



**Targeted Development Investment Manager Watch™ Survey  
for the month ending September 2017**

# TDI MANAGER WATCH™ SURVEY

Objective - The portfolios included in this Survey aim to maximise investor returns while paying attention to socially responsible investing and issues relating to the development and upliftment of previously disadvantaged communities.

**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 2017															
	Classification	Fund Size (R m)	PERFORMANCE DATA												
			Quarter			1 Year			3 Years (p.a.)			5 Years (p.a.)			
			Fund	Rank	Return/ Benchmark	Fund	Rank	Return/ Benchmark	Fund	Rank	Return/ Benchmark	Fund	Rank	Return/ Benchmark	
<b>Balanced</b>															
Momentum MoM Supernation Fund	Pooled	23.4	5.41%	2	5.71%	9.39%	2	6.82%	6.63%	3	6.63%	9.50%	1	10.02%	
Stanlib Wealth Development Fund	Pooled	13.5	5.64%	1	1.06%	6.23%	3	6.69%	8.22%	2	7.04%	7.64%	3	7.67%	
Mergence SRI Fund	Pooled	100.8	2.99%	3	1.33%	10.82%	1	7.73%	9.44%	1	8.09%	9.45%	2	8.61%	
<b>Equity</b>															
Element Earth Equity	Unit Trust	249.4	7.83%	2	8.91%	13.92%	1	11.98%	4.05%	4	7.74%	4.76%	5	12.88%	
Futuregrowth Development Equity Composite	Pooled	1 810.4	8.94%	1	3.00%	5.14%	4	14.73%	11.59%	1	15.10%	14.07%	2	15.63%	
Oasis Crescent Equity Fund	Unit Trust	5 861.5	6.19%	3	6.67%	5.63%	3	7.45%	3.66%	5	3.15%	10.42%	4	7.66%	
Oasis Crescent International Feeder Fund	Unit Trust	1 316.4	6.14%	4	8.56%	3.35%	5	14.22%	8.93%	2	12.49%	17.57%	1	17.66%	
Mergence ESG Equity Fund	Segregated	391.7	5.16%	5	7.03%	5.95%	2	7.00%	6.95%	3	7.37%	12.89%	3	12.84%	
<b>Alternative</b>															
OMIG Alternative Investments IDEAS Fund	Pooled	9 136.0	1.30%	1	2.29%	9.24%	1	11.73%	15.00%	1	12.09%	15.31%	1	12.61%	
<b>Fixed Interest</b>															
Community Growth Gilt Fund	Unit Trust	184.2	3.41%	2	3.53%	7.96%	5	7.58%	7.34%	4	7.02%	6.55%	3	5.72%	
Futuregrowth Infrastructure & Development Bond Fund	Pooled	12 891.1	4.50%	1	3.68%	9.69%	4	8.20%	9.59%	3	7.63%	8.81%	2	6.34%	
Futuregrowth Power Debt Composite	Pooled	15 059.5	2.54%	4	1.81%	11.34%	3	7.58%	11.23%	1	7.03%	*		*	
Mergence High Impact Debt Fund	Pooled	208.4	2.66%	3	1.33%	11.52%	2	7.73%	10.52%	2	8.09%	9.86%	1	8.61%	
Prescient Clean Energy Fund	Pooled	563.0	2.50%	5	1.33%	12.68%	1	7.73%	*		*	*		*	
<b>Property</b>															
Futuregrowth Community Property Fund	Pooled	15 059.5	2.07%	1	1.57%	25.76%	1	8.73%	17.69%	1	9.09%	14.75%	1	9.41%	
		62 868.8													
<b>STATISTICS</b>															
Alexander Forbes SA Best Investment View Average			5.15%			7.04%			6.22%			9.53%			
Alexander Forbes SA Equity Average			6.25%			6.39%			4.88%			10.54%			
Alexander Forbes SA Bond Average			3.84%			10.01%			8.66%			7.10%			
Combination of old CPIX and new CPI#			0.58%			4.73%			5.09%			5.61%			
Consumer Price Inflation (Old/New combined CPI)#			0.58%			4.73%			5.09%			5.61%			
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]			0.58%			4.73%			5.09%			5.61%			

Notes:

\* A portfolio of Old Mutual Unit Trusts Ltd

All inflation figures are lagged by 1 month.

# Please refer to Benchmark Methodology at the top of the page

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**Objective** - The portfolios included in this Survey aim to maximise investor returns while paying attention to socially responsible investing and issues relating to the development and upliftment of previously disadvantaged communities.

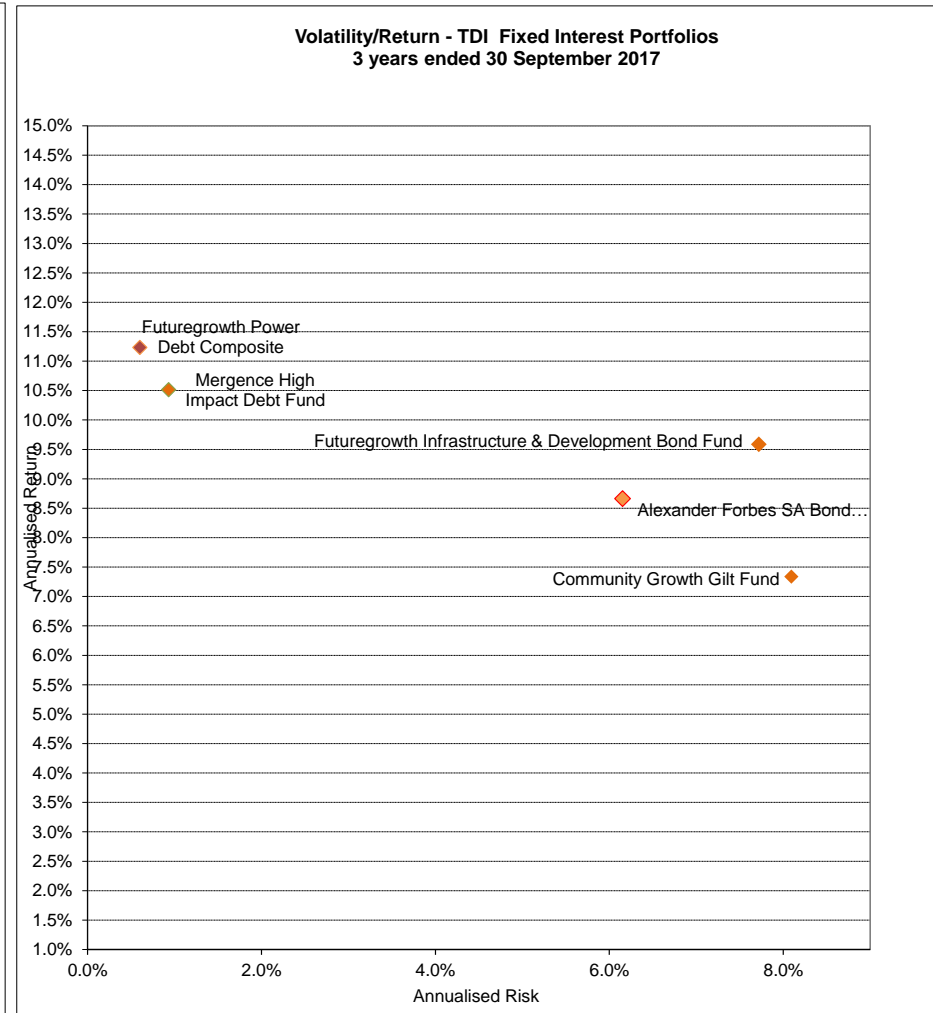
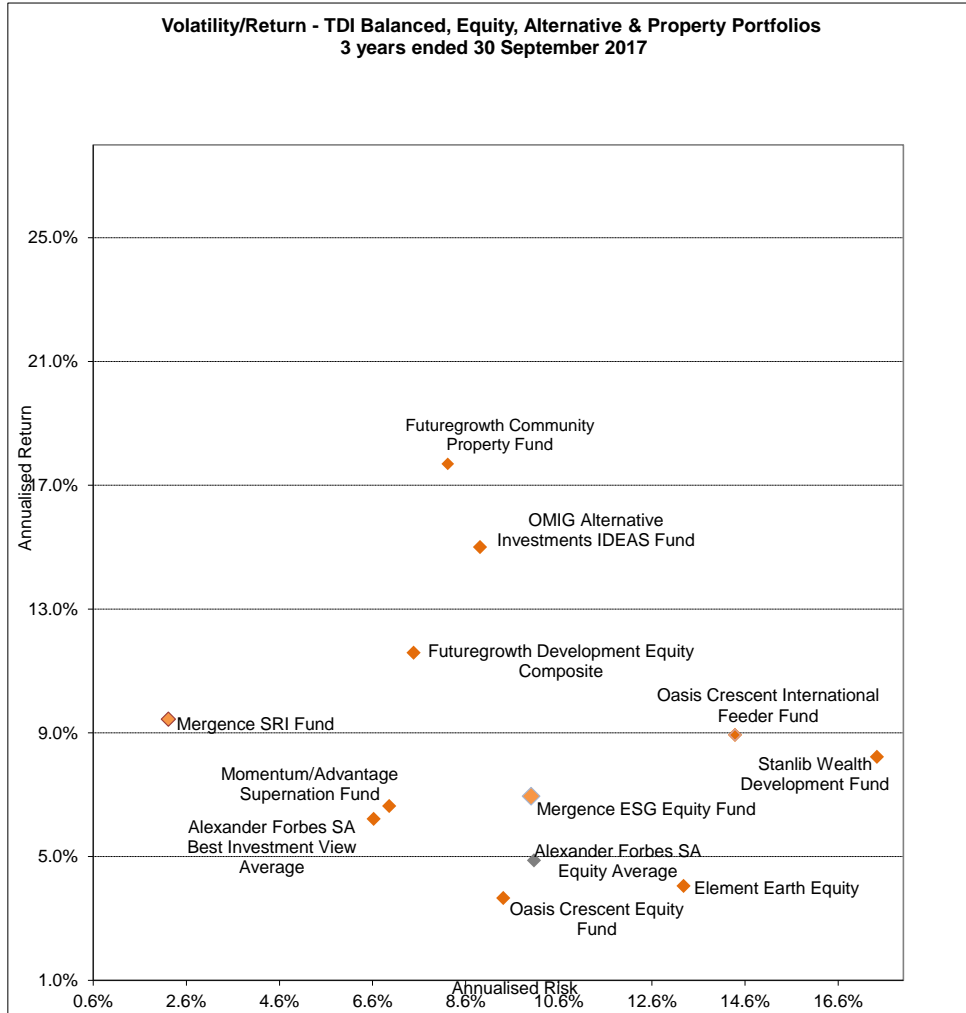
INVESTMENT DATA TO THE END OF SEPTEMBER 2017												
Fund Information		RISK VS RETURN (Calculated on 3 year performance returns)										
	Classification	3 Year Return (p.a.)	Rank	Risk (Volatility)	Rank	Return /Risk	Rank	Active Return	Rank	Tracking Error	Information Ratio	Rank
<b>Balanced</b>												
Momentum/Advantage Supernation Fund	Pooled	6.6%	3	6.96%	2	0.95	2	0.01%	3	2.02%	0.00	3
Stanlib Wealth Development Fund	Pooled	8.2%	2	17.43%	3	0.47	3	1.18%	2	17.56%	0.07	2
Mergence SRI Fund	Pooled	9.4%	1	2.22%	1	4.26	1	1.35%	1	2.46%	0.55	1
<b>Equity</b>												
Element Earth Equity	Unit Trust	4.1%	4	13.28%	4	0.31	5	-3.68%	5	10.76%	(0.34)	3
Futuregrowth Development Equity Composite	Pooled	11.6%	1	7.48%	1	1.55	1	-3.51%	3	7.99%	(0.44)	4
Oasis Crescent Equity Fund	Unit Trust	3.7%	5	9.41%	2	0.39	4	0.51%	1	4.17%	0.12	1
Oasis Crescent International Feeder Fund	Unit Trust	8.9%	2	14.38%	5	0.62	3	-3.56%	4	3.96%	(0.90)	5
Mergence ESG Equity Fund	Segregated	7.0%	3	10.00%	3	0.69	2	-0.41%	2	2.29%	(0.18)	2
<b>Alternative</b>												
OMIG Alternative Investments IDEAS Fund	Pooled	15.0%	1	8.91%	1	1.68	1	2.91%	1	9.17%	0.32	1
<b>Fixed Interest</b>												
Community Growth Gilt Fund	Unit Trust	7.3%	4	8.09%	4	0.91	4	0.32%	4	0.98%	0.33	4
Futuregrowth Infrastructure & Development Bond Fund	Pooled	9.6%	3	7.72%	3	1.24	3	1.96%	3	1.01%	1.94	2
Futuregrowth Power Debt Composite	Pooled	11.2%	1	0.60%	1	18.68	1	4.20%	1	0.57%	7.36	1
Mergence High Impact Debt Fund	Pooled	10.5%	2	0.93%	2	11.29	2	2.43%	2	1.34%	1.81	3
<b>Property</b>												
Futuregrowth Community Property Fund	Pooled	17.7%	1	8.21%	1	2.15	1	8.60%	1	8.44%	1.02	1
<b>STATISTICS</b>												
Alexander Forbes SA Best Investment View Average		6.22%		6.62%		0.94						
Alexander Forbes SA Equity Average		4.88%		10.07%		0.48						
Alexander Forbes SA Bond Average		8.66%		6.15%		1.41						
Combination of old CPIX and new CPI#		5.09%		1.44%		3.54						
Consumer Price Inflation (Old/New combined CPI)#		5.09%		1.44%		3.54						
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]		5.09%		1.44%		3.54						

#All inflation figures are lagged by 1 month.

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## BENCHMARK/TARGET RETURN DESCRIPTIONS

### Balanced

Momentum/Advantage Supernation Fund	65%(30% SRI, 70% SWIX), 25% ALBI, 5% CPI+4%, 5% Cash
Stanlib Wealth Development Fund	Consumer Price Index
Prescient Clean Energy Fund	CPI (3m lag)+ 4.5% (gross of fees)

### Equity

Element Earth Equity Fund	FTSE/JSE All Share Index - 50% to Resources
Futuregrowth Development Equity Composite	CPI + 10%
Oasis Crescent Equity Fund	Average Shariah General Equity
Oasis Crescent International Fund of Funds	Average Foreign General Equity
Mergence ESG Equity Fund	FTSE/JSE Shareholder Weighted Index [SWIX]

### Alternative

OMIG Alternative Investments IDEAS Fund	Consumer Price Index + 7%
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### Fixed Interest

Cadiz Infrastructure Bond Fund	ALBI
Community Growth Gilt Fund	BEASSA adjusted with the management fee for Community Growth Gilt as fund return is net-of-fees sourced from Morningstar (previously known as Micropal)
Futuregrowth Power Debt Composite	South African Short Term Fixed Interest Composite Index (STeFI)
Futuregrowth Infrastructure & Development Bond Fund	All Bond Index

### Property

Futuregrowth Community Property Fund	CPI + 4%
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### Terminology

**Targeted Development Investment** - investments which place a more significant weighting on the importance of economic growth and the wider aspects of ethical and societal concerns.

**Corporate Social Responsibility** - how a company manages its business to generate shareholder value through minimising impact on the environment and a positive impact on society.

**Screening** - the practice of including or excluding funds based on social and/or environmental criteria. Generally, investing in companies that make positive contributions to society and avoiding companies whose business is 'harmful'.

**Shareholder activism** - actions of socially aware shareholders and investors to exercise their powers through voting at annual general meetings for the support of socially responsible related resolutions.

# MARKET DATA

MARKET DATA TO THE END OF SEPTEMBER						
	PERFORMANCE DATA					
	Month	Quarter	Year to date	1 Year	3 Years (p.a.)	5 Years (p.a.)
INDEX RETURNS INCLUDING INCOME & INFLATION						
FTSE / JSE All Share Index (Free Float)	-0.87%	8.91%	12.58%	10.22%	7.18%	12.53%
FTSE / JSE Capped All Share Index	-0.91%	8.39%	10.87%	9.39%	7.13%	12.54%
FTSE / JSE SWIX All Share Index	-1.73%	7.03%	10.56%	7.00%	7.37%	12.84%
All Bond	1.11%	3.68%	7.82%	8.20%	7.63%	6.34%
Alexander Forbes Money Market	0.60%	1.83%	5.64%	7.60%	7.04%	6.42%
Short Term Fixed Interest Rate Index	0.57%	1.82%	5.62%	7.60%	7.04%	6.39%
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	0.10%	0.58%	3.72%	4.73%	5.09%	5.61%
JP Morgan Global Bond Index	2.69%	4.75%	4.45%	-4.75%	7.41%	10.07%
MSCI World Index (Rands)	6.26%	8.17%	15.06%	16.68%	14.93%	23.17%
Citi WGBI ( was Salomon Brothers Bond Index) (Rands)	2.64%	4.92%	5.04%	-4.45%	7.06%	9.98%

QUANTITATIVE ANALYSIS (Calculated on rolling 3 year performance returns)		
	Volatility	Efficiency
FTSE / JSE All Share Index (Free Float)	10.8%	0.7
FTSE / JSE Capped All Share Index	10.6%	0.7
FTSE / JSE SWIX All Share Index	10.7%	0.7
All Bond	8.1%	0.9
Alexander Forbes Money Market	0.2%	44.9
Short Term Fixed Interest Rate Index	0.2%	40.9
JP Morgan Global Bond Index	12.9%	0.6
MSCI World Index (Rands)	14.0%	1.1
Citi WGBI ( was Salomon Brothers Bond Index) (Rands)	12.7%	0.6

\* The risk-free rate used in the quantitative calculations is the South African 3 month Treasury Bill  
International Indices sourced from Morning Star

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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.

\* Performance should not be judged over a short period of time.

\* Past history is not necessarily a guide to future performance.

# TDI MANAGER WATCH™ SURVEY

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Quantitative figures are calculated on 3 year performance returns.

Performance should not be judged over a short period of time.

### 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.

### 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.

