



## Targeted Development Investment Manager Watch™ Survey for the month ending September 2018

# 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 2018														
	Classification	Fund Size (Rm)	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
Balanced														
Aeon Balanced Fund (CPI + 5%)	Pooled	91.5	2.03%	1	2.35%	7.07%	3	10.40%	7.86%	3	10.38%	9.15%	3	9.83%
Mergence SRI Fund	Pooled	131.0	1.80%	2	1.86%	8.68%	2	7.94%	9.32%	2	8.20%	9.60%	1	8.32%
Momentum Investments Supernation Fund	Pooled	24.6	0.56%	3	0.89%	3.54%	4	3.74%	6.97%	4	6.19%	7.15%	4	7.42%
STANLIB Wealth Development Fund	Segregated	14.8	0.06%	4	1.62%	9.65%	1	6.94%	9.75%	1	7.20%	9.53%	2	7.32%
Equity														
Aeon Active Equity Fund	Pooled	7 270.9	-2.33%	5	-3.34%	4.66%	3	0.86%	7.19%	4	5.58%	9.61%	3	8.05%
Element Earth Equity	Unit trust	252.6	0.74%	4	-2.17%	2.29%	5	3.32%	11.90%	1	7.23%	4.35%	6	8.32%
Futuregrowth Development Equity Composite	Pooled	1 967.8	2.20%	3	3.53%	10.12%	1	14.94%	10.90%	2	15.20%	13.73%	1	15.32%
Mergence ESG Equity Fund	Segregated	404.8	-4.19%	6	-3.34%	-1.32%	6	0.86%	3.11%	6	5.58%	7.49%	4	8.05%
Oasis Crescent Equity Fund	Pooled	5 773.4	2.59%	2	2.09%	7.66%	2	6.75%	8.16%	3	9.99%	6.84%	5	5.85%
Oasis Crescent International Feeder Fund	Pooled	1 898.9	7.59%	1	6.38%	3.47%	4	15.85%	5.59%	5	14.52%	10.59%	2	15.20%
Alternative														
OMIG Alternative Investments IDEAS Fund	Segregated	11 061.7	1.24%	1	2.83%	14.84%	1	11.94%	14.37%	1	12.20%	15.05%	1	12.32%
Fixed Interest														
Futuregrowth Infrastructure & Development Bond Fund	Pooled	14 398.0	1.16%	4	0.81%	9.17%	4	5.28%	9.49%	3	7.04%	9.41%	2	6.79%
Futuregrowth Power Debt Composite	Pooled	7 774.5	2.89%	1	1.76%	11.16%	2	7.29%	11.41%	1	7.33%	*	*	
Mergence High Impact Debt Fund	Pooled	230.0	2.73%	2	1.86%	10.37%	3	7.94%	10.86%	2	8.20%	10.69%	1	8.32%
OMIG Community Growth Gilt Fund	Unit Trust	192.1	0.89%	5	0.67%	7.09%	5	6.53%	7.53%	4	7.06%	7.05%	3	6.54%
Prescient Clean Energy Fund	Segregated	933.4	2.65%	3	1.86%	11.35%	1	7.94%	*	*	*	*	*	
Property														
FUTUREGROWTH COMMUNITY PROPERTY FUND	Pooled	4 019.9	1.88%	1	2.08%	13.24%	1	8.94%	18.80%	1	9.21%	14.98%	1	9.25%
<b>Total</b>		<b>56 440.0</b>												
STATISTICS														
Alexander Forbes SA Best Investment View Average			-0.53%			2.01%			5.83%			6.50%		
Alexander Forbes SA Equity Average			-1.35%			2.39%			5.34%			6.18%		
Alexander Forbes SA Bond Average			1.47%			7.88%			8.93%			7.74%		
Combination of old CPIX and new CPI#			1.12%			4.94%			5.20%			5.32%		
Consumer Price Inflation (Old/New combined CPI)			1.12%			4.94%			5.20%			5.32%		
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]			1.12%			4.94%			5.20%			5.32%		
FTSE/JSE Capped SWIX All Share Index			-1.65%			0.39%			*			*		

All inflation figures are lagged by 1 month.

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

Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes".

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

# 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.

INVESTMENT DATA TO THE END OF SEPTEMBER 2018												
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>												
Aeon Balanced Fund (CPI + 5%)	Pooled	7.86%	3	7.79%	3	1.01	2	-2.52%	4	7.74%	0.13	4
Mergence SRI Fund	Pooled	9.32%	2	1.78%	1	5.23	1	1.12%	2	1.94%	2.13	1
Momentum Investments Supernation Fund	Pooled	6.97%	4	7.55%	2	0.92	3	0.78%	3	1.77%	0.44	2
STANLIB Wealth Development Fund	Segregated	9.75%	1	18.27%	4	0.53	4	2.54%	1	18.36%	0.25	3
<b>Equity</b>												
Aeon Active Equity Fund	Pooled	7.19%	4	11.37%	5	0.63	4	1.62%	2	2.58%	0.63	2
Element Earth Equity	Unit trust	11.90%	1	11.27%	4	1.06	2	4.67%	1	8.95%	0.52	3
Futuregrowth Development Equity Composite	Pooled	10.90%	2	7.73%	1	1.41	1	-4.31%	5	8.09%	0.70	1
Mergence ESG Equity Fund	Segregated	3.11%	6	10.47%	3	0.30	6	-2.47%	4	2.57%	-0.96	5
Oasis Crescent Equity Fund	Pooled	8.16%	3	9.61%	2	0.85	3	-1.83%	3	3.58%	-0.51	4
Oasis Crescent International Feeder Fund	Pooled	5.59%	5	17.10%	6	0.33	5	-8.92%	6	5.00%	-1.78	6
<b>Alternative</b>												
OMIG Alternative Investments IDEAS Fund	Segregated	14.37%		8.61%		1.67		2.17%		8.99%	1.02	
<b>Fixed Interest</b>												
Futuregrowth Infrastructure & Development Bond Fund	Pooled	9.49%	3	7.32%	3	1.30	3	2.45%	3	1.42%	1.73	3
Futuregrowth Power Debt Composite	Pooled	11.41%	1	0.47%	1	24.45	1	4.08%	1	0.45%	9.00	1
Mergence High Impact Debt Fund	Pooled	10.86%	2	0.83%	2	13.03	2	2.66%	2	1.37%	4.12	2
OMIG Community Growth Gilt Fund	Unit Trust	7.53%	4	7.53%	4	1.00	4	0.48%	4	0.97%	0.49	4
<b>Property</b>												
FUTUREGROWTH COMMUNITY PROPERTY FUND	Pooled	18.80%		8.30%		2.27		9.60%		8.55%	1.12	
<b>STATISTICS</b>												
Alexander Forbes SA Best Investment View Average		5.83%		7.07%		0.82						
Alexander Forbes SA Equity Average		5.34%		10.81%		0.49						
Alexander Forbes SA Bond Average		8.93%		6.36%		1.40						
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]		5.20%		1.15%		4.51						
Consumer Price Inflation (Old/New combined CPI)		5.20%		1.15%		4.51						
Combination of old CPIX and new CPI#		5.20%		1.15%		4.51						

All inflation figures are lagged by 1 month.

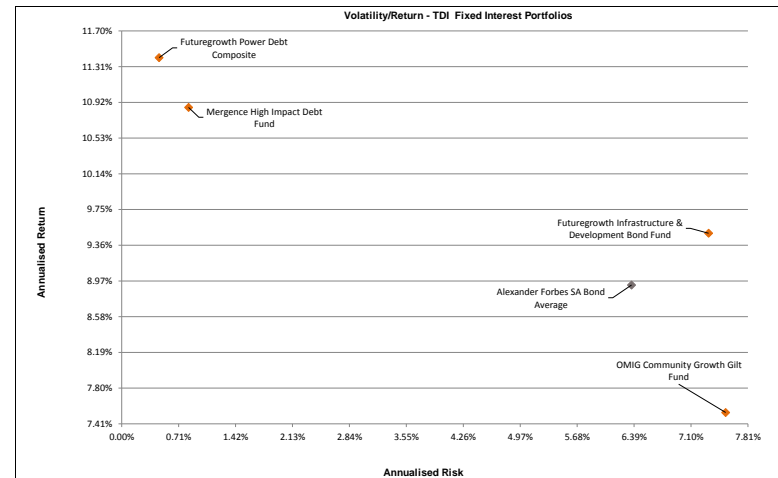
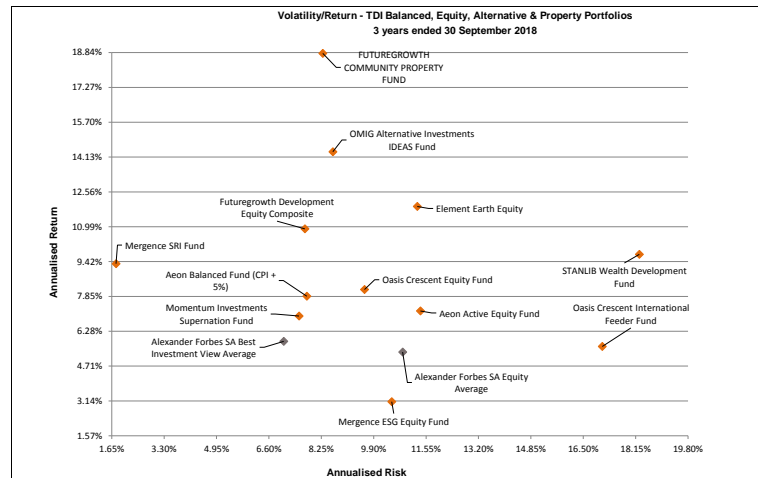
# Please refer to Benchmark Methodology at the top of the page

Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes".

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

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

# TDI MANAGER WATCH™ SURVEY



Reasonable use of the survey may be made for purposes of comment and study provided that full acknowledgement is made to "Alexander Forbes".  
**\*\* Please see final page for Disclaimers and Glossary. \*\***

# TDI MANAGER WATCH™ SURVEY

BENCHMARK/TARGET RETURN DESCRIPTIONS	
<b>Balanced</b>	
Aeon Balanced Fund (CPI + 5%)	CPI + 5% (STEFI + 3% prior Jan 18)
Mergence SRI Fund	CPI + 3%
Momentum Investments Supernation Fund	65%(30% SRI, 70% SWIX), 25% ALBI, 5% CPI+4%, 5% Cash
STANLUB Wealth Development Fund	CPI + 2%
<b>Equity</b>	
Aeon Active Equity Fund	FTSE/JSE SWIX All Share Index
Element Earth Equity	FTSE/JSE All Share Index - 50% to Resources
Futuregrowth Development Equity Composite	CPI + 10%
Mergence ESG Equity Fund	FTSE/JSE SWIX All Share Index
Oasis Crescent Equity Fund	Average Shariah General Equity
Oasis Crescent International Feeder Fund	Average Foreign General Equity
<b>Alternative</b>	
OMIG Alternative Investments IDEAS Fund	Consumer Price Index + 7%
<b>Fixed Interest</b>	
Futuregrowth Infrastructure & Development Bond Fund	All Bond Index
Futuregrowth Power Debt Composite	STeFI
Mergence High Impact Debt Fund	CPI + 3%
OMIG Community Growth Gilt Fund	BEASSA adjusted with the management fee for OMIG Community Growth Gilt as fund return is net-of-fees sourced from Morningstar (previously known as Micropal)
Prescient Clean Energy Fund	CPI + 4.5%
<b>Property</b>	
FUTUREGROWTH COMMUNITY PROPERTY FUND	CPI + 4%
<b>Terminology</b>	
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 2018						
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	-4.17%	-2.17%	-3.84%	3.32%	6.67%	7.99%
FTSE / JSE Capped All Share Index	-3.94%	-0.98%	-2.96%	3.33%	6.60%	7.97%
FTSE / JSE SWIX All Share Index	-4.54%	-3.34%	-8.00%	0.86%	5.58%	8.05%
FTSE/JSE Capped SWIX All Share Index	-4.23%	-1.65%	-7.42%	0.39%	*	*
All Bond Index	0.30%	0.81%	4.81%	7.14%	7.66%	7.16%
Alexander Forbes Money Market	0.58%	1.75%	5.40%	7.29%	7.35%	6.82%
Short Term Fixed Interest Rate Index	0.57%	1.76%	5.37%	7.27%	7.34%	6.81%
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	-0.09%	1.12%	4.03%	4.94%	5.20%	5.32%
JP Morgan Global Bond Index	-4.49%	1.49%	11.32%	3.08%	2.25%	7.54%
MSCI World Index (Rands)	-2.83%	8.51%	21.04%	17.21%	15.07%	17.64%
Citi WGBI ( was Salomon Brothers Bond Index) (Rands)	-4.40%	1.57%	11.39%	3.20%	2.47%	7.27%

QUANTITATIVE ANALYSIS (Calculated on rolling 3 year performance returns)		
	Volatility	Efficiency
FTSE / JSE All Share Index	11.59%	0.6
FTSE / JSE Capped All Share Index	11.05%	0.6
All Bond Index	8.16%	0.9
Alexander Forbes Money Market	0.08%	86.5
Short Term Fixed Interest Rate Index	0.10%	72.5
Consumer Price Inflation (Headline CPI) [I-Net code: AECPI]	1.15%	4.5
JP Morgan Global Bond Index	16.15%	0.1
MSCI World Index (Rands)	17.51%	0.9
Citi WGBI ( was Salomon Brothers Bond Index) (Rands)	15.91%	0.2

\* The risk-free rate used in the quantitative calculations is the South African 3 month Treasury Bill

International Indices sourced from Morningstar

All rights in the FTSE/JSE Africa Index Series vest in the JSE Securities Exchange South Africa (JSE) and in FTSE International Limited (FTSE) jointly. FTSE™ is a trade mark of the London Stock Exchange Limited (LSE) and The Financial Times Limited (FT) jointly and issued by FTSE under licence. JSE is a trade mark of the JSE.

The FTSE/JSE Africa Index Series is calculated by FTSE International Limited (FTSE) in conjunction with the JSE Securities Exchange South Africa (JSE) in accordance with standard criteria. The FTSE/JSE Africa Index Series is the proprietary information of FTSE and the JSE. All copyright subsisting in the FTSE/JSE Africa Index values and constituent list vests in FTSE and the JSE jointly. All their rights are reserved.

The FTSE/JSE Africa Index Series is calculated by FTSE International Limited (FTSE) in conjunction with the JSE Securities Exchange South Africa (JSE) in accordance with standard criteria. The FTSE/JSE Africa Index Series is the proprietary information of FTSE and the JSE. All copyright subsisting in the FTSE/JSE Africa Index values and constituent list vests in FTSE and the JSE jointly. All their rights are reserved.

# TDI MANAGER WATCH™ SURVEY

## 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 content 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.

### 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.

