markets did not perform as the usual "flight to quality" asset and was also negative through this period
- With the outlook on the global market beginning to fragment, the risk of recession looms large for South Africa. The global economic concerns coupled with continuing electricity shortfalls, rising inflation, increased interest rates, electricity disruptions, labour conflicts, and depressed business confidence does not bode well for the consumer. Global rating agencies Fitch and S&P had warned that South Africa that rating downgrades can be applied in the coming months unless we could implement growth enhancing economic reforms and maintain strong fiscal consolidation.

COMMENTARY

- The 25 bp rate hike in July was the first intervention against prevailing dollar strength and concerns about the weak rand; rising inflation; labour conflicts and wage increases; moderate to weak economic growth, a wider current account deficit, and stubborn unemployment. Economic growth forecasts for 2015 continue to be revised downwards, at c. 1.8%, compounded by the electricity shortfall which will continue to plague production side of the economy for some time yet.
- With GDP growth at its lowest levels, increasing interest rates can be counter-productive as it increases the cost of capital in the economy. It is important that government and the private sector explore sustainable interventions mechanisms and take urgent action to revive the deteriorating outlook.

The fragile global environment left no equity market unscathed over the quarter. Developed equity markets were better than its emerging peers, with the MSCI world index down -8.3% (U.S. Dollars), with the MSCI EM index down -17.8%. The US market and surprisingly African equity markets were most resilient (-6.4% MSCI US and -8.0% MSCI EFM Africa ex SA).

The Rand depreciation (c. 14% down against the Euro and US Dollar over the quarter) provided much needed diversification for the local investor. The Rand returns looked significantly better once the currency is factored in. Global bonds and equities were positive, up 15.9% and 3.3% respectively for the quarter.

Local equity markets finished weaker, the FTSE JSE All Share Index (ALSI) returned -2.1% for the month, while the FTSE JSE Shareholder Weighted All Share Index (SWIX) returned -4.2%. The performance differential between the indices has reduced to 1.3% over 1 year from its high of 5.8% earlier this year.

Resource shares were hardest hit due to the significant falls in commodity prices and increasing costs of production. The Industrial sector was deceptively up for the quarter (0.8%) buoyed by the SABMiller acquisition announcement. Most industrial sectors were down c. 8% and the telecom sector down 17%. Realised market volatility was high, whilst performance dispersion between the best and worse shares in the Top 40 was over 58% for the quarter.

The local property market which has also been significantly volatile over the first half of the year with large monthly performance swings had 3 consecutive positive months up 6.2% for the quarter, as rental yields remained stable. Interest rate markets were stable locally, notwithstanding outflows of over R20bn during the quarter. Cash returns were strongest with the STeFI returning +1.4%, nominal bonds up 1.1% and ILB's up 0.9%. All in all managers would have struggled to find returns this quarter with global factor exposure being the strongest differentiator.

HOW THE MANAGERS PERFORMED OVER Q3 2015

There was some reprieve for investors after a difficult quarter 2, as South African equities was the only negatively performing asset in this quarter. As a result those managers that maintained a defensive stance in their portfolios should have outperformed their aggressive peers exposed to equity. The devaluation of the rand provided a systematic hedge to global capital markets and rand hedge instruments. Timing tactical decisions would have provided a high payoff if you got the call correct amidst significant market uncertainty. The top contributing factors to explain differences in performance changed this quarter:

1. Asset allocation – Exposure to Global markets and Property
2. Avoiding commodities and the resource sector
3. Overweight the local industrial sector
4. Rand Hedge biases when selecting securities

Security and sector selection decisions continued to be a big factor to many managers - consistent with outcomes for active managers in the Alexander Forbes Equity survey. Fund managers would still have had a difficult task of balancing risk and return for their clients while protecting their portfolios from capital losses.

Eleven of forty-three absolute return composites across all categories in the survey failed to protect capital during the third quarter but only one portfolio eroded capital over 1 year. Three composites failed to protect the investor from inflationary erosion over 1 year.

ReCM continues to struggle through this cycle, again the only fund to lose value over a 1 year period. It maintains an unusually high growth exposure relative to its traditional approach with 73% in growth assets and struggles with further disappointing returns. The Fund's resource and commodity exposure remains under significant pressure of falling earnings in the face of global growth concerns and a slowing Chinese economy.

Prudential remains the best performing manager with their global portfolios over 1 year in the CPI + 5% and 6% categories. The biggest contributor to their strong performance was their stock selection within and the weighting of domestic equity as well as the weighting to international equity. Other portfolios that have had strong 1 year performance are Absa and Argon in the CPI + 4% category; SIM in the CPI + 5% category; Investec and Stanlib in the CPI + 6% category. Interestingly, Argon and Stanlib managed to achieve these robust returns without the impact of global in the portfolios as these are domestic only composites.

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 7.2%, 7.1%, 5.0% and 8.6% respectively. In addition, strategies that include global exposure have in general performed better than local only portfolios due to the significant depreciation of the rand over the quarter.

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 Ito 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	606	06 October 2015
Cadiz Inflation Plus 3	Oct-06	V	Domestic		Y	Headline CPI + 3%		2	1,064	14 October 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	3	2,730	14 October 2015
Momentum MoM Real Return	Jul-03		Domestic		Y	Headline CPI + 3%		n/a	1,101	05 October 2015
Old Mutual Multi-Managers Inflation Plus 1-3%	Oct-99		Global		Y	Headline CPI + 3%		n/a	488	13 October 2015
Prescient Positive Return Fund		V	Domestic		Y	Headline CPI + 3%		14	4,885	14 October 2015
Prescient Positive Return Medical Aid Fund	May-02	V	Domestic		Y	Headline CPI + 3%		6	839	14 October 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	733	05 October 2015
Headline CPI + 4%										
Absa Asset Management Absolute Global CPI +4%	Dec-06	V	Global		Y	Headline CPI + 4%		2	19,575	06 October 2015
Absa Asset Management Absolute Domestic CPI+4%	Aug-09		Domestic		Y	Headline CPI + 4%		12	8,970	06 October 2015
Angon Absolute Return Fund	Oct-06	V	Domestic		Y	Headline CPI + 4%	Non negative returns over 1 year rolling period.	3	1,041	13 October 2015
Investment Solutions Stable Focus	Apr-05		Domestic		Y	Headline CPI + 4%	No negative returns over rolling 12 month period	n/a	2,280	12 October 2015
Momentum MoM Absolute Strategies	Dec-03		Domestic		Y	Headline CPI + 4%		n/a	2,336	05 October 2015
Merqence CPI + 4% Fund	Oct-09	C	Domestic		Y	Headline CPI + 4%		4	1,358	09 October 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	1,915	09 October 2015
OMIG MacroSolutions Stable Growth Fund	Jul-07	V	Global		Y	Headline CPI + 4%		1	4,664	09 October 2015
Headline CPI + 5%										
Cadiz Inflation + 5%	Feb-06	V	Domestic		Y	Headline CPI + 5%		1	277	14 October 2015
Coronation Absolute	Jan-04	V	Domestic		Y	Headline CPI + 5%	Preserve capital over a rolling 12m period	10	8,216	14 October 2015
Foord Absolute	Jun-02	C	Global		Y	Headline CPI + 5%		4	1,547	13 October 2015
Investment Solutions Real Return Focus Local	Oct-02		Domestic		Y	Headline CPI + 5%	No negative returns over rolling 12 month period	n/a	5,930	12 October 2015
Investment Solutions Real Return Focus Portfolio	May-03		Global		Y	Headline CPI + 5%	No negative returns over rolling 12 month period	n/a	3,711	12 October 2015
JM BUSH Absolute AllClass	Oct-06	C	Domestic		Y	Headline CPI + 5%		3	1,413	06 October 2015
Merqence CPI +5% Fund	Jul-06	V	Domestic		Y	Headline CPI + 5%	Non-negative returns over a rolling 1-year period	1	1,339	09 October 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	872	14 October 2015
Old Mutual Multi-Managers Inflation Plus 3-5%	Jul-03		Global		Y	Headline CPI + 5%		n/a	4,183	13 October 2015
OMIG Wealth Defender	Aug-03	C	Global		Y	Headline CPI + 5%		4	6,703	09 October 2015
Prudential Domestic Real Return Plus 5%	Nov-09	V	Domestic		Y	Headline CPI + 5%		4	1,324	06 October 2015
Prudential Global Inflation Plus 5%	Dec-02	V	Global		Y	Headline CPI + 5%	N/A	2	35,836	06 October 2015
RECM Balanced Full Discretion Composite	Jul-03	V	Global		Y	Headline CPI + 5%		3	3,304	12 October 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	1,761	05 October 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	7	10,817	05 October 2015
SMM Absolute Return	May-03		Global		Y	Headline CPI + 5%		1	423	08 October 2015
STANLIB AM Absolute	Jul-01	V	Global		Y	Headline CPI + 5%	Capital preservation over a rolling 12 month period	1	3,541	13 October 2015
STANLIB Domestic Absolute Return	Mar-04	V	Domestic		Y	Headline CPI + 5%	Capital preservation over a rolling 12 month period	1	272	13 October 2015
Old Mutual Multi Managers Absolute Defensive Fund	Sep-02		Global		Y	Headline CPI + 4%	Non-negative returns over rolling 1-year periods	n/a	978	13 October 2015
Vunani Fund Managers CPI+ 5	Mar-05	V	Domestic		Y	Headline CPI + 5%		3	1,801	16 October 2015
Headline CPI + 6%										
Coronation Absolute	Aug-99	V	Global		Y	Headline CPI + 6%	Preserve capital over a rolling 12m period	1	6,278	14 October 2015
Investec Opportunity	Aug-99	V	Global		Y	Headline CPI + 6%		14	45,737	13 October 2015
Momentum AM (CPI+6% Global)	Apr-12	V	Global		Y	Headline CPI + 6%		n/a	281	14 October 2015
Prudential Domestic Inflation Plus 6%	Dec-02		Domestic		Y	Headline CPI + 6%	N/A	4	2,244	06 October 2015
Prudential Global Inflation Plus 6%	Dec-02	V	Global		Y	Headline CPI + 6%	N/A	1	235	06 October 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	3	669	05 October 2015
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	2,522	13 October 2015
TOTAL									206,797	

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 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 2015													
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%	0.18%	1.27%	4.64%	7.15%	7.59%	7.91%	8.80%	9.21%	8.55%	9.51%	8.13%	9.27%	*
Cadiz Inflation Plus 3	-0.17%	0.40%	4.22%	6.33%	7.59%	7.27%	8.80%	9.24%	8.55%	*	*	*	*
Coronation Inflation Plus Fund	0.07%	0.69%	5.22%	7.27%	8.09%	10.85%	8.80%	11.19%	8.55%	*	*	*	*
Momentum MoM Real Return	0.49%	0.92%	4.37%	6.00%	7.59%	9.46%	8.80%	7.61%	8.55%	8.27%	8.13%	10.41%	*
Old Mutual Multi-Managers Inflation Plus 1-3%	-0.50%	0.10%	4.60%	7.33%	7.59%	*	*	*	*	*	*	*	*
Prescient Positive Return Medical Aid Fund	0.57%	0.72%	6.57%	8.11%	7.59%	10.46%	8.80%	8.31%	8.55%	8.98%	8.20%	11.37%	9.10%
Prescient Positive Return Fund	0.56%	0.25%	4.32%	5.50%	7.59%	9.05%	8.80%	7.22%	8.55%	7.98%	8.20%	10.27%	9.10%
SIM Absolute	0.63%	1.33%	6.22%	8.82%	7.59%	9.27%	8.80%	9.81%	8.55%	10.64%	8.13%	10.60%	9.14%
Headline CPI + 4%													
Absa Asset Management Absolute Global CPI +4%	0.45%	2.28%	7.29%	10.43%	N/A	11.15%	9.80%	11.74%	9.55%	12.16%	9.13%	*	*
Absa Asset Management Absolute Domestic CPI+4%	-0.02%	1.00%	4.84%	7.54%	N/A	9.45%	9.80%	10.75%	9.55%	*	*	*	*
Argon Absolute Return Fund	0.41%	1.77%	7.26%	10.80%	N/A	11.42%	9.80%	11.49%	9.55%	10.77%	9.20%	*	*
Investment Solutions Stable Focus	0.31%	1.02%	4.42%	6.64%	N/A	8.96%	9.80%	8.73%	9.55%	9.70%	9.13%	10.76%	9.10%
Momentum MoM Absolute Strategies	-0.32%	-0.10%	3.83%	6.24%	N/A	7.64%	9.80%	7.00%	9.55%	7.85%	9.13%	8.97%	9.10%
Mergence CPI + 4% Fund	0.47%	-0.40%	3.98%	5.73%	N/A	*	*	*	*	*	*	*	*
OMIG Capital Builder	0.78%	-0.07%	2.43%	3.49%	N/A	8.05%	9.80%	7.48%	9.55%	7.98%	9.13%	*	*
OMIG MacroSolutions Stable Growth Fund	0.27%	1.52%	6.13%	9.60%	N/A	11.94%	9.80%	12.04%	9.55%	11.90%	9.13%	*	*
Headline CPI + 5%													
Cadiz Inflation + 5%	-0.35%	0.02%	3.16%	5.50%	N/A	7.76%	10.80%	10.11%	10.55%	11.66%	10.20%	*	*
Coronation Absolute	-0.84%	-1.82%	1.56%	3.17%	N/A	9.89%	10.80%	9.87%	10.55%	12.63%	10.20%	13.33%	11.10%
Foord Absolute	-0.96%	-0.57%	5.62%	9.14%	N/A	16.24%	10.80%	16.36%	10.55%	14.92%	10.13%	15.50%	11.14%
Investment Solutions Real Return Focus Local	-0.42%	-0.41%	3.68%	6.12%	N/A	10.07%	10.80%	9.28%	10.55%	10.52%	10.13%	11.49%	11.14%
Investment Solutions Real Return Focus Portfolio	-0.03%	0.98%	5.29%	7.50%	N/A	11.67%	10.80%	10.56%	10.55%	10.70%	10.13%	11.44%	11.14%
JM BUSHUA Absolute AllClass	-1.15%	-2.42%	1.50%	5.52%	N/A	11.35%	10.80%	12.40%	10.55%	12.16%	10.20%	11.66%	11.10%
Mergence CPI +5% Fund	-0.11%	-1.01%	3.15%	4.91%	N/A	9.09%	10.80%	9.92%	10.55%	9.62%	10.13%	*	*
Momentum AM CPI+5% Global Fund	-0.15%	0.55%	4.56%	6.77%	N/A	11.02%	10.80%	11.42%	10.55%	11.37%	10.20%	9.99%	11.10%
Old Mutual Multi-Managers Inflation Plus 3-5%	-0.52%	0.05%	5.28%	7.92%	N/A	*	*	*	*	*	*	*	*
OMIG Wealth Defender	0.18%	1.29%	6.30%	7.85%	N/A	*	*	*	*	*	*	*	*
Prudential Domestic Real Return Plus 5%	-0.43%	0.04%	4.73%	8.75%	N/A	*	*	*	*	*	*	*	*
Prudential Global Inflation Plus 5%	-0.03%	1.61%	6.76%	10.54%	N/A	14.27%	10.80%	14.64%	10.55%	13.99%	10.13%	*	*
RECM Balanced Full Discretion Composite	-7.54%	-11.93%	-16.85%	-20.17%	N/A	*	*	*	*	*	*	*	*
SIM CPI + 5%	0.41%	0.57%	5.92%	8.56%	N/A	10.71%	10.80%	10.84%	10.55%	11.43%	10.13%	*	*
SIM CPI + 5% Global	0.88%	2.28%	7.90%	10.48%	N/A	12.92%	10.80%	12.32%	10.55%	11.70%	10.13%	11.45%	11.14%
SMM Absolute Return	-0.30%	0.92%	5.61%	8.99%	N/A	13.79%	10.80%	11.26%	10.55%	12.19%	10.13%	11.62%	11.14%
STANLIB AM Absolute	-1.56%	0.42%	4.43%	5.41%	N/A	7.67%	10.80%	8.74%	10.55%	8.44%	10.13%	9.14%	11.14%
STANLIB Domestic Absolute Return	-1.54%	0.35%	5.92%	9.37%	N/A	8.49%	10.80%	9.59%	10.55%	9.05%	10.13%	9.76%	11.14%
Old Mutual Multi Managers Absolute Defensive Fund	0.36%	1.91%	7.31%	9.29%	N/A	13.47%	10.80%	12.39%	10.55%	11.66%	10.20%	11.68%	11.10%
Vunani Fund Managers CPI+ 5	0.38%	1.01%	6.63%	9.69%	N/A	11.73%	10.80%	12.38%	10.55%	12.49%	10.20%	11.50%	11.10%
MARKET STATISTICS													
Combination of old CPIX and new CPI	0.00%	1.49%	4.41%	4.59%		5.80%		5.55%		5.20%		6.10%	
Consumer Price Inflation (Old/New combined CPI)	0.00%	1.49%	4.41%	4.59%		5.80%		5.55%		5.19%		6.14%	
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	0.00%	1.49%	4.41%	4.59%		5.80%		5.55%		5.37%		5.89%	
STEF1	0.52%	1.60%	4.79%	6.41%		5.75%		5.76%		6.61%		7.32%	
Number of Participants	36	36	36	36		30		30		27		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™

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 2015													
	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%													
Coronation Absolute	-0.84%	-1.39%	2.95%	4.88%	N/A	13.29%	11.80%	12.62%	11.55%	14.02%	11.20%	14.21%	12.10%
Investec Opportunity	1.60%	4.76%	8.74%	10.77%	N/A	13.98%	11.80%	14.88%	11.55%	14.08%	11.20%	14.61%	12.10%
Momentum AM (CPI+6% Global)	-0.37%	0.17%	4.34%	6.33%	N/A	*	*	*	*	*	*	*	*
Prudential Domestic Inflation Plus 6%	-0.51%	-0.55%	4.76%	8.59%	N/A	12.81%	11.80%	14.24%	11.55%	14.72%	11.13%	14.28%	12.10%
Prudential Global Inflation Plus 6%	-0.04%	1.30%	7.21%	11.18%	N/A	15.77%	11.80%	15.62%	11.55%	14.64%	11.13%	13.96%	12.14%
SIM CPI + 6%	0.35%	0.22%	5.81%	8.49%	N/A	11.61%	11.80%	11.56%	11.55%	12.31%	11.13%	*	*
STANLIB Absolute Plus Fund	0.82%	2.63%	7.03%	10.10%	N/A	12.56%	11.80%	11.85%	11.55%	12.39%	11.13%	*	*
MARKET STATISTICS													
Combination of old CPIX and new CPI*	0.00%	1.49%	4.41%	4.59%		5.80%		5.55%		5.20%		6.10%	
Consumer Price Inflation (Old/New combined CPI)	0.00%	1.49%	4.41%	4.59%		5.80%		5.55%		5.13%		6.14%	
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	0.00%	1.49%	4.41%	4.59%		5.80%		5.55%		5.37%		5.83%	
Consumer Price Inflation excluding OER [I-Net code: AECPIXU]	0.00%	1.49%	4.41%	4.59%		5.93%		5.69%		5.37%		6.11%	
STEFI	0.52%	1.60%	4.79%	6.41%		5.75%		5.76%		6.61%		7.32%	
Number of Participants	7	7	7	7		6		6		6		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 2008. 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 CPI-X- The benchmark numbers prior to January 2009 reflected a compound of month to month CPI-X returns. Due to the reweighting and rebasing of the CPI and discarding of the CPI-X numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPI-X 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 2015														
	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%	3.05%	83.33%	-1.06%	-1.06%	7.91%	3.23%	83.33%	-1.88%	-1.88%	9.21%	2.86%	85.00%	-1.88%	-1.88%
Cadiz Inflation Plus 3	3.47%	58.33%	-0.99%	-2.05%	7.27%	3.59%	69.44%	-2.00%	-2.97%	9.24%	3.76%	*	*	*
Coronation Inflation Plus Fund	2.88%	75.00%	-0.40%	-0.79%	10.85%	3.68%	83.33%	-2.28%	-2.28%	11.19%	3.11%	*	*	*
Momentum MoM Real Return	3.61%	75.00%	-1.41%	-1.41%	9.46%	4.09%	75.00%	-2.55%	-2.55%	7.61%	3.58%	73.33%	-2.55%	-2.55%
Old Mutual Multi-Managers Inflation Plus 1-3%	3.10%	66.67%	-0.50%	-0.78%	*	*	*	*	*	*	*	*	*	*
Prescient Positive Return Medical Aid Fund	2.50%	83.33%	-0.57%	-0.57%	10.46%	4.11%	77.78%	-2.06%	-2.06%	8.31%	3.63%	76.67%	-2.06%	-2.06%
Prescient Positive Return Fund	2.82%	75.00%	-0.87%	-0.87%	9.05%	4.10%	72.22%	-1.94%	-1.94%	7.22%	3.53%	71.67%	-1.94%	-1.94%
SIM Absolute	1.72%	100.00%	0.07%	0.00%	9.27%	1.74%	94.44%	-0.59%	-0.59%	9.81%	1.82%	91.67%	-0.59%	-0.59%
Headline CPI + 4%														
Absa Asset Management Absolute Global CPI +4%	3.26%	75.00%	-1.52%	-1.52%	11.15%	3.33%	77.78%	-1.98%	-1.98%	11.74%	3.09%	83.33%	-1.98%	-1.98%
Absa Asset Management Absolute Domestic CPI+4%	3.72%	75.00%	-1.52%	-1.52%	9.45%	3.74%	77.78%	-1.98%	-1.98%	10.75%	3.52%	83.33%	-1.98%	-1.98%
Argon Absolute Return Fund	3.41%	91.67%	-1.35%	-1.60%	11.42%	3.62%	83.33%	-1.60%	-1.60%	11.49%	4.05%	80.00%	-1.67%	-1.67%
Investment Solutions Stable Focus	3.52%	75.00%	-1.59%	-1.62%	8.96%	3.89%	77.78%	-2.32%	-2.32%	8.73%	3.27%	81.67%	-2.32%	-2.32%
Momentum MoM Absolute Strategies	4.94%	66.67%	-2.57%	-2.74%	7.64%	4.60%	69.44%	-3.36%	-3.36%	7.00%	4.27%	70.00%	-3.36%	-3.36%
Mergence CPI + 4% Fund	3.83%	75.00%	-1.67%	-2.32%	*	*	*	*	*	*	*	*	*	*
OMIG Capital Builder	2.64%	75.00%	-1.41%	-1.88%	8.05%	3.32%	77.78%	-1.94%	-1.94%	7.48%	3.05%	76.67%	-1.94%	-1.94%
OMIG MacroSolutions Stable Growth Fund	3.32%	75.00%	-0.52%	-0.74%	11.94%	3.48%	86.11%	-2.23%	-2.23%	12.04%	3.12%	88.33%	-2.23%	-2.23%
Headline CPI + 5%														
Cadiz Inflation + 5%	5.44%	50.00%	-1.61%	-2.83%	7.76%	5.53%	61.11%	-2.18%	-4.09%	10.11%	5.72%	70.00%	-2.71%	-4.09%
Coronation Absolute	5.14%	50.00%	-1.62%	-4.13%	9.89%	5.46%	66.67%	-2.99%	-4.13%	9.87%	5.02%	68.33%	-2.99%	-4.13%
Foord Absolute	5.00%	66.67%	-1.49%	-2.44%	16.24%	7.37%	72.22%	-3.72%	-3.72%	16.36%	6.95%	75.00%	-3.72%	-3.72%
Investment Solutions Real Return Focus Local	4.36%	58.33%	-1.83%	-2.36%	10.07%	4.58%	72.22%	-2.53%	-2.53%	9.28%	4.01%	75.00%	-2.53%	-2.53%
Investment Solutions Real Return Focus Portfolio	3.55%	66.67%	-1.25%	-1.70%	11.67%	4.46%	75.00%	-2.94%	-2.94%	10.56%	3.76%	78.33%	-2.94%	-2.94%
JM BUSHA Absolute AllClass	7.34%	58.33%	-3.24%	-5.18%	11.35%	6.75%	72.22%	-3.62%	-5.18%	12.40%	6.22%	73.33%	-3.62%	-5.18%
Mergence CPI +5% Fund	4.33%	66.67%	-1.80%	-2.93%	9.09%	4.64%	72.22%	-2.56%	-2.93%	9.92%	4.41%	68.33%	-2.56%	-2.93%
Momentum AM CPI+5% Global Fund	3.86%	66.67%	-1.58%	-1.96%	11.02%	4.20%	77.78%	-2.68%	-2.68%	11.42%	4.01%	78.33%	-2.68%	-2.68%
Old Mutual Multi-Managers Inflation Plus 3-5%	3.57%	66.67%	-0.74%	-1.32%	*	*	*	*	*	*	*	*	*	*
OMIG Wealth Defender	3.56%	66.67%	-0.86%	0.00%	*	*	*	*	*	*	*	*	*	*
Prudential Domestic Real Return Plus 5%	5.54%	75.00%	-2.32%	-2.32%	*	*	*	*	*	*	*	*	*	*
Prudential Global Inflation Plus 5%	3.75%	66.67%	-1.22%	-1.63%	14.27%	4.95%	80.56%	-3.57%	-3.57%	14.64%	4.36%	83.33%	-3.57%	-3.57%
RECM Balanced Full Discretion Composite	13.24%	33.33%	-7.54%	-0.86%	*	11.43%	*	*	*	*	*	*	*	*
SIM CPI + 5%	2.61%	83.33%	-0.44%	-0.44%	10.71%	2.84%	86.11%	-1.03%	-1.03%	10.84%	2.87%	85.00%	-1.03%	-1.03%
SIM CPI + 5% Global	2.25%	83.33%	-0.31%	-0.31%	12.92%	3.04%	91.67%	-1.36%	-1.36%	12.32%	2.87%	91.67%	-1.36%	-1.36%
SMM Absolute Return	3.71%	66.67%	-0.81%	-1.10%	13.79%	4.88%	77.78%	-2.29%	-2.29%	11.26%	4.22%	76.67%	-2.29%	-2.29%
STANLIB AM Absolute	3.60%	66.67%	-1.56%	-1.56%	7.67%	3.87%	75.00%	-1.56%	-1.56%	8.74%	3.80%	78.33%	-1.56%	-1.56%
STANLIB Domestic Absolute Return	3.69%	75.00%	-1.54%	-1.54%	8.49%	3.92%	75.00%	-1.86%	-2.39%	9.59%	3.91%	75.00%	-1.86%	-2.39%
Old Mutual Multi Managers Absolute Defensive Fund	2.84%	75.00%	-0.64%	-0.66%	13.47%	4.06%	83.33%	-1.81%	-1.81%	12.39%	3.53%	88.33%	-1.81%	-1.81%
Vanuni Fund Managers CPI+ 5	4.81%	83.33%	-1.61%	-1.61%	11.73%	5.27%	75.00%	-3.61%	-3.61%	12.38%	5.42%	76.67%	-3.61%	-3.61%
MARKET STATISTICS														
Combination of old CPIX and new CPI	1.81%				5.80%	1.54%				5.55%	1.35%			
Consumer Price Inflation (Old/New combined CPI)	1.81%				5.80%	1.54%				5.55%	1.35%			
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	1.81%				5.80%	1.54%				5.55%	1.35%			
STEFI	0.10%				5.75%	0.17%				5.76%	0.15%			

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 CPI-X The benchmark numbers prior to January 2009 reflected a compound of month to month CPI-X returns. Due to the reweighting and rebasing of the CPI and discarding of the CPI-X numbers from January 2009 the historical month to month numbers used in calculations are the official month to month numbers based on the old CPI-X prior to January 2009 and the new CPI basket post January 2009. The CPI excluding owners equivalent rent (I-Net code: AECPI-X) 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 2015														
	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%														
Coronation Absolute	4.77%	58.33%	-1.37%	-3.24%	13.29%	6.24%	72.22%	-3.58%	-3.58%	12.62%	5.27%	75.00%	-3.58%	-3.58%
Investec Opportunity	5.34%	58.33%	-1.42%	-1.95%	13.98%	5.96%	72.22%	-3.05%	-3.05%	14.88%	5.23%	81.67%	-3.05%	-3.05%
Momentum AM (CPI+6% Global)	4.50%	66.67%	-1.74%	0.00%										
Prudential Domestic Inflation Plus 6%	6.08%	75.00%	-2.60%	-3.03%	12.81%	6.34%	77.78%	-3.54%	-3.54%	14.24%	6.15%	80.00%	-3.54%	-3.54%
Prudential Global Inflation Plus 6%	4.18%	66.67%	-1.25%	-1.80%	15.77%	5.19%	83.33%	-3.40%	-3.40%	15.62%	4.70%	81.67%	-3.40%	-3.40%
SIM CPI + 6%	3.21%	83.33%	-0.78%	-0.78%	11.61%	3.56%	86.11%	-1.44%	-1.44%	11.56%	3.59%	83.33%	-1.44%	-1.44%
STANLIB Absolute Plus Fund	3.08%	91.67%	-0.99%	-0.99%	12.56%	4.40%	77.78%	-1.20%	-1.20%	11.85%	4.26%	75.00%	-1.23%	-1.23%
MARKET STATISTICS														
Combination of old CPI-X and new CPI	1.81%				5.80%	1.54%				5.55%	1.35%			
Consumer Price Inflation (Old/New combined CPI)	1.81%				5.80%	1.54%				5.55%	1.35%			
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	1.81%				5.80%	1.54%				5.55%	1.35%			
STEFI	0.10%				5.75%	0.17%				5.76%	0.15%			

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 2015					
	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%
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%
SIM Absolute	8.65%	9.80%	11.69%	10.05%	13.51%
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%	10.26%	8.30%	17.79%	9.07%	+
Investment Solutions Stable Focus	11.75%	10.72%	17.62%	7.45%	10.32%
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 Fund	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 AIIclass	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%
Old Mutual Multi Managers 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 SEPTEMBER 2015					
	Calendar Year				
	2014	2013	2012	2011	2010
Headline CPI + 6%					
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	10.02%	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.

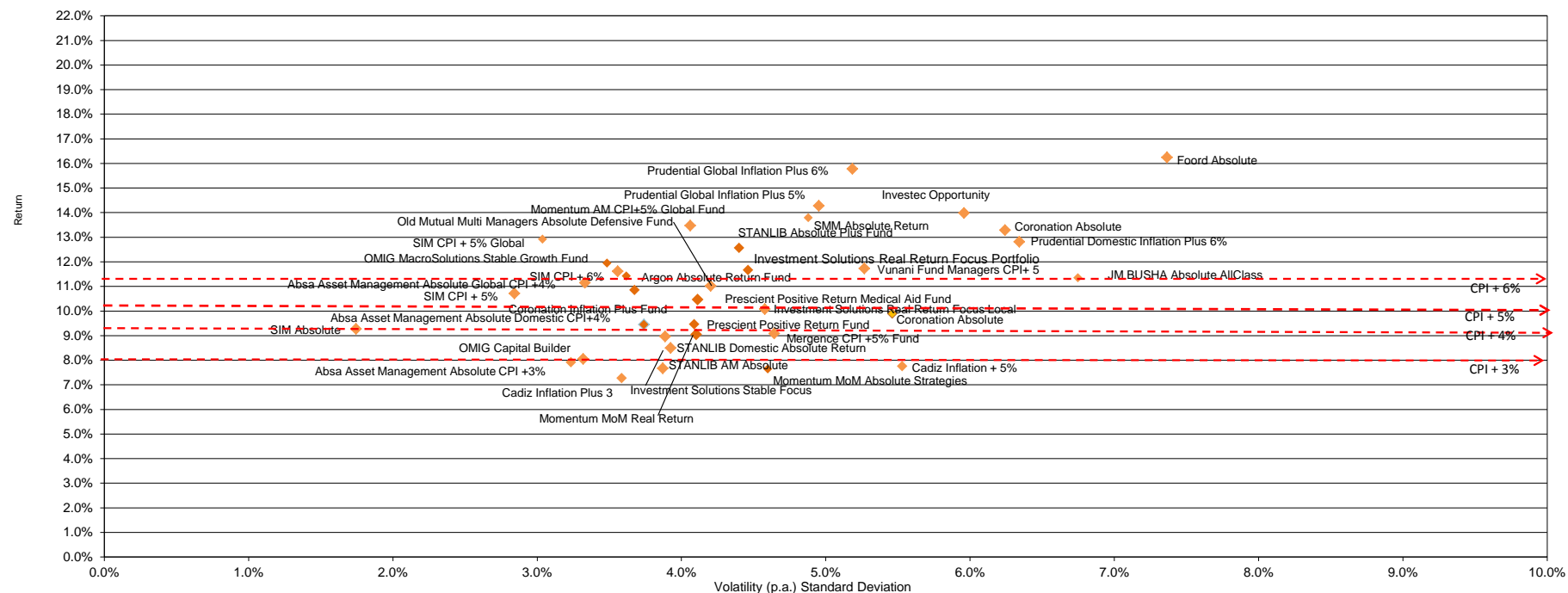
* Performance figures are shown gross of fees.

* 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

Volatility vs Return Scatterplot on Absolute Return Managers
for the 3 Years ended 30 September 2015



* 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/>