



**S.A Bond Manager Watch™ Survey
for the month ending March 2015**

Research & Product Development
FINANCIAL SERVICES


ALEXANDERFORBES
Securing your financial well-being

COMMENTARY

SURVEY NOTES

The SA Bond Manager Watch™ Survey focuses on specialist fixed income mandates invested in South African denominated interest rate/ debt/ inflation linked instruments with an effective modified duration mandate of +/- 2 years around the All Bond Index (ALBI) benchmark. The SA Bond Manager Watch™ Survey is made up of 2 categories; with the following being material changes within each category over the first quarter of 2015:

Bond Manager Watch™ (Specialist Bonds): No changes

Bond Manager Watch™ (Inflation Linked Bonds): No changes

It should be noted that historic performance is not indication of future performance nor is it a direct indicator of skill. Although all specialist bond funds use the ALBI as its benchmark, a manager may have different mandates allowing exposure to unlisted instruments, derivatives or even exposure to lower credit ratings. The current positioning and exposure of a fund is more relevant to an investment strategy than its historic performance. Please use all information within this survey and interpretations therefrom cautiously. Use an asset consultant or professional advisor when matching your liabilities to appropriate assets and fund strategies.

SOURCES OF PERFORMANCE: BOND FUNDS

The main sources of performance for Bond funds are:

- Portfolio positioning: Choosing the term structures across the yield curve that you wish to be exposed to, based on the expected interest rate changes to the yield curve. You would want to be exposed more to parts of the curve that is expected to have declining yields and less to rising yields. (Money market instruments being an exception).
- Credit yield pick-up: Purchasing instruments issued by parties with a credit spread over government based issuance. Issuers with lower credit ratings offer similar term instruments at better interest rates to offset the possible risk of default.
- Managing the portfolio term (duration): Adjusting the overall portfolio term (duration) to be longer or shorter than the ALBI benchmark based on interest rate forecasts. Usually longer term instruments provide additional return to compensate for the term risk.
- Trading: Taking advantage of short term mispricing; or using alternate instruments such as derivatives, FRA's and swaps for yield enhancement.
- Other: Other sources would include convexity optimisation, carry trades, convertible bonds, taking advantage of arbitrage between markets, fixed versus floating rates, nominal versus real rates.

COMMENTARY

MARKET DYNAMICS THAT INFLUENCED PERFORMANCE AND STRATEGY OVER Q1 2015

The ALBI continued its positive momentum from Q4 2014, posting 3% for the quarter in Rand terms with its strongest month being January (6.5%) and weakest February (-2.8%). ILBs followed suit although quarterly performance was only marginally positive (0.2%).

The South African Reserve Bank's Monetary Policy Committee (MPC) has left the repo rate unchanged since August 2014. Inflationary pressures and the weak Rand prevail, signalling that an interest rate increase may be coming soon. The Reserve Bank has forecast inflation to be substantially higher than the current level of 3.9% inflation rate for 2015 and 2016, expected at 4.8% and 5.9% respectively. Simultaneously, GDP growth outlook for 2015 has been left unchanged at 2.2% with next year's figure expected to be 2.3%.

The Rand remains at risk of further weakening due to the nation's large current account deficit and possible interest rate hikes in the U.S. leading to potential capital outflows. The current account ran a deficit of R198 billion in Q4 2014, with the last four quarters averaging a deficit of approximately R205 billion. The strong U.S. Dollar and further Rand weakness will be negative for inflation as the impact from higher Rand oil prices filters through. Apart from these risks, load shedding and high electricity tariffs pose further impediment to the country's growth outlook.

Yields across the curve rose for the quarter, with the long end of the curve most affected in March. Long maturity bonds (12+ years) were the worst performing maturity segment in March even though for the quarter it remains the best performing (4%) compared to the other bond maturity segments. Short term maturity bonds (1-3 years) provided the least amount of return for the quarter (1.8%) even though it was the best performing segment for March.

HOW THE MANAGERS PERFORMED OVER THE Q1 2015

Bond performance diminished over the quarter with the average manager earning 2.58%, compared to 3.76% in Q4 2014. 1 year performance dispersion between specialist bond managers has widened for the quarter to 6.67% compared to 5.73% last quarter.

The best performing specialist bond composite for the quarter continues to be Futuregrowth Yield Enhanced, returning 15.93% over a 1 year basis, outperforming the ALBI by 3.48%. The quarter saw more managers underperforming the ALBI (55% or 11 out of 20) relative to last quarter (45% or 9 out of 20). The bottom three performers were Investec Corporate Bond, Investec Triple Alpha and Atlantic Bond composites.

Specialist bond composite managers are on average 0.17 lower in duration relative to the ALBI, with Futuregrowth Core Bond and Futuregrowth Yield Enhanced composites having the highest duration for the quarter. A similar situation was seen last quarter with both of these composites having the highest durations. The use of credit in the specialist bond composites proliferates with the average fund having only 55.85% invested in AAA instruments, down from last quarter's average of 57.59%.

In terms of ILB composites, Momentum AM Inflation Linked Bond composite performed the best on a 1 year basis (9.91%), beating its benchmark by 33 bps. Prudential Inflation Linked Bond gave the least amount of returns over the quarter, posting 8.55% on a 1 year basis with Coronation Absolute Bond composite still possessing the lowest duration (0.02) relative to the other ILB composites.

It should be noted that Futuregrowth Yield Enhanced, Prescient Bond Quant and Prescient Bond Quant Plus composites are not Regulation 28 compliant composites. This would allow greater flexibility in fund management which could result in significantly different performance outcomes and risk profiles.

S.A. BOND MANAGER WATCH™

Objective - The portfolios included in this Survey represent specialist bond portfolios with ALBI as their benchmark and have an effective modified duration mandate of +/- 2 years around the ALBI

GENERAL INFORMATION									
	GIPS™ (Verified/ Compliant)	Notes	Managed ito Regulation 28? (Y/N)	Benchmark Description	Portfolio Modified Duration	% Invested in AAA rated instruments	No.of funds in composite	Portfolio Size (R m)	Admin - efficiency : Date data submitted
INVESTMENT MANAGERS									
SPECIALIST BONDS									
Argon Domestic Core Bond	C		Y	All Bond Index	6.23	57.94%	4	737	13 April 2015
Atlantic Bond Composite	C		Y	All Bond Index	6.55	75.49%	3	700	14 April 2015
Cadiz Houseview Bond Fund	V		Y	All Bond Index	6.34	66.93%	7	3 186	14 April 2015
Coronation Active Bond Portfolio (Composite)	C		Y	All Bond Index	6.95	38.66%	8	9 211	15 April 2015
Coronation Strategic Bond Composite	C		Y	All Bond Index	6.48	30.95%	7	4 206	15 April 2015
Futuregrowth Core Bond Composite	C		Y	All Bond Index	7.12	67.54%	4	19 526	15 April 2015
Futuregrowth Yield Enhanced	C		N	All Bond Index	7.08	24.55%	5	5 661	15 April 2015
Investec Corporate Bond Composite	V		Y	All Bond Index	6.46	23.00%	3	13 317	14 April 2015
Investec Triple Alpha	V		Y	All Bond Index	6.75	58.37%	16	3 661	14 April 2015
Investment Solutions Pure Fixed Interest Portfolio	n/a		Y	All Bond Index	5.84	55.86%	0	4 847	16 April 2015
JM BUSHA BondPlus	C		Y	All Bond Index	6.92	84.76%	3	881	10 April 2015
Momentum AM Bond Fund	C		Y	All Bond Index	6.63	74.39%	10	9 535	13 April 2015
Momentum MoM Moderate Bond FOF	Y		Y	All Bond Index	5.87	59.55%	1	213	13 April 2015
Pan Africa AM Segregated Domestic Bond	V		Y	All Bond Index	6.49	41.23%	6	2 051	13 April 2015
Prescient Bond Quant	V		N	All Bond Index	6.65	62.20%	2	471	13 April 2015
Prescient Bond QuantPlus	V		N	All Bond Index	5.79	49.60%	10	7 190	13 April 2015
Prudential Yield Enhanced Portfolio	V		Y	All Bond Index	6.49	58.70%	7	2 689	07 April 2015
SIM Institutional Total Return Bond Fund	V		Y	All Bond Index	6.98	81.61%	15	7 323	08 April 2015
Stanlib Core Bond Portfolio	V		Y	All Bond Index	6.60	57.00%	8	5 188	13 April 2015
Vunani Active Bond Fund	V		Y	All Bond Index	6.71	48.68%	6	868	13 April 2015
		<i>This includes multi-managers thus must be noted as possible "double-counting"</i>		TOTAL				100 024	
INFLATION LINKED BONDS									
Coronation Absolute Bond Portfolio	C		N	CPI + 4%pa	0.02	4.91%	2	7 543	15 April 2015
Investec Inflation Linked Bond Composite	V		Y	Barclays - BESA SA Inflation Linked Index	11.63	88.42%	3	3 105	14 April 2015
Momentum AM Inflation Linked Bond Fund	C		Y	Barclays - BESA SA Inflation Linked Index	11.479	71.70%	4	1 385	13 April 2015
Prescient Inflation Linked Bond Composite	V		N	90 ILBI / 10 STEFI Call	9.63	68.10%	4	3 156	13 April 2015
Prudential Inflation Linked Bond Fund	V		Y	Barclays South Africa Inflation Linked Index	11.65	78.71%	1	221	07 April 2015
SIM Inflation Linked Bond Fund	V		Y	Barclays BESA Govt Inflation-linked Bond Index	11.33	81.76%	2	3 665	08 April 2015
INDICES									
All Bond Index					6.72				
		<i>This includes multi-managers thus must be noted as possible "double-counting"</i>		TOTAL				19 075	

* Characteristics are updated on a quarterly basis. Last update June 2013

* 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.

S.A. BOND MANAGER WATCH™ SURVEY

Objective - The portfolios included in this Survey represent specialist bond portfolios with ALBI as their benchmark and have an effective modified duration mandate of +/- 2 years around the ALBI

	INVESTMENT DATA TO THE END OF MARCH 2015																									
	PERFORMANCE DATA																									
	Month	Rank	Quarter	Rank	Year to Date	Rank	1 Year	Rank	3 Years (p.a.)	Rank	5 Years (p.a.)	Rank	7 Years (p.a.)	Rank	10 Years (p.a.)	Rank	Calendar Year 2014	Calendar Year 2013	Calendar Year 2012	Calendar Year 2011	Calendar Year 2010					
	SPECIALIST BONDS																									
Argon Domestic Core Bond	-0.51%	12	3.50%	2	3.50%	2	12.89%	4	10.85%	2	10.23%	15	10.44%	18	*	11.08%	5	2.69%	5	18.55%	2	6.81%	19	13.81%	18	
Atlantic Bond Composite	-0.62%	17	2.81%	20	2.81%	20	10.88%	18	*	*	*	*	*	*	*	10.65%	7	2.32%	*	*	*	*	*	*		
Cadiz Houseview Bond Fund	-0.39%	4	3.30%	4	3.30%	4	11.55%	16	9.68%	9	10.41%	12	10.96%	10	9.79%	5	9.98%	13	1.93%	11	17.14%	11	8.98%	18	16.07%	12
Coronation Active Bond Portfolio (Composite)	-0.54%	16	3.00%	16	3.00%	16	12.73%	6	10.34%	4	11.00%	3	11.24%	4	9.96%	2	11.33%	3	2.30%	9	17.66%	5	9.85%	5	15.86%	13
Coronation Strategic Bond Composite	-0.43%	6	3.29%	5	3.29%	5	13.60%	2	10.84%	3	11.36%	2	11.74%	3	*	11.69%	2	2.76%	4	18.25%	3	9.70%	8	16.34%	9	
Futuregrowth Core Bond Composite	-0.62%	18	3.28%	7	3.28%	7	13.02%	3	9.99%	5	10.59%	9	10.97%	9	9.68%	12	10.33%	8	2.10%	10	17.30%	7	9.35%	13	16.39%	8
Futuregrowth Yield Enhanced	-0.49%	9	3.96%	1	3.96%	1	15.93%	1	12.04%	1	12.64%	1	12.75%	1	11.16%	1	12.81%	1	3.29%	1	19.59%	1	11.27%	2	18.44%	2
Investec Corporate Bond Composite	-0.35%	2	3.33%	3	3.33%	3	9.26%	20	9.21%	16	10.94%	4	11.80%	2	*	7.08%	20	3.22%	2	17.16%	9	11.56%	1	18.70%	1	
Investec Triple Alpha	-0.52%	14	3.04%	13	3.04%	13	10.67%	19	9.11%	17	10.19%	16	10.83%	15	*	8.83%	19	1.91%	12	16.49%	14	9.82%	6	16.48%	7	
Investment Solutions Pure Fixed Interest Portfolio	-0.89%	20	2.83%	19	2.83%	19	12.56%	9	9.81%	7	10.39%	13	10.84%	14	9.69%	11	11.08%	4	2.40%	7	16.05%	16	9.27%	14	15.52%	15
JM BUSHA BondPlus	-0.69%	19	2.99%	17	2.99%	17	12.00%	14	8.95%	19	9.63%	19	9.81%	19	*	9.59%	18	1.28%	20	15.97%	17	9.16%	16	13.64%	19	
Momentum AM Bond Fund	-0.34%	1	3.25%	8	3.25%	8	12.68%	7	9.65%	10	10.45%	10	11.20%	6	9.87%	3	10.27%	10	1.36%	19	17.17%	8	9.58%	10	16.30%	10
Momentum MoM Moderate Bond FOF	-0.37%	3	3.07%	11	3.07%	11	12.58%	8	9.53%	13	10.35%	14	10.91%	12	9.75%	7	10.22%	11	1.63%	17	16.44%	15	9.38%	12	15.82%	14
Pan Africa AM Segregated Domestic Bond	-0.50%	10	2.95%	18	2.95%	18	12.25%	12	9.51%	14	10.44%	11	10.89%	13	9.73%	8	10.31%	9	1.72%	14	16.63%	13	9.14%	17	16.74%	5
Prescient Bond Quant	-0.50%	11	3.05%	12	3.05%	12	12.43%	10	9.24%	15	9.97%	17	10.55%	17	9.41%	13	10.12%	12	1.60%	18	15.55%	18	9.46%	11	15.40%	16
Prescient Bond QuantPlus	-0.45%	7	3.12%	10	3.12%	10	12.20%	13	9.05%	18	9.66%	18	10.59%	16	9.72%	10	9.66%	16	3	13.54%	19	9.17%	15	14.91%	17	
Prudential Yield Enhanced Portfolio	-0.52%	15	3.04%	14	3.04%	14	11.78%	15	9.57%	12	10.84%	5	11.15%	7	9.86%	4	9.86%	14	1.78%	13	17.14%	10	11.27%	4	17.30%	3
SIM Institutional Total Return Bond Fund	-0.48%	8	3.25%	9	3.25%	9	12.77%	5	9.75%	8	10.66%	7	11.02%	8	9.72%	9	10.67%	6	1.70%	15	16.69%	12	9.67%	9	16.82%	4
Stanlib Core Bond Portfolio	-0.42%	5	3.01%	15	3.01%	15	12.39%	11	9.62%	11	10.59%	8	10.94%	11	9.79%	6	9.61%	17	1.66%	16	17.77%	4	10.61%	3	16.26%	11
Vunani Active Bond Fund	-0.51%	13	3.29%	6	3.29%	6	11.55%	17	9.91%	6	10.69%	6	11.23%	5	*	9.69%	15	2.41%	6	17.56%	6	9.74%	7	16.72%	6	
	SPECIALIST BONDS STATISTICS																									
Highest	-0.34%		3.96%		3.96%		15.93%		12.04%		12.64%		12.75%		11.16%		12.81%		3.29%		19.59%		11.56%		18.70%	
Upper Quartile	-0.43%		3.29%		3.29%		12.74%		9.95%		10.77%		11.22%		9.86%		10.77%		2.48%		17.61%		9.83%		16.73%	
Median	-0.50%		3.09%		3.09%		12.32%		9.62%		10.44%		10.94%		9.74%		10.17%		2.02%		17.14%		9.58%		16.30%	
Average	-0.51%		3.17%		3.17%		12.19%		9.73%		10.51%		10.99%		9.85%		10.24%		2.15%		16.98%		9.64%		16.19%	
Lower Quartile	-0.53%		3.01%		3.01%		11.72%		9.37%		10.29%		10.84%		9.72%		9.69%		1.69%		16.47%		9.22%		15.67%	
Lowest	-0.89%		2.81%		2.81%		8.95%		8.95%		9.63%		9.81%		9.41%		7.08%		1.28%		13.54%		6.81%		13.64%	
Range	0.54%		1.15%		1.15%		6.67%		3.10%		3.01%		2.94%		1.75%		5.73%		2.01%		6.05%		4.75%		5.05%	
Number of participants	20		20		20		20		19		19		19		13		20		20		19		19		19	
	INFLATION LINKED BONDS																									
Coronation Absolute Bond Portfolio	0.21%		1.58%		1.58%		8.66%		8.41%		10.98%		11.53%		10.63%		8.51%		4.56%		13.44%		13.88%		15.66%	
Investec Inflation Linked Bond Composite	0.56%		0.43%		0.43%		9.47%		9.25%		*		*		*		10.91%		1.11%		18.81%		13.56%		*	
Momentum AM Inflation Linked Bond Fund	0.68%		0.71%		0.71%		9.91%		9.58%		11.18%		*		*		10.86%		1.21%		19.73%		13.48%		12.00%	
Prescient Inflation Linked Bond Composite	0.42%		0.32%		0.32%		8.84%		*		*		*		*		10.22%		*		15.63%		11.45%		10.92%	
Prudential Inflation Linked Bond Fund	0.54%		0.23%		0.23%		8.55%		9.26%		11.09%		10.25%		*		10.33%		1.14%		19.98%		13.32%		11.59%	
SIM Inflation Linked Bond Fund	0.64%		0.45%		0.45%		9.57%		9.32%		*		*		*		10.87%		1.12%		19.39%		*		*	
	INFLATION LINKED BONDS STATISTICS																									
Highest	0.68%		1.58%		1.58%		9.91%		9.58%		11.18%		11.53%		*		10.91%		4.56%		19.98%		13.88%		15.66%	
Upper Quartile	0.62%		0.65%		0.65%		9.54%		9.32%		11.13%		11.21%		*		10.87%		1.21%		19.64%		13.56%		12.92%	
Median	0.55%		0.44%		0.44%		9.16%		9.26%		11.09%		10.89%		*		10.60%		1.14%		19.10%		13.48%		11.79%	
Average	0.51%		0.62%		0.62%		9.17%		9.17%		11.08%		10.89%		*		10.29%		1.83%		17.83%		13.14%		12.54%	
Lower Quartile	0.45%		0.35%		0.35%		8.71%		9.25%		11.03%		10.57%		*		10.25%		1.12%		16.42%		13.32%		11.42%	
Lowest	0.21%		0.23%		0.23%		8.55%		8.41%		10.98%		10.25%		*		8.51%		1.11%		13.44%		11.45%		10.92%	
Range	0.47%		1.35%		1.35%		1.36%		1.17%		0.21%		1.28%		*		2.40%		3.44%		6.55%		2.43%		4.75%	
Number of participants	6		6		6		6		5		3		2		*		6		5		6		5		4	
	INDICES																									
All Bond Index	-0.53%		2.99%		2.99%		12.44%		8.96%		9.67%		10.05%		8.89%		10.15%		0.64%		15.99%		8.82%		14.96%	
1-3 Year Bond Index	0.17%		1.79%		1.79%		7.36%		6.23%		7.14%		8.18%		7.91%		6.23%		4.42%		8.30%		8.90%		8.75%	
3-7 Year Bond Index	-0.32%		2.31%		2.31%		10.94%		7.65%		9.64%		8.59%		7.90%		7.90%		1.46%		13.65%		10.18%		12.79%	
7-12 Year Bond Index	-0.55%		2.98%		2.98%		12.34%		8.73%		9.79%		10.26%		9.28%		8.30%		-0.21%		18.40%		10.20%		16.00%	
12+ Year Bond Index	-0.87%		3.98%		3.98%		14.64%		10.47%		10.42%		10.42%		8.64%		12.91%		-0.69%		18.81%		6.00%		15.86%	
Barclays - BESA SA Inflation Linked Index	0.57%		0.23%		0.23%		9.58%		9.28%		10.96%		10.02%		10.94%		11.15%		0.79%		19.37%		13.05%		10.97%	
BESA Standard Bank Credit Index	-0.12%		1.82%		1.82%		11.20%		7.00%		9.21%		10.38%		*		9.14%		-2.29%		15.74%		10.95%		20.50%	
GOVI	-0.53%		2.62%		2.62%		11.89%		8.59%		9.17%		9.33%		8.46%		9.81%		0.52%		15.64%		7.84%		14.58%	
OTHI	-0.54%		4.24%		4.24%		14.38%		10.79%		11.00%		11.28%		9.36%		11.81%		1.49%		17.98%		8.10%		17.28%	
STeFI	0.54%		1.53%		1.53%		6.13%		5.60%		5.80%		6.97%		7.35%		5.90%		5.18%		5.55%		5.73%		6.93%	

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

S.A. BOND MANAGER WATCH™ SURVEY

Objective - The portfolios included in this Survey represent specialist bond portfolios with ALBI as their benchmark and have an effective modified duration mandate of +/- 2 years around the ALBI

SECTOR ALLOCATION							
	1-3 Years	3-7 Years	7-12 Years	12+ Years	Other	Cash	Total
INVESTMENT MANAGERS							
SPECIALIST BONDS							
Argon Domestic Core Bond	7.73%	19.29%	25.34%	42.60%	0.00%	5.04%	100.00%
Cadiz Houseview Bond Fund	13.50%	19.07%	16.70%	41.03%	0.31%	9.39%	100.00%
Coronation Active Bond Portfolio (Composite)	9.72%	12.43%	34.68%	31.90%	7.89%	3.37%	100.00%
Coronation Strategic Bond Composite	16.06%	10.47%	29.07%	33.79%	8.11%	2.50%	100.00%
Futuregrowth Core Bond Composite	5.39%	18.88%	16.60%	53.74%	0.00%	5.39%	100.00%
Futuregrowth Yield Enhanced	33.18%	18.36%	13.31%	19.80%	4.25%	11.09%	100.00%
Investec Corporate Bond Composite	9.91%	24.94%	34.74%	28.93%	0.00%	1.48%	100.00%
Investec Triple Alpha	2.09%	10.49%	8.63%	20.93%	55.86%	2.01%	100.00%
Investment Solutions Pure Fixed Interest Portfolio	2.34%	15.84%	14.39%	45.29%	8.60%	13.53%	100.00%
JM BUSH A BondPlus	4.88%	29.97%	13.28%	50.71%	0.00%	1.15%	100.00%
Momentum AM Bond Fund	11.29%	16.41%	26.64%	40.52%	1.25%	3.89%	100.00%
Momentum MoM Moderate Bond FOF	3.00%	34.07%	19.08%	35.83%	0.48%	7.54%	100.00%
Pan Africa AM Segregated Domestic Bond	3.00%	19.95%	23.73%	47.30%	4.33%	1.69%	100.00%
Prescient Bond Quant	2.11%	35.56%	23.75%	38.58%	0.00%	0.00%	100.00%
Prescient Bond QuantPlus	13.64%	31.81%	20.71%	33.84%	0.00%	0.00%	100.00%
Prudential Yield Enhanced Portfolio	7.69%	21.78%	23.78%	39.37%	0.00%	7.39%	100.00%
SIM Institutional Total Return Bond Fund	6.64%	13.89%	39.72%	38.53%	0.02%	1.21%	100.00%
Stanlib Core Bond Portfolio	4.57%	19.78%	24.81%	44.62%	1.46%	4.78%	100.00%
Vunani Active Bond Fund	5.03%	24.34%	20.77%	45.74%	0.00%	4.11%	100.00%
INFLATION LINKED BONDS							
Coronation Absolute Bond Portfolio	26.96%	19.48%	15.20%	4.83%	32.46%	1.07%	100.00%
Investec Inflation Linked Bond Composite	4.17%	10.54%	30.16%	52.75%	2.10%	0.28%	100.00%
Momentum AM Inflation Linked Bond Fund	0.07%	11.79%	30.39%	53.22%	0.00%	4.53%	100.00%
Prescient Inflation Linked Bond Composite	4.29%	11.00%	38.65%	46.06%	0.00%	0.00%	100.00%
Prudential Inflation Linked Bond Fund	7.76%	10.08%	15.75%	44.81%	0.00%	21.60%	100.00%
SIM Inflation Linked Bond Fund	3.63%	7.52%	30.79%	53.61%	0.00%	4.46%	100.00%
Indices							
All Bond Index	2.51%	34.32%	7.61%	55.56%	0.00%	0.00%	100.00%

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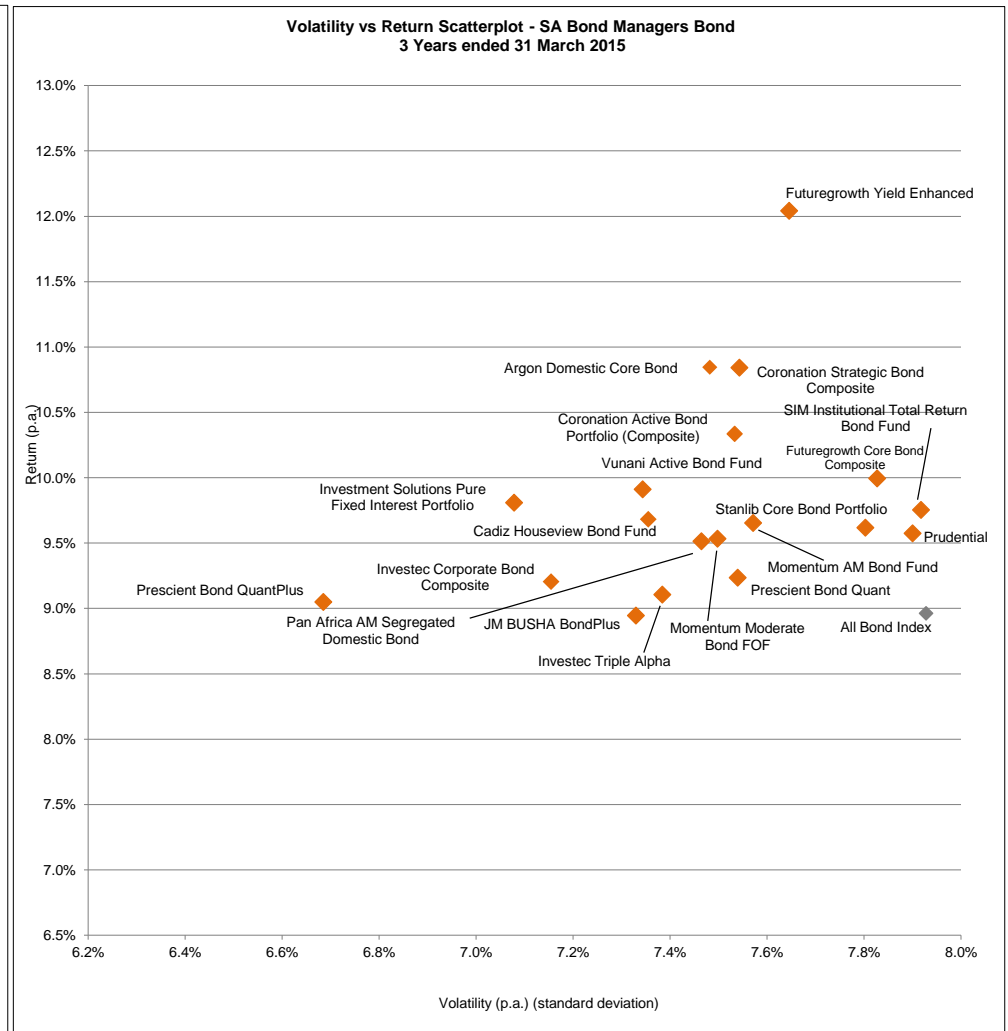
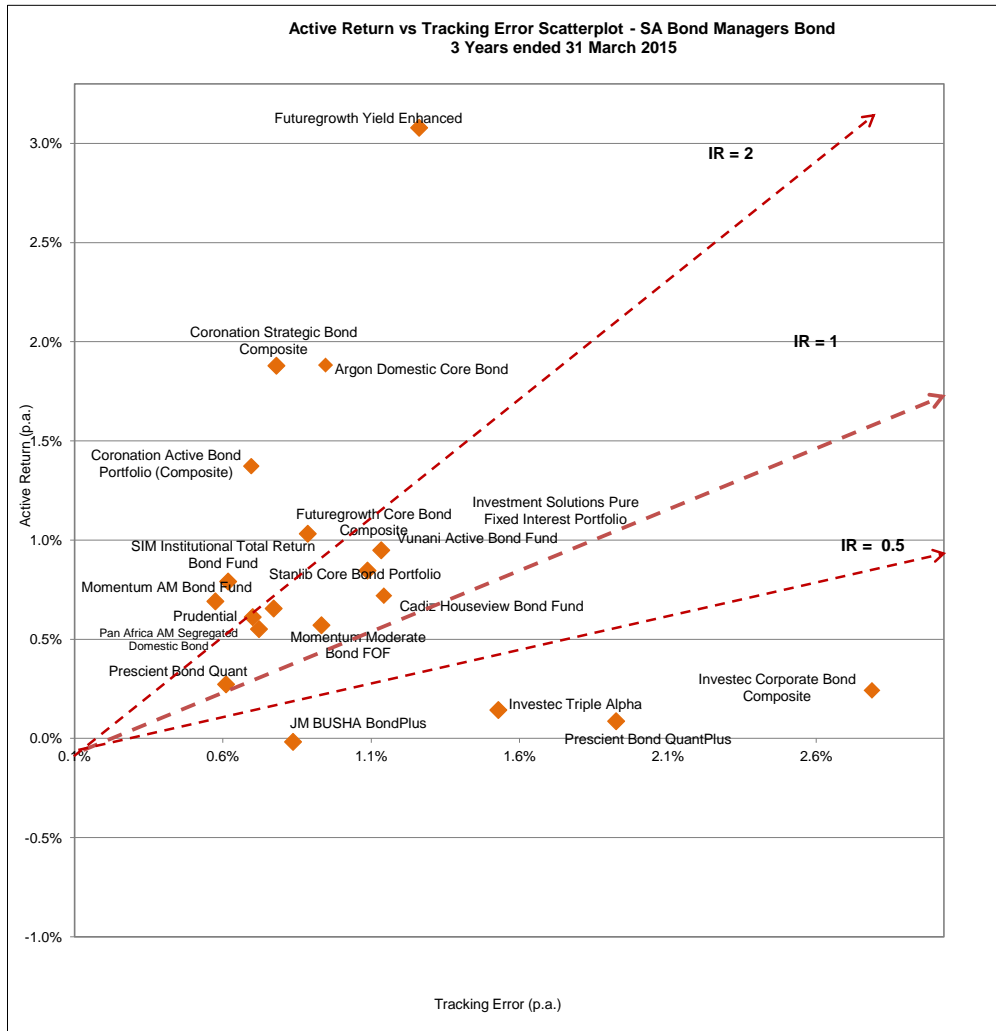
Objective - The portfolios included in this Survey represent specialist bond portfolios with ALBI as their benchmark and have an effective modified duration mandate of +/- 2 years around the ALBI

INVESTMENT DATA TO THE END OF MARCH 2015																		
RISK VS RETURN																		
	Calculated on 3 year performance returns								Calculated on 5 year performance returns									
	3 Year Return (p.a.)	Rank	Volatility (Risk)	Rank	Active Return	Rank	Tracking Error	Information Ratio	Rank	5 Year Return (p.a.)	Rank	Volatility (Risk)	Rank	Active Return	Rank	Tracking Error	Information Ratio	Rank
SPECIALIST BONDS																		
Argon Domestic Core Bond	10.85%	2	7.48%	9	1.88%	2	0.92%	2.06	4	10.23%	15	6.93%	17	0.56%	15	1.21%	0.47	16
Cadiz Houseview Bond Fund	9.68%	9	7.36%	6	0.72%	9	1.11%	0.65	13	10.41%	12	6.63%	7	0.74%	12	0.92%	0.80	11
Coronation Active Bond Portfolio (Composite)	10.34%	4	7.53%	11	1.37%	4	0.67%	2.06	3	11.00%	3	6.73%	13	1.33%	3	0.62%	2.16	3
Coronation Strategic Bond Composite	10.84%	3	7.54%	13	1.88%	3	0.75%	2.50	1	11.36%	2	6.69%	10	1.69%	2	0.69%	2.44	1
Futuregrowth Core Bond Composite	9.99%	5	7.83%	17	1.03%	5	0.86%	1.21	7	10.59%	9	6.89%	15	0.92%	9	0.72%	1.27	8
Futuregrowth Yield Enhanced	12.04%	1	7.65%	15	3.08%	1	1.23%	2.50	2	12.64%	1	6.56%	5	2.98%	1	1.38%	2.16	2
Investec Corporate Bond Composite	9.21%	16	7.15%	3	0.24%	16	2.76%	0.09	17	10.94%	4	6.41%	3	1.27%	4	2.20%	0.58	14
Investec Triple Alpha	9.11%	17	7.38%	7	0.14%	17	1.50%	0.10	16	10.19%	16	6.66%	8	0.52%	16	1.20%	0.44	17
Investment Solutions Pure Fixed Interest Portfolio	9.81%	7	7.08%	2	0.85%	7	1.06%	0.80	11	10.39%	13	6.32%	2	0.73%	13	0.91%	0.79	12
JM BUSHA BondPlus	8.95%	19	7.33%	4	-0.02%	19	0.81%	-0.02	19	9.63%	19	6.48%	4	-0.04%	19	0.76%	-0.05	19
Momentum AM Bond Fund	9.65%	10	7.57%	14	0.69%	10	0.54%	1.27	6	10.45%	10	6.70%	11	0.79%	10	0.53%	1.49	6
Momentum MoM Moderate Bond FOF	9.53%	13	7.50%	10	0.57%	13	0.90%	0.63	14	10.35%	14	6.71%	12	0.68%	14	0.87%	0.79	13
Pan Africa AM Segregated Domestic Bond	9.51%	14	7.46%	8	0.55%	14	0.69%	0.80	12	10.44%	11	6.77%	14	0.77%	11	0.63%	1.23	9
Prescient Bond Quant	9.24%	15	7.54%	12	0.27%	15	0.58%	0.47	15	9.97%	17	6.69%	9	0.30%	17	0.53%	0.57	15
Prescient Bond QuantPlus	9.05%	18	6.68%	1	0.09%	18	1.90%	0.05	18	9.66%	18	5.88%	1	0.00%	18	1.65%	0.00	18
Prudential Yield Enhanced Portfolio	9.57%	12	7.90%	18	0.61%	12	0.67%	0.91	8	10.84%	5	7.02%	18	1.18%	5	0.58%	2.02	4
SIM Institutional Total Return Bond Fund	9.75%	8	7.92%	19	0.79%	8	0.59%	1.35	5	10.66%	7	7.06%	19	0.99%	7	0.51%	1.93	5
Stanlib Core Bond Portfolio	9.62%	11	7.80%	16	0.66%	11	0.74%	0.88	9	10.59%	8	6.91%	16	0.92%	8	0.65%	1.42	7
Unani Active Bond Fund	9.91%	6	7.34%	5	0.95%	6	1.10%	0.86	10	10.69%	6	6.62%	6	1.03%	6	0.89%	1.15	10
			Lower volatility = higher ranking									Lower volatility = higher ranking						
STATISTICS																		
Highest	12.04%		7.92%		3.08%		2.76%	2.50		12.64%		7.06%		2.98%		2.20%	2.44	
Upper Quartile	9.95%		7.61%		0.99%		1.11%	1.31		10.77%		6.83%		1.10%		1.06%	1.71	
Median	9.65%		7.50%		0.69%		0.86%	0.86		10.45%		6.69%		0.79%		0.76%	1.15	
Average	9.82%		7.48%		0.86%		1.02%	1.01		10.58%		6.67%		0.91%		0.92%	1.14	
Lower Quartile	9.37%		7.35%		0.41%		0.68%	0.55		10.29%		6.59%		0.62%		0.62%	0.57	
Lowest	8.95%		6.68%		-0.02%		0.54%	-0.02		9.63%		5.88%		-0.04%		0.51%	-0.05	
Number of participants	19		19		19		19	19		19		19		19		19	19	
INFLATION LINKED BONDS																		
Coronation Absolute Bond Portfolio	8.41%		3.10%							10.98%		3.36%						
Investec Inflation Linked Bond Composite	9.25%		6.59%							*		*						
Momentum AM Inflation Linked Bond Fund	9.58%		6.86%							11.18%		6.09%						
Prescient Inflation Linked Bond Composite	*		*							*		*						
Prudential Inflation Linked Bond Fund	9.26%		7.06%							11.09%		6.12%						
SIM Inflation Linked Bond Fund	9.32%		6.88%							*		*						
STATISTICS																		
Highest	9.58%		7.06%							11.18%		6.12%						
Upper Quartile	9.32%		6.88%							11.13%		6.10%						
Median	9.26%		6.86%							11.09%		6.09%						
Average	9.17%		6.10%							11.08%		5.19%						
Lower Quartile	9.25%		6.59%							11.03%		4.72%						
Lowest	8.41%		3.10%							10.98%		3.36%						
Number of participants	5		5							3		3						
INDICES																		
All Bond Index	8.96%		7.93%							9.67%		7.06%						
Barclays - BESA SA Inflation Linked Index	9.28%		6.99%							10.96%		6.06%						
BESA Standard Bank Credit Index	7.00%		8.13%							9.21%		7.01%						

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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.

"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.

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