

WEBSITE MONTHLY REPORTS
SALA PENSION FUND

After coming under pressure during March, the domestic equity market rallied strongly during April, ending the month 2.8% higher. Gains were across the board with the resources sector adding 2.8%, and the industrial and financial sectors adding 3.7% and 2.2% respectively. Only small cap stocks lagged the rest of the market during the month. The gains in the local equity market were in contrast to losses suffered in other global equity markets. Economic data released during the month, in general, came out better than expected. Manufacturing production expanded at a strong pace and retail sales increased by 7.2% from a year earlier. The Reserve Bank's leading economic indicator increased for the sixth consecutive month, although it did fail to indicate robust economic conditions. Only mining production disappointed, declining to the lowest level in 15 years.

Domestic bonds enjoyed strong gains during April despite the rand weakening by 1.4% to R7.77 against the US dollar. Gains in bonds could largely be attributed to the announcement that Citibank was considering including South African government bonds into their Citigroup World Government Bond Index. Bond markets reacted positively to this news and the expectation that it could result in increased demand from tracker portfolios that would not have had exposure to local government bonds at the time of the announcement. Funds totalling about \$2 trillion track the Index which covers 22 countries. Bonds have also been supported by some more benign CPI data than was originally forecasted. Consumer price inflation stabilized at 6% from a year earlier, although core inflation did nudged up to 4.4%. Lower than expected food price inflation continue to surprise the market.

The listed property sector performed well to deliver 2.6% during the month, outperforming cash's return of 0.5%. Commodities continued to come under pressure with the Brent oil price declining by 3.1% over the month on the back of easing tensions within the Middle East. Precious metals were not spared as platinum dropped 4.2% and the gold price declined by 0.3%.

Global Equity (US\$)	Level	1 Month	3 Months	6 Months	YTD	12 Months
S&P 500	1 397.9	-0.7%	6.5%	11.5%	11.2%	2.5%
Nasdaq	3 046.4	-1.5%	8.3%	13.5%	16.9%	6.0%
MSCI Global Equity	1 294.0	-1.4%	4.3%	6.3%	9.4%	-6.8%
MSCI Emerging Mkt	1 026.0	-1.5%	0.6%	3.1%	12.0%	-14.8%
Global Bond (US\$)						
Global Bonds	522.7	1.6%	-0.6%	0.5%	0.7%	4.1%
Commodity Prices						
Brent Oil (USD/Barrel)	120.0	-3.1%	8.4%	10.3%	11.9%	-5.0%
Platinum (USD/oz)	1 569.0	-4.2%	-1.1%	-1.9%	12.6%	-16.3%
Gold (USD/oz)	1 663.9	-0.3%	-4.3%	-3.0%	6.4%	6.3%
South African Mkt (Rand)						
Africa All Share	4 138.3	2.8%	3.1%	8.0%	9.0%	8.1%
Africa Top 40	3 660.2	2.9%	2.0%	6.3%	8.2%	5.9%
Africa Resource 20	2 632.9	2.8%	-8.3%	-4.0%	-0.6%	-9.6%
Africa Financial 15	4 098.2	2.2%	8.9%	19.6%	16.0%	18.7%
Africa Industrial 25	5 461.2	3.6%	10.5%	12.9%	14.4%	20.2%
Africa Mid Cap	8 742.1	2.7%	8.8%	17.3%	13.5%	21.0%
Africa Small Cap	10 000.3	1.2%	7.1%	17.1%	11.7%	16.1%
All Bond Index	389.8	1.8%	2.1%	5.0%	4.2%	12.7%
Stefi Composite	269.9	0.5%	1.4%	2.8%	1.8%	5.7%
Africa SA Listed Property - (SAPY)	1 050.3	2.6%	5.8%	12.1%	10.9%	19.0%
MSCI Global Equity (R)		0.0%	4.0%	3.8%	5.3%	10.4%
Global Bonds (R)		3.0%	-0.9%	-1.8%	-3.1%	23.4%
Rand Dollar Exchange Rate	7.77	1.4%	-0.3%	-2.3%	-3.7%	18.5%

As a result of the movements in the financial markets the SALA Fund's total assets is R9 154 944 384.45 as at the end of April 2012. For the month of April the Active Members' portion of the total Fund returned 1.39%, DC Members returned 1.37% whilst the Pensioners Members' portion returned 0.99% p.a. Over the past 5 years to 30 April 2012 the total Fund returned 8.97% p.a.