

**Medical - Aid Manager Watch™ Survey  
for the month ending September 2014**

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%	2	260	06 October 2014
Cadiz Medical Aid Fund		Segregated	Headline CPI +4%	2	290	14 October 2014
Coronation Medical Absolute		Pooled	Headline CPI +3%	n/a	1,370	14 October 2014
IS Medical Schemes Real Return Focus		Pooled Multi-Managed	Headline CPI +4%	n/a	474	15 October 2014
Momentum AM Medical Provider Fund		Pooled	CPI + 3% (CPIX +3% prior Jan 09)	1	107	14 October 2014
OMIG Capital Builder		Pooled	Headline CPI +4%	1	1,893	10 October 2014
Prescient Positive Return Medical Aid Fund		Segregated	CPI + 3% (CPIX +3% prior Jan 09)	7	815	14 October 2014
Prudential Medical Aid Fund		Segregated	Headline CPI +5%	2	737	03 October 2014
SIM Medical Aid Domestic Absolute		Segregated	Headline CPI +5%	2	563	06 October 2014
STANLIB Medical Investment Fund	Global Fund	Pooled (Unit Trust)	Headline CPI +5%	1	251	14 October 2014
Taquanta Medical Absolute		Pooled	Headline CPI +4.5%	2	724	14 October 2014
<b>MONEY MARKET FUNDS</b>						
Cadiz African Harvest Core Money Market		Segregated	STEFI	1	202	14 October 2014
Gryphon Domestic Specialist MM		Segregated	STEFI	2	822	06 October 2014
Investec Stable Money Fund		Pooled	STEFI	n/a	1,387	14 October 2014
Momentum AM Medical Money Market Fund		Segregated	STEFI	3	1,772	14 October 2014
Nedgroup Investments Corporate Money Market Fund		Pooled	STEFI	n/a	6,592	07 October 2014
SIM Enhanced Cash Medical		Pooled	STEFI	1	32	06 October 2014
Taquanta Medical Cash		Segregated	STEFI	6	6,052	14 October 2014
<b>BALANCED FUNDS</b>						
Allan Gray Life Stable Medical Portfolio		Pooled	Headline CPI +3%, Alexander Forbes 3 month Deposit Index plus 2%	1	1,518	07 October 2014
Foord Medical		Segregated	40% ALSI, 10% SAPY, 50% Call Rate + 2%	1	245	13 October 2014
OMIG MacroSolutions Medical Aid Portfolio		Segregated	Headline CPI +5%	1	513	10 October 2014
<b>INDICES</b>						
<b>TOTAL</b>					26,359	

\* 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".

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# 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.**

**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 SEPTEMBER 2014																		
	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	0.14%	0.69%	1.28%	2.45%	7.38%	8.60%	9.42%	10.42%	*	*	*	*	*	*	*	*	*	*
Cadiz Medical Aid Fund	-0.92%	0.69%	-1.28%	2.45%	2.61%	8.60%	3.99%	10.42%	*	*	*	*	*	*	*	*	*	*
Coronation Medical Absolute	-0.90%	0.61%	0.64%	2.20%	7.20%	7.86%	9.82%	9.42%	12.89%	8.93%	3.96%	12.51%	8.33%	4.00%	11.48%	9.39%	14.78%	9.08%
IS Medical Schemes Real Return Focus	-0.32%	0.69%	0.92%	2.45%	7.27%	8.60%	9.80%	10.42%	10.07%	9.93%	3.49%	9.78%	9.33%	3.39%	10.37%	10.39%	12.73%	10.08%
Momentum AM Medical Provider Fund	0.00%	0.61%	1.06%	2.20%	6.65%	7.86%	9.66%	9.42%	10.89%	8.93%	3.73%	10.55%	8.33%	4.52%	9.35%	9.45%	12.45%	9.12%
OMIG Capital Builder	-0.32%	0.69%	0.88%	2.45%	6.83%	8.60%	10.53%	10.42%	9.83%	9.93%	3.25%	8.11%	9.33%	3.42%	*	*	*	*
Prescient Positive Return Medical Aid Fund	-0.43%	0.61%	0.54%	2.20%	6.70%	7.86%	10.12%	9.42%	9.66%	8.93%	4.29%	8.58%	8.33%	3.64%	9.43%	9.45%	12.67%	9.12%
Prudential Medical Aid Fund	-0.24%	0.77%	1.52%	2.69%	8.55%	9.34%	12.18%	11.42%	15.42%	10.93%	4.96%	14.36%	10.33%	5.31%	12.01%	11.39%	*	*
SIM Medical Aid Domestic Absolute	-0.10%	0.77%	1.06%	2.69%	6.86%	9.34%	10.30%	11.42%	12.57%	10.93%	2.96%	11.89%	10.33%	3.22%	*	*	*	*
STANLIB Medical Investment Fund	-0.74%	0.77%	0.25%	2.69%	5.50%	9.34%	8.05%	11.42%	11.53%	10.93%	2.77%	8.86%	10.33%	3.67%	8.27%	11.39%	*	*
Taquantu Medical Absolute	-0.09%	0.73%	-0.05%	2.57%	3.26%	8.97%	4.11%	10.92%	4.59%	10.43%	1.75%	6.44%	9.83%	1.62%	7.89%	10.89%	*	*
<b>MONEY MARKET FUNDS</b>																		
Cadiz African Harvest Core Money Market	0.53%	0.52%	-0.43%	1.50%	2.72%	4.29%	4.35%	5.64%	5.43%	5.49%	1.19%	6.06%	5.92%	0.96%	7.61%	7.28%	7.78%	7.41%
Gryphon Domestic Specialist MM	0.52%	0.52%	1.57%	1.50%	4.52%	4.29%	5.94%	5.64%	5.80%	5.49%	0.10%	6.33%	5.92%	0.25%	7.66%	7.28%	7.83%	7.41%
Investec Stable Money Fund	0.52%	0.52%	1.21%	1.50%	4.21%	4.29%	5.73%	5.64%	6.03%	5.49%	0.23%	6.61%	5.92%	0.30%	7.96%	7.62%	*	*
Momentum AM Medical Money Market Fund	0.50%	0.52%	1.52%	1.50%	4.54%	4.29%	5.96%	5.64%	*	*	*	*	*	*	*	*	*	*
Nedgroup Investments Corporate Money Market Fund	0.52%	0.52%	1.56%	1.50%	4.51%	4.29%	5.95%	5.64%	*	*	*	*	*	*	*	*	*	*
SIM Enhanced Cash Medical	0.53%	0.52%	1.48%	1.50%	4.48%	4.29%	6.07%	5.64%	*	*	*	*	*	*	*	*	*	*
Taquantu Medical Cash	0.81%	0.52%	1.00%	1.50%	4.58%	4.29%	6.32%	5.64%	6.71%	5.49%	0.65%	7.12%	5.92%	0.53%	8.42%	7.28%	8.38%	*
<b>BALANCED FUNDS</b>																		
Allan Gray Life Stable Medical Portfolio	0.55%	0.61%	1.20%	2.20%	8.84%	7.86%	11.10%	9.42%	8.73%	8.93%	2.02%	9.15%	8.33%	1.80%	9.86%	9.39%	12.37%	9.08%
Foord Medical	0.27%	-0.37%	1.04%	1.29%	6.98%	8.47%	10.22%	11.70%	14.44%	14.36%	4.27%	12.65%	12.95%	4.32%	10.14%	10.54%	13.91%	14.24%
OMIG MacroSolutions Medical Aid Portfolio	-1.05%	0.77%	0.20%	2.69%	6.55%	9.34%	8.96%	11.42%	12.46%	10.93%	4.26%	11.59%	10.33%	4.32%	10.00%	11.39%	13.19%	10.62%
<b>STATISTICS</b>																		
Combination of old CPIX and new CPI	0.36%	1.46%	5.61%	6.42%	5.93%	1.26%	5.33%	1.20%	6.45%	6.12%								
Consumer Price Inflation (Old/New combined CPI)	0.36%	1.46%	5.61%	6.42%	5.93%	1.26%	5.33%	1.20%	6.39%	6.08%								
Consumer Price Inflation excluding OER [I-Net code: AECPIXU]	0.36%	1.46%	5.80%	6.51%	6.11%	1.37%	5.44%	1.31%	6.47%	6.13%								
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	0.36%	1.46%	5.61%	6.42%	5.93%	1.26%	5.33%	1.20%	6.27%	5.62%								
Medical Consumer Price Inflation	-0.27%	0.64%	5.17%	5.47%	5.20%	3.40%	5.56%	3.84%	6.54%	6.33%								
FTSE / JSE All Share Index (Free Float)	-2.58%	-2.13%	9.39%	15.44%	22.18%	11.13%	18.01%	12.33%	10.58%	18.77%								
FTSE / JSE SWIX All Share Index	-2.43%	-0.50%	11.25%	17.98%	23.34%	9.57%	18.94%	11.17%	12.02%	19.65%								
Short Term Fixed Interest Rate Index	0.52%	1.50%	4.29%	5.64%	5.49%	0.11%	5.92%	0.21%	7.28%	7.41%								
All Bond Index	-1.61%	2.21%	5.66%	5.79%	8.48%	6.63%	9.30%	6.19%	8.78%	8.89%								
Number Of Participants	21	21	21	21	16	16	14	10										

Inflation figures lagged by one month

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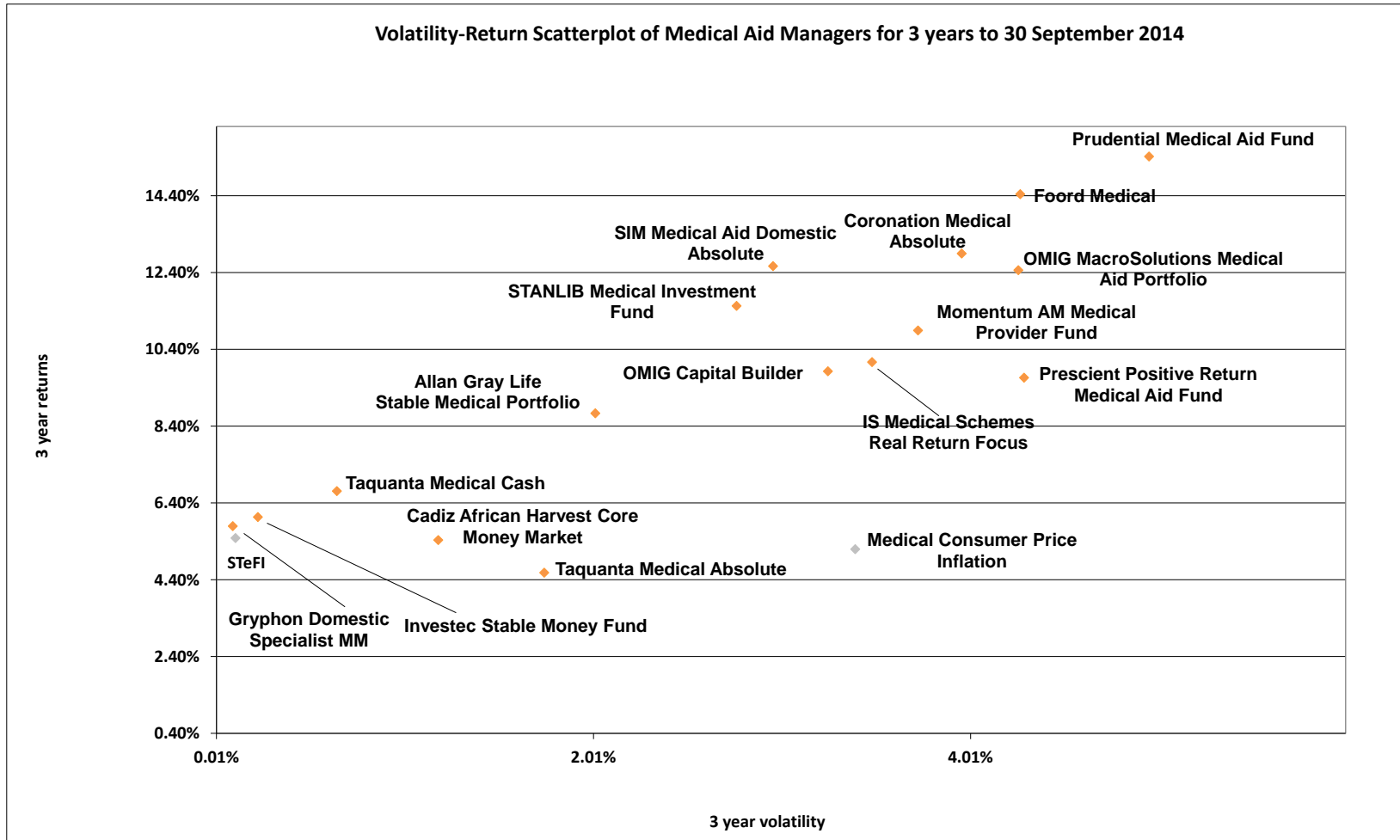
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EFFECTIVE ASSET ALLOCATION AT THE END OF SEPTEMBER 2014													
	Benchmarks	S.A. Equities including property	S.A. Equities (ex. property)	S.A. Bonds	S.A. Real Estate (Listed)	S.A. Real Estate (unlisted)	S.A. Real Estate (Direct)	Total SA Immovable 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%	26.19%	16.55%	45.16%	9.64%	0.00%	0.00%	9.64%	28.65%	0.00%	100.00%	0.00%	100.00%
Cadiz Medical Aid Fund	Headline CPI +4%	34.43%	27.06%	11.84%	7.38%	0.00%	0.00%	7.38%	53.72%	0.00%	100.00%	0.00%	100.00%
Coronation Medical Absolute	Headline CPI +4.5%	41.72%	31.82%	17.04%	9.89%	0.00%	0.00%	9.89%	39.64%	1.61%	100.00%	0.00%	100.00%
IS Medical Schemes Real Return Focus	Headline CPI +4%	30.44%	23.63%	16.96%	0.00%	6.81%	0.00%	6.81%	51.95%	0.65%	100.00%	0.00%	100.00%
Momentum AM Medical Provider Fund	CPIX +3%	26.02%	24.34%	17.60%	1.68%	0.00%	0.00%	1.68%	52.76%	0.00%	96.38%	3.62%	100.00%
OMIG Capital Builder	Headline CPI +4%	25.11%	23.64%	13.13%	1.47%	0.00%	0.00%	1.47%	61.76%	0.00%	100.00%	0.00%	100.00%
Prescient Positive Return Medical Aid Fund	CPIX +3%	22.20%	22.20%	0.00%	0.00%	0.00%	0.00%	0.00%	77.80%	0.00%	100.00%	0.00%	100.00%
Prudential Medical Aid Fund	Headline CPI +6%	39.75%	29.65%	34.47%	10.10%	0.00%	0.00%	10.10%	20.60%	0.00%	94.82%	5.18%	100.00%
SIM Medical Aid Domestic Absolute	Headline CPI +5%	25.34%	22.19%	11.13%	0.00%	3.15%	0.00%	3.15%	63.53%	0.00%	100.00%	0.00%	100.00%
STANLIB Medical Investment Fund*	Headline CPI +5%	13.93%	13.93%	47.17%	0.00%	0.00%	0.00%	0.00%	27.90%	11.00%	100.00%	0.00%	100.00%
Taquanta Medical Aid Composite	Headline CPI +4.5%	0.52%	0.52%	0.00%	0.00%	0.00%	0.00%	0.00%	99.48%	0.00%	100.00%	0.00%	100.00%
<b>BALANCED FUNDS</b>													
Allan Gray Life Domestic Stable Medical Portfolio	Headline CPI +3%	23.87%	19.75%	11.94%	4.12%	0.00%	0.00%	4.12%	58.67%	5.52%	100.00%	0.00%	100.00%
Foord Medical	50% domestic bonds: 50% domestic equities	40.97%	31.55%	16.50%	9.42%	0.00%	0.00%	9.42%	42.53%	0.00%	100.00%	0.00%	100.00%
OMIG Macro Strategy Investments Medical Aid Portfolio	Headline CPI +5%	35.54%	28.86%	36.53%	6.68%	0.00%	0.00%	6.68%	20.11%	2.88%	95.06%	4.94%	100.00%

# MEDICAL-AID MANAGER WATCH™ SURVEY

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## EXPLANATORY NOTES

[Index](#)

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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.**

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