

**Medical - Aid Manager Watch™ Survey  
for the month ending March 2017**

Research & Product Development  
FINANCIAL SERVICES



# MEDICAL-AID MANAGER WATCH™ SURVEY

Objective - The portfolios in this Survey are targeted at Medical Aids and are bound by the restrictions imposed by Regulation 30 of the Medical Schemes Act.

| GENERAL INFORMATION   |             |                      |  |                           |                      |  |
|---|-------------|----------------------|--|---------------------------|----------------------|--|
|   | Notes       | Fund Classification  | Benchmark Description  | No. of funds in composite | Portfolio Size (R m) | Admin - efficiency : Date data submitted |
| <b>INVESTMENT MANAGERS</b>                                    |             |                      |  |                           |                      |  |
| <b>ABSOLUTE RETURN FUNDS</b>                                  |             |                      |  |                           |                      |  |
| Absa Asset Management Medical Aid Fund                        |             | Segregated           | Headline CPI+4%  | 3                         | 545                  | 07 April 2017                            |
| Argon Absolute Return Medical Fund                            |             | Segregated           | Headline CPI+4%  | 3                         | 1 192                | 13 April 2017                            |
| Coronation Medical Absolute                                   |             | Pooled               | Headline CPI +3%   | n/a                       | 1 319                | 11 April 2017                            |
| IS Medical Schemes Real Return Focus                          |             | Pooled Multi-Managed | Headline CPI +4%   | n/a                       | 611                  | 11 April 2017                            |
| OMIG MacroSolutions Medical Aid Portfolio                     |             | Segregated           | Headline CPI +4% (CPI +5% prior Dec 14)                          | 2                         | 755                  | 11 April 2017                            |
| Prescient Positive Return Medical Aid Fund                    |             | Segregated           | CPI + 3% (CPIX +3% prior Jan 09)                                 | 5                         | 789                  | 07 April 2017                            |
| Prudential Medical Aid Fund                                   |             | Segregated           | Headline CPI +5%   | 3                         | 1 482                | 06 April 2017                            |
| SIM Medical Aid Domestic Absolute                             |             | Pooled               | Headline CPI +5%   | 3                         | 1 672                | 12 April 2017                            |
| STANLIB Medical Investment Fund                               | Global Fund | Unit Trust           | Headline CPI +5%   | 1                         | 547                  | 11 April 2017                            |
| <b>MONEY MARKET FUNDS</b>                                     |             |                      |  |                           |                      |  |
| Aluwani Capital Partners - Medical Aid Money Market Composite |             |                      | STEFI  | 3                         | 2 603                | 18 April 2017                            |
| Cadiz African Harvest Core Money Market                       |             | Segregated           | STEFI  | 1                         | 254                  | 12 April 2017                            |
| Coronation Medical Cash                                       |             | Pooled               | STEFI  | n/a                       | 432                  | 11 April 2017                            |
| Investec Stable Money Fund                                    |             | Pooled               | STEFI  | n/a                       | 1 258                | 11 April 2017                            |
| MMI - Medical Aid Money Market                                |             | Segregated           | STEFI  | 1                         | 128                  | 18 April 2017                            |
| Nedgroup Investments Corporate Money Market Fund              |             | Pooled               | STEFI  | 1                         | 26 102               | 10 April 2017                            |
| SIM Enhanced Cash Medical                                     |             | Segregated           | STEFI  | 1                         | 39                   | 12 April 2017                            |
| Taquanta Core Cash  |             | Segregated           | STEFI  | 8                         | 6 660                | 18 April 2017                            |
| <b>BALANCED FUNDS</b>   |             |                      |  |                           |                      |  |
| Allan Gray Life Stable Medical Portfolio                      |             | Pooled               | Headline CPI +3%, Alexander Forbes 3 month Deposit Index plus 2% | n/a                       | 1 944                | 10 April 2017                            |
| Foord Medical   |             | Segregated           | 40% ALSI, 10% SAPY, 50% Call Rate + 2%                           | 2                         | 374                  | 13 April 2017                            |
| <b>INDICES</b>  |             |                      |  |                           |                      |  |
| <b>TOTAL</b>  |             |                      |  |                           | 48 706               |  |

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\* 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.

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Objective - The portfolios in this Survey are targeted at Medical Aids and are bound by the restrictions imposed by Regulation 30 of the Medical Schemes Act.

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 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 statistics below should these numbers be preferred for comparison purposes.

| INVESTMENT DATA TO THE END OF MARCH 2017                      |                  |           |           |           |              |           |           |           |                |           |            |                |           |            |                |           |                 |           |
|---|------------------|-----------|-----------|-----------|--------------|-----------|-----------|-----------|----------------|-----------|------------|----------------|-----------|------------|----------------|-----------|-----------------|-----------|
|   | PERFORMANCE DATA |           |           |           |              |           |           |           |                |           |            |                |           |            |                |           |                 |           |
|   | Month            |           | Quarter   |           | Year to Date |           | 1 Year    |           | 3 Years (p.a.) |           |            | 5 Years (p.a.) |           |            | 7 Years (p.a.) |           | 10 Years (p.a.) |           |
|   | Portfolio        | Benchmark | Portfolio | Benchmark | Portfolio    | Benchmark | Portfolio | Benchmark | Portfolio      | Benchmark | Volatility | Portfolio      | Benchmark | Volatility | Portfolio      | Benchmark | Portfolio       | Benchmark |
| <b>ABSOLUTE RETURN FUNDS</b>                                  |                  |           |           |           |              |           |           |           |                |           |            |                |           |            |                |           |                 |           |
| Absa Asset Management Medical Aid Fund                        | 0.09%            | 1.42%     | 1.35%     | 3.09%     | 1.35%        | 3.09%     | 6.95%     | 10.30%    | *              | *         | *          | *              | *         | *          | *              | *         | *               | *         |
| Argon Absolute Return Medical Fund                            | 1.03%            | 1.42%     | 2.59%     | 3.09%     | 2.59%        | 3.09%     | 6.10%     | 10.30%    | *              | *         | *          | *              | *         | *          | *              | *         | *               | *         |
| Coronation Medical Absolute                                   | 1.19%            | 1.34%     | 2.62%     | 2.85%     | 2.62%        | 2.85%     | 7.19%     | 9.30%     | 6.37%          | 8.73%     | 4.01%      | 8.72%          | 8.78%     | 4.15%      | 9.61%          | 8.54%     | 9.86%           | 9.36%     |
| IS Medical Schemes Real Return Focus                          | 0.68%            | 1.42%     | 1.88%     | 3.09%     | 1.88%        | 3.09%     | 6.74%     | 10.30%    | 6.95%          | 9.73%     | 3.11%      | 8.10%          | 9.78%     | 3.39%      | 8.10%          | 9.54%     | 9.49%           | 10.36%    |
| OMIG MacroSolutions Medical Aid Portfolio                     | 1.31%            | 1.42%     | 2.98%     | 2.85%     | 2.98%        | 2.85%     | 7.06%     | 9.33%     | 6.98%          | 8.88%     | 4.57%      | 9.00%          | 9.95%     | 4.58%      | 9.61%          | 10.00%    | 9.03%           | 11.12%    |
| Prescient Positive Return Medical Aid Fund                    | 0.86%            | 1.34%     | 1.12%     | 2.85%     | 1.12%        | 2.85%     | 4.92%     | 9.30%     | 6.68%          | 8.73%     | 2.84%      | 8.29%          | 8.78%     | 3.73%      | 7.48%          | 8.54%     | 8.92%           | 9.38%     |
| Prudential Medical Aid Fund                                   | 0.86%            | 1.50%     | 1.79%     | 3.34%     | 1.79%        | 3.34%     | 5.36%     | 11.30%    | 8.81%          | 10.73%    | 4.02%      | 11.09%         | 10.78%    | 4.71%      | 11.70%         | 10.54%    | *               | *         |
| SIM Medical Aid Domestic Absolute                             | 1.08%            | 1.50%     | 2.54%     | 3.34%     | 2.54%        | 3.34%     | 8.54%     | 11.30%    | 8.65%          | 10.73%    | 2.90%      | 10.02%         | 10.78%    | 2.98%      | 10.42%         | 10.54%    | *               | *         |
| STANLIB Medical Investment Fund                               | 2.70%            | 1.50%     | 3.15%     | 3.34%     | 3.15%        | 3.34%     | 7.03%     | 11.30%    | 8.16%          | 10.73%    | 3.73%      | 9.48%          | 10.78%    | 3.45%      | 8.98%          | 10.54%    | 8.65%           | 10.36%    |
| <b>MONEY MARKET FUNDS</b>                                     |                  |           |           |           |              |           |           |           |                |           |            |                |           |            |                |           |                 |           |
| Aluwani Capital Partners - Medical Aid Money Market Composite | 0.69%            | 0.63%     | 2.05%     | 1.84%     | 2.05%        | 1.84%     | 8.37%     | 1.59%     | 7.45%          | 6.78%     | 0.24%      | *              | *         | *          | *              | *         | *               | *         |
| Cadiz Money Market  | 0.69%            | 0.63%     | 2.01%     | 1.84%     | 2.01%        | 1.84%     | 8.04%     | 7.56%     | 7.06%          | 6.78%     | 0.88%      | 6.67%          | 6.20%     | 0.70%      | 6.60%          | 6.17%     | 7.82%           | 7.29%     |
| Coronation Medical Cash                                       | 0.71%            | 0.63%     | 2.09%     | 1.84%     | 2.09%        | 1.84%     | 8.73%     | 7.56%     | 7.73%          | 6.78%     | 0.23%      | *              | *         | *          | *              | *         | *               | *         |
| Investec Stable Money Fund                                    | 0.70%            | 0.63%     | 2.13%     | 1.84%     | 2.13%        | 1.84%     | 8.72%     | 7.56%     | 7.39%          | 6.78%     | 0.38%      | 6.83%          | 6.20%     | 0.35%      | 6.88%          | 7.62%     | 8.01%           | *         |
| MMI - Medical Aid Money Market                                | 0.73%            | 0.63%     | 2.10%     | 1.84%     | 2.10%        | 1.84%     | 8.74%     | 7.56%     | *              | *         | *          | *              | *         | *          | *              | *         | *               | *         |
| Nedgroup Investments Corporate Money Market Fund              | 0.68%            | 0.63%     | 2.00%     | 1.84%     | 2.00%        | 1.84%     | 8.27%     | 7.56%     | 7.29%          | 6.78%     | 0.22%      | *              | *         | *          | *              | *         | *               | *         |
| SIM Enhanced Cash Medical                                     | 0.70%            | 0.63%     | 2.17%     | 1.84%     | 2.17%        | 1.84%     | 9.09%     | 7.56%     | *              | *         | *          | *              | *         | *          | *              | *         | *               | *         |
| Taquantu Core Cash  | 0.76%            | 0.63%     | 2.22%     | 1.84%     | 2.22%        | 1.84%     | 9.23%     | 7.56%     | 7.89%          | 6.78%     | 0.67%      | 7.46%          | 6.20%     | 0.54%      | 7.45%          | 6.17%     | 8.47%           | *         |
| <b>BALANCED FUNDS</b>   |                  |           |           |           |              |           |           |           |                |           |            |                |           |            |                |           |                 |           |
| Allan Gray Life Stable Medical Portfolio                      | 0.82%            | 1.34%     | 2.22%     | 2.85%     | 2.22%        | 2.85%     | 7.80%     | 9.30%     | 9.29%          | 8.73%     | 2.87%      | 8.93%          | 8.78%     | 2.63%      | 9.07%          | 8.54%     | 9.57%           | 9.36%     |
| Foord Medical   | 1.00%            | 1.44%     | 2.31%     | 2.72%     | 2.31%        | 2.72%     | 6.62%     | 5.59%     | 7.49%          | 7.70%     | 3.97%      | 9.84%          | 10.21%    | 4.27%      | 10.37%         | 10.21%    | 9.49%           | 9.89%     |
| <b>STATISTICS</b>   |                  |           |           |           |              |           |           |           |                |           |            |                |           |            |                |           |                 |           |
| Combination of old CPIX and new CPI                           | 1.09%            |           | 2.11%     |           | 2.11%        |           | 6.30%     |           | 5.73%          |           | 1.51%      | 5.78%          |           | 1.44%      | 5.54%          |           | 6.38%           |           |
| Consumer Price Inflation (Old/New combined CPI)               | 1.09%            |           | 2.11%     |           | 2.11%        |           | 6.30%     |           | 5.73%          |           | 1.51%      | 5.78%          |           | 1.44%      | 5.54%          |           | 6.36%           |           |
| Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]   | 1.09%            |           | 2.11%     |           | 2.11%        |           | 6.30%     |           | 5.73%          |           | 1.51%      | 5.78%          |           | 1.44%      | 5.54%          |           | 6.19%           |           |
| Medical Consumer Price Inflation                              | 3.80%            |           | 4.24%     |           | 4.24%        |           | 6.65%     |           | 6.02%          |           | 3.36%      | 5.45%          |           | 3.26%      | 5.54%          |           | 6.24%           |           |
| FTSE / JSE All Share Index (Free Float)                       | 2.68%            |           | 3.78%     |           | 3.78%        |           | 2.53%     |           | 5.98%          |           | 9.86%      | 12.49%         |           | 10.48%     | 12.14%         |           | 9.83%           |           |
| FTSE / JSE SWIX All Share Index                               | 2.24%            |           | 3.30%     |           | 3.30%        |           | 1.59%     |           | 7.08%          |           | 9.77%      | 13.27%         |           | 9.97%      | 13.33%         |           | 10.61%          |           |
| Short Term Fixed Interest Rate Index                          | 0.63%            |           | 1.84%     |           | 1.84%        |           | 7.56%     |           | 6.78%          |           | 0.19%      | 6.78%          |           | 6.20%      | 6.17%          |           | 7.29%           |           |
| All Bond Index  | 0.40%            |           | 2.46%     |           | 2.46%        |           | 11.02%    |           | 7.45%          |           | 8.19%      | 7.38%          |           | 7.89%      | 8.32%          |           | 8.06%           |           |
| Number Of Participants  | 19               |           | 19        |           | 19           |           | 19        |           | 15             |           | 12         |                | 12        |            | 12             |           | 10              |           |

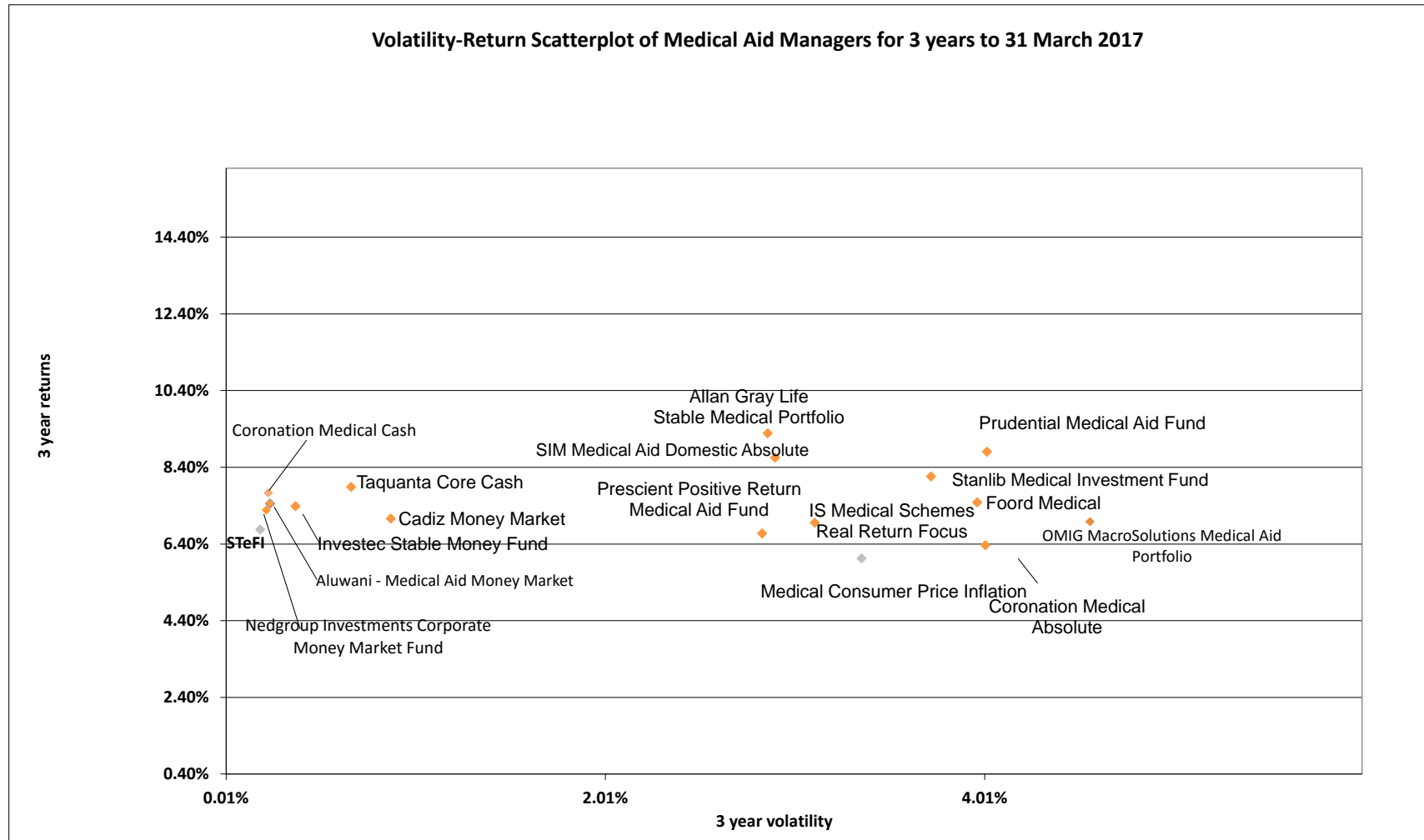
Inflation figures lagged by one month

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| EFFECTIVE ASSET ALLOCATION AT THE END OF MARCH 2017 |   |                                  |                              |            |                           |                             |                           |                             |           |   |                   |               |         |
|---|---|----------------------------------|------------------------------|------------|---------------------------|-----------------------------|---------------------------|-----------------------------|-----------|---|-------------------|---------------|---------|
|   | Benchmarks                              | S.A. Equities including property | S.A. Equities (ex. property) | S.A. Bonds | S.A. Real Estate (Listed) | S.A. Real Estate (unlisted) | S.A. Real Estate (Direct) | Total SA Immovable Property | S.A. Cash | S.A. Other including Domestic Commodities | Total S.A. Assets | International | Total   |
| <b>ABSOLUTE RETURN FUNDS</b>                        |   |                                  |                              |            |                           |                             |                           |                             |           |   |                   |               |         |
| Absa Asset Management Medical Aid Fund              | Headline CPI+4%                         | 22.48%                           | 14.61%                       | 44.70%     | 7.87%                     | 0.00%                       | 0.00%                     | 0.00%                       | 32.82%    | 0.00%                                     | 100.00%           | 0.00%         | 100.00% |
| Argon Absolute Return Fund                          | Headline CPI+4%                         | 35.17%                           | 31.53%                       | 33.05%     | 3.64%                     | 0.00%                       | 0.00%                     | 3.64%                       | 31.77%    | 0.00%                                     | 100.00%           | 0.00%         | 100.00% |
| Coronation Medical Absolute                         | Headline CPI +3%                        | 44.59%                           | 34.73%                       | 26.98%     | 9.86%                     | 0.00%                       | 0.00%                     | 0.00%                       | 20.93%    | 92.51%                                    | 7.50%             | 100.00%       | 100.00% |
| IS Medical Schemes Real Return Focus                | Headline CPI +4%                        | 32.08%                           | 25.34%                       | 20.15%     | 6.74%                     | 0.00%                       | 0.00%                     | 0.00%                       | 47.23%    | 0.54%                                     | 100.00%           | 0.00%         | 100.00% |
| OMIG MacroSolutions Medical Aid Portfolio           | Headline CPI +4% (CPI +5% prior Dec 14) | 43.27%                           | 34.20%                       | 24.78%     | 9.07%                     | 0.00%                       | 0.00%                     | 0.00%                       | 21.97%    | 3.59%                                     | 93.61%            | 6.39%         | 100.00% |
| Prescient Positive Return Medical Aid Fund          | CPI + 3% (CPIX +3% prior Jan 09)        | 29.34%                           | 29.34%                       | 0.00%      | 0.00%                     | 0.00%                       | 0.00%                     | 0.00%                       | 70.66%    | 0.00%                                     | 100.00%           | 0.00%         | 100.00% |
| Prudential Medical Aid Fund                         | Headline CPI +5%                        | 39.13%                           | 30.17%                       | 29.58%     | 8.96%                     | 0.00%                       | 0.00%                     | 8.96%                       | 20.87%    | 0.00%                                     | 89.58%            | 10.42%        | 100.00% |
| SIM Medical Aid Domestic Absolute                   | Headline CPI +5%                        | 28.91%                           | 28.25%                       | 10.26%     | 2.66%                     | 0.00%                       | 0.00%                     | 2.66%                       | 60.83%    | 0.00%                                     | 100.00%           | 0.00%         | 100.00% |
| STANLIB Medical Investment Fund*                    | Headline CPI +5%                        | 39.16%                           | 30.10%                       | 17.97%     | 9.06%                     | 0.00%                       | 0.00%                     | 9.06%                       | 34.67%    | 0.00%                                     | 91.80%            | 8.20%         | 100.00% |
| <b>BALANCED FUNDS</b>                               |   |                                  |                              |            |                           |                             |                           |                             |           |   |                   |               |         |
| Allan Gray Life Domestic Stable Medical Portfolio   | plus 2%                                 | 34.12%                           | 31.92%                       | 20.19%     | 2.20%                     | 0.00%                       | 0.00%                     | 0.00%                       | 41.04%    | 4.65%                                     | 100.00%           | 0.00%         | 100.00% |
| Foord Medical                                       | 40% ALSI, 10% SAPY, 50% Call Rate + 2%  | 39.91%                           | 36.30%                       | 14.33%     | 3.61%                     | 0.00%                       | 0.00%                     | 3.61%                       | 43.52%    | 2.24%                                     | 100.00%           | 0.00%         | 100.00% |

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## EXPLANATORY NOTES

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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.

### General :

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### 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.**

GIPS™ - Global Investment Performance Standards

[Ethical principles to achieve full disclosure and fair presentation of investment performance](#)