



NOVARE[®]
actuaries & consultants

| **Monthly Report** |

SALA Pension Fund

March 2021

TABLE OF CONTENTS

Section A: Market Overview

Section B: Fund Overview

Section C: Glossary



REPORT OVERVIEW

SOUTH AFRICAN LOCAL AUTHORITIES PENSION FUND

The Fund comprises of both defined benefit and defined contribution schemes, as such the Fund has 4 investment portfolios.

FUND PERFORMANCE

The performance figures of the Fund represent the performance as calculated by Novare's pricing division and are **net** of manager fees.

The financial year end of the Fund is 30 June. The returns for the financial year reflect returns from the 1st of July.

Year to date ("YTD") performance represents calendar year to date.

MARKET OVERVIEW

The performance figures reflected in Section A of this report have been sourced from Reuters.

PERFORMANCE FOR PERIODS LONGER THAN 12 MONTHS

All performance figures for periods greater than 12 months (1 year) are annualised, unless indicated otherwise.

MANAGER PERFORMANCE

The performance figures of the Fund's underlying managers represent the returns as per the manager monthly reports.

OBJECTIVE

The objective of the DB Portfolio represents the inflation target of CPI + 4.5%

The objective of the DC Growth Portfolio represents the inflation target of CPI + 4.5%

The objective of the DC Moderate Portfolio represents the inflation target of CPI + 3%

The objective of the Pensioner Portfolio represents the inflation target of CPI + 4.5%

BENCHMARK

The benchmark performance in this report for the DB portfolio is as follows:

Asset Class	Allocation	Benchmark
Domestic Equities	26.5%	Capped SWIX
Domestic Protected Equities	5%	JSE TOP 40
Domestic Fixed Income	12.5%	ALBI
Domestic Property	3.5%	SA Listed Property
Domestic Money Market	7.5%	STeFI
Domestic Alternatives	15%	CPI + 3.5%
Africa	5%	Fund Returns
International	25%	International Composite: 60% MSCI World / 40% JP Morgan Global Bond

The benchmark performance in this report for the DC Growth portfolio is as follows:

Asset Class	Allocation	Benchmark
Domestic Equities	37.5%	Capped SWIX
Domestic Protected Equities	5%	JSE TOP 40
Domestic Fixed Income	7.5%	ALBI
Domestic Property	5%	SA Listed Property
Domestic Money Market	2.5%	STeFI
Domestic Alternatives	12.5%	CPI + 3.5%
Africa	5%	Fund Returns
International	25%	International Composite: 60% MSCI World / 40% JP Morgan Global Bond

REPORT OVERVIEW

The benchmark performance in this report for the Pensioner portfolio is as follows:

Asset Class	Allocation	Benchmark
Domestic Equities	26.5%	Capped SWIX
Domestic Protected Equities	5%	JSE TOP 40
Domestic Fixed Income	12.5%	ALBI
Domestic Property	3.5%	SA Listed Property
Domestic Money Market	7.5%	STeFI
Domestic Alternatives	15%	CPI + 3.5%
Africa	5%	Fund Returns
International	25%	International Composite: 60% MSCI World / 40% JP Morgan Global Bond

The benchmark performance in this report for the DC Moderate portfolio is as follows:

Asset Class	Allocation	Benchmark
Domestic Equities	7.5%	Capped SWIX
Domestic Protected Equities	5%	JSE TOP 40
Domestic Fixed Income	27.5%	ALBI
Domestic Money Market	35%	STeFI
Domestic Alternatives	10%	CPI + 3.5%
International	15%	International Composite: 60% MSCI World / 40% JP Morgan Global Bond

TACTICAL LIMITS

DB Portfolio

Asset Class	Lower limit	Upper limit
Domestic Equities	20%	50%
Domestic Fixed Income	5%	20%
Domestic Property	0%	15%
Domestic Money Market	0%	60%
Domestic Alternatives	10%	20%
Africa	0%	7.5%
International	0%	35%

DC Growth

Asset Class	Lower limit	Upper limit
Domestic Equities	20%	55%
Domestic Fixed Income	5%	20%
Domestic Property	0%	15%
Domestic Money Market	0%	60%
Domestic Alternatives	10%	20%
Africa	0%	7.5%
International	0%	35%

Pensioner Portfolio

Asset Class	Lower limit	Upper limit
Domestic Equities	20%	50%
Domestic Fixed Income	5%	20%
Domestic Property	0%	15%
Domestic Money Market	0%	60%
Domestic Alternatives	10%	20%
Africa	0%	7.5%
International	0%	35%

DC Moderate

Asset Class	Lower limit	Upper limit
Domestic Equities	7.5%	25%
Domestic Fixed Income	20%	40%
Domestic Property	0%	10%
Domestic Money Market	15%	60%
Domestic Alternatives	2.5%	15%
Africa	0%	0%
International	5%	25%

DISCLAIMER

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NAC is approved by the Financial Services Board in terms of Section 13B of the Pension Funds Act, 24 of 1956, as an Investment Administrator: 24/ 456.

Section A

Market Overview



DOMESTIC MARKET VIEW

The FTSE/JSE ALSI returned +1.6% for the month in the SA equity market, while the Capped SWIX did even better, returning 3.7%. These returns were supported by continued strength in the PGM and gold shares, select industrials like MTN and British American Tobacco along with bank stocks. However, index returns were held back by Prosus and to a much lesser extent Naspers as Tencent (amongst other Chinese tech stocks) came under short term price pressure.

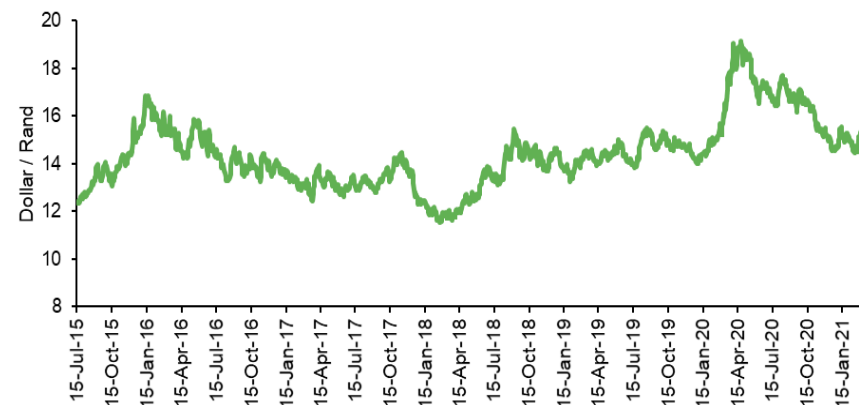
SA bonds followed the weaker bond market globally, heightened by a soft local SA sovereign bond auction and ongoing political infighting and tension within the ruling ANC.

The ongoing positive commodity backdrop was supportive enough for the ZAR to make back some recently lost ground against most currencies, including strengthening slightly against the US dollar.

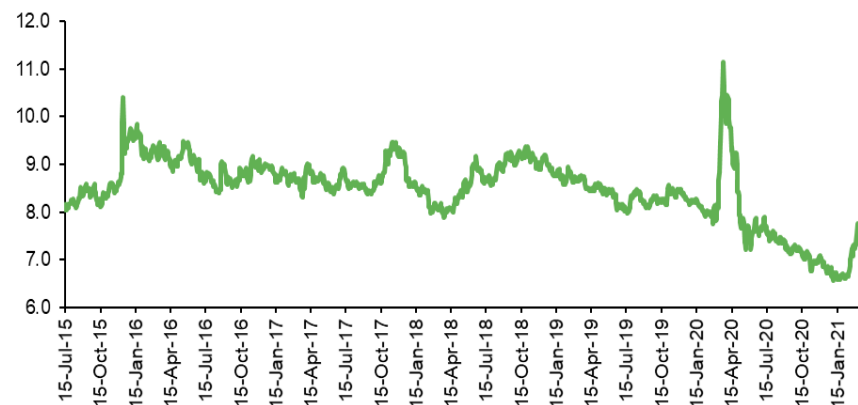
The South African Reserve Bank, once again, decided to leave the repo rate (repurchase rate) unchanged at 3.5% at its Monetary Policy Committee (MPC) meeting. The decision was unanimous. The Reserve Bank last adjusted interest rates on 23 July 2020, when it cut the repo rate by 25bps. Since the beginning of 2020, the repo rate has been reduced by a total of 300bps. SA's prime interest rate remains unchanged at 7%.

Overall, the Reserve Bank appears to be very comfortable with the inflation outlook but remains mindful of the need to attract and retain foreign investment. In February 2021, SA's headline CPI inflation rose by 0.7% month-on-month, which was below market expectations of 0.9%, pulling the annual rate of inflation down to below the inflation target range at 2.9%, down from 3.2% in January 2021.

Rand



S.A. 10-Year Government Benchmark Yield

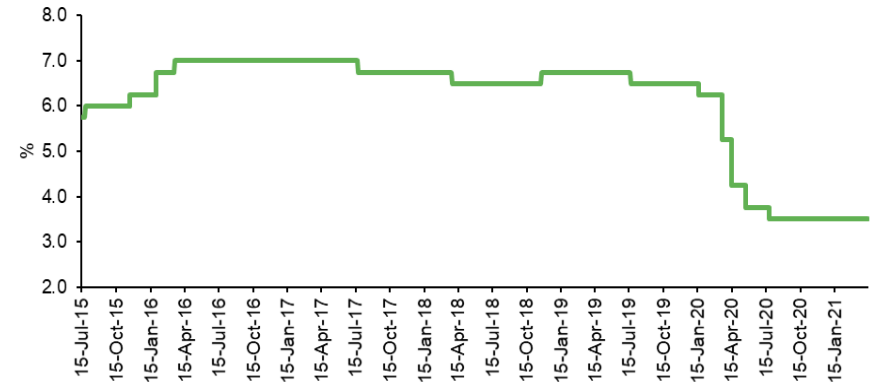


DOMESTIC MARKET VIEW

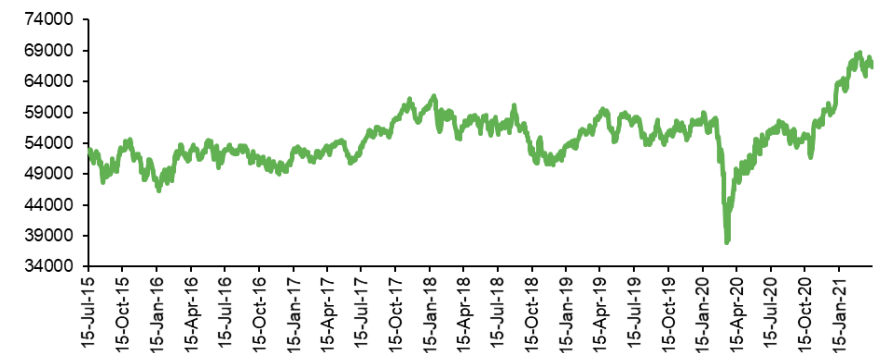
In 2020 consumer inflation averaged a mere 3.3%, down from 4.1% in 2019 and 4.6% in 2018. The 2020 average was the lowest annual average inflation rate SA had experienced since 2005 when consumer inflation also averaged 3.3%.

President Cyril Ramaphosa announced that 11mn doses of the Johnson & Johnson COVID-19 vaccine had been secured and that a further 20mn of these single-dose shots would be arriving in SA soon. He also stated that the government was finalising the procurement of 20mn doses of the Pfizer vaccine, emphasising that enough vaccines would be available to start phase two of the vaccine rollout in May 2021.

Repo Rate



FTSE/JSE All Share Index



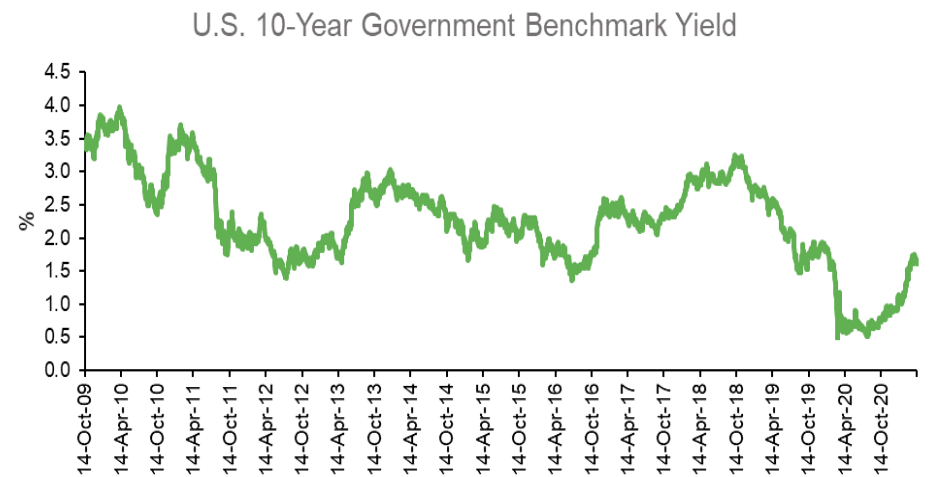
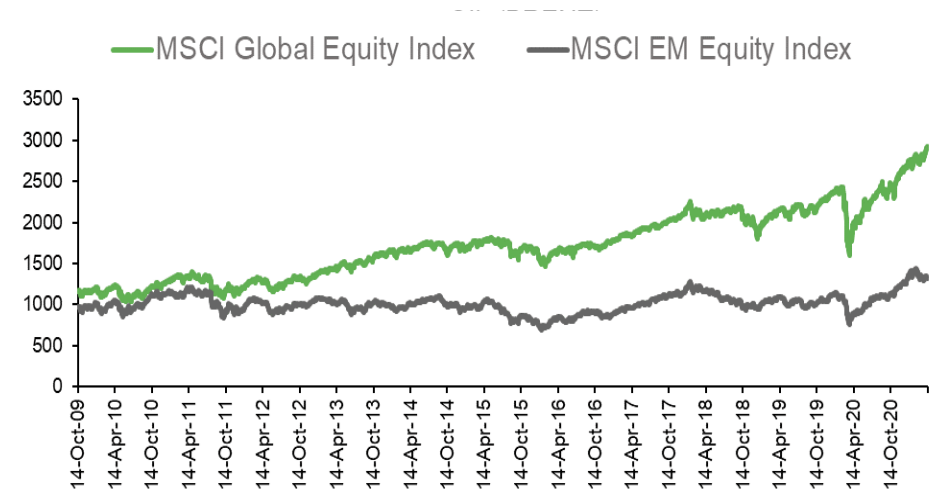
INTERNATIONAL MARKET VIEW

The month of March marked the 1-year anniversary of when the World Health Organization (WHO) declared that the outbreak of a novel coronavirus, first detected in China, had developed into a global pandemic. Over the past year, the virus has affected more than 118 million people and taken over 2.6 million lives, as countries have battled the pandemic with unprecedented social-distancing measures and lockdowns.

Investors appeared to have priced in an accelerated global recovery from the pandemic on the back of unprecedented stimulus measures and a large vaccine rollout in especially the US, UK and other major developed markets. US President Joe Biden also unveiled a US\$2trn "American jobs plan", which will focus on raising spending significantly on infrastructure categories as well as confronting climate change and attempt to curb wealth inequality. Biden claims that the plan would generate "millions of jobs" and proposed that a substantial increase in corporate taxes will partly fund it.

The Federal Open Market Committee (FOMC) left the Fed funds rate unchanged at 0.00% to 0.25% – its level for the past year. However, the Fed significantly increased its economic forecasts and indicated that it does not expect to hike interest rates through 2023. Fed Chair Jerome Powell also said that the Fed would "tolerate" inflation above its 2% target for a while before increasing rates.

All the major US indices ended the month in positive territory, with the S&P 500 setting an intraday record on 31 March. Month-on-month, the Dow Jones gained 6.6%, and the S&P 500 rose by 4.2% (these two indices are up 7.8% and 5.8% YTD, respectively). The tech-heavy Nasdaq advanced by 0.4% during the month, its fifth consecutive positive month.



INTERNATIONAL MARKET VIEW

It was a strong month for major European markets, with the region's largest exchange, Germany's DAX, up +9.4% for the first quarter, while France's CAC rose 6.4% MoM. In terms of economic data, both Germany and eurozone manufacturing PMIs hit record highs on the back of a demand rebound. Although the Eurozone's services sector continued to contract, Germany's services sector expanded in March. Business and consumer confidence data rose as hopes of an end to the pandemic and a pickup in economic activity surfaced. However, with the implementation of fresh lockdowns across Europe, economists only expect the economy to bounce back in 2021.

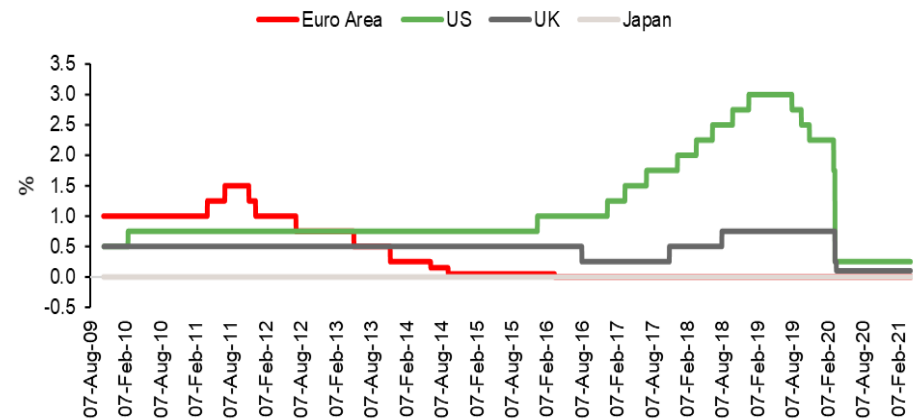
Asia was mixed, with Chinese markets under pressure as the Hang Seng lost 2.1% during the month, while Hong Kong's Shanghai Composite Index closed 1.9% weaker. The Hang Seng has been under pressure recently over the Chinese government's move to enforce more stringent regulation and anti-trust scrutiny on the most prominent Chinese corporates. China's official March manufacturing PMI came in at 51.9 vs February's 50.6 print. The Caixin/Markit manufacturing PMI for March came in lower – at 50.6, vs February's reading of 50.9. In Japan, the Nikkei closed the month 0.7% higher increasing 6.3% for the first quarter of 2021.

Despite the solid economic data, commodities have seemed to run out of legs as oil and copper ended the month well off their recent highs, possibly succumbing to profit-taking. The Suez Canal opening, after days of being closed due to a grounded containership, also weighed on oil prices at month-end. Gold remained under pressure ending the month down 1.5% bringing the performance to 10% YTD. Iron ore lost 6.2% for the month. A notable exception to the metals complex was palladium, which climbed again on mine supply disruption and strong demand.

OIL (BRENT)



G4 Policy Rates



TACTICAL ASSET ALLOCATION

RSA BONDS

The South African Reserve Bank, once again, decided to leave the repo rate (repurchase rate) unchanged at 3.5% at its Monetary Policy Committee (MPC) meeting. The decision was unanimous. The Reserve Bank last adjusted interest rates on 23 July 2020, when it cut the repo rate by 25bps. Since the beginning of 2020, the repo rate has been reduced by a total of 300bps. SA's prime interest rate remains unchanged at 7%.

Overall, the Reserve Bank appears to be very comfortable with the inflation outlook but remains mindful of the need to attract and retain foreign investment. In February 2021, SA's headline CPI inflation rose by 0.7% month-on-month, which was below market expectations of 0.9%, pulling the annual rate of inflation down to below the inflation target range at 2.9%, down from 3.2% in January 2021. In 2020 consumer inflation averaged a mere 3.3%, down from 4.1% in 2019 and 4.6% in 2018. The 2020 average was the lowest annual average inflation rate SA had experienced since 2005 when consumer inflation also averaged 3.3%.

Foreign residents once again remained net sellers of local paper, continuing the outflow since the beginning of the year. We maintain a cautious view of the asset class despite the recent bullishness as we still see a possible further deterioration of the local economy due to negative second-round COVID effects that has started to increase rapidly.

RSA PROPERTY, ALTERNATIVES AND CASH

The property sector had a more muted month compared to the volatile swings of late, performing in line with the broader market. We view the recent bullishness to have been more concerned with the general positive sentiment than a change in idiosyncratic factors or an increase in local sentiment. Depressed market conditions and the most recent company results indicate the severe impact that the Covid pandemic had on the sector.

Although uncertainty is likely to remain in the medium-term the sector is starting to offer value. Risk to property valuations should subside with certainty around the

vaccine rollout and efficacy and as the local consumer and macro environment recovers, we expect the sector to achieve predictable growing income coupled with potential capital growth. We maintained an underweight position in this asset class.

In the SA money market, the 3-m JIBAR rate moved 3bp higher to end the month at 3.68%, while the 12-m JIBAR rate rose by another 18bp to 4.63% after jumping 21bp last month. The 12-m T-bill average yield rose 9bp to 4.86%. The yield curve steepened during March as yields rose by 6.5bp at the shorter end, with the R2023 nudging higher, while the R2030 rose by 46bp. At the long end, the R2048 was 62bp higher. The R2023 returned 0.23%, while the R186 returned 0.03% m/m. The R2030 returned -1.95% while the ultra-long R2048 returned -4.38% m/m. A significant development was the National Treasury's announcement that effective 30 March, the weekly fixed-rate bond auction amount will decrease by nominal R1.8bn from R6.6bn to R4.8bn, while the inflation-linked auction amount will decrease by R800m to R1.2bn.

Credit spreads have contracted but the landscape remains very uncertain as the potential second round effects of Covid hit have SA Inc. The rand continued to remain strong but has now run into strong support around the R14 level to the USD. We believe that we have potentially reached the end of the rate cutting cycle and expect rates to stay on hold over the medium term.

Cash remains the balancing item.

RSA EQUITIES

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INTERNATIONAL

The month of March marked the 1-year anniversary of when the World Health Organization (WHO) declared that the outbreak of a novel coronavirus, first detected in China, had developed into a global pandemic. Over the past year, the virus has affected more than 118 million people and taken over 2.6 million lives, as countries have battled the pandemic with unprecedented social-distancing measures and lockdowns. Investors appeared to have priced in an accelerated global recovery from the pandemic on the back of unprecedented stimulus measures and a large vaccine rollout in especially the US, UK and other major developed markets. US President Joe Biden also unveiled a US\$2trn "American jobs plan", which will focus on raising spending significantly on infrastructure categories as well as confronting climate change and attempt to curb wealth inequality. Biden claims that the plan would generate "millions of jobs" and proposed that a substantial increase in corporate taxes will partly fund it. The Federal Open Market Committee (FOMC) left the Fed funds rate unchanged at 0.00% to 0.25% – its level for the past year. However, the Fed significantly increased its economic forecasts and indicated that it does not expect to hike interest rates through 2023.

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NOVARE HOUSE VIEW: March 2021 TACTICAL POSITIONING*

	UNDER-WEIGHT	← ON-WEIGHT	→ OVER-WEIGHT	PREVIOUS
DOMESTIC	Under-weight			
Equities	85%			95%
Bonds	95%			95%
Property	85%			95%
Alternatives		100%		100%
Cash		Balancing		100%
OFFSHORE			120%	120%
Equities	80%			100%
Bonds	70%			70%
Alternatives		100%		125%
AFRICA		100%		

* positioning is as a % of strategic asset allocation

Summary:

Novare remains underweight domestic equities, domestic bonds and domestic property, whilst maintaining an overweight to international assets. Due to the limit of 30% to international assets, the balance of any domestic assets will be invested in cash.

++
+
Neutral
-
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TACTICAL ASSET ALLOCATION

Global Assets (US\$)	1 month	3 months	YTD	12 months	3 Years	5 Years
MSCI All Countries Equity	2.7%	4.7%	4.7%	55.3%	12.7%	13.8%
MSCI Emerging Markets	-1.5%	2.3%	2.3%	58.9%	6.9%	12.5%
Global Bonds (R)	-4.2%	-3.9%	-3.9%	-13.4%	10.6%	2.6%

Commodity Prices	1 month	3 months	YTD	12 months	3 Years	5 Years
Brent Oil (USD/Barrel)	-2.6%	21.1%	21.1%	138.1%	-3.3%	9.4%
Platinum (USD/oz)	-5.0%	8.2%	8.2%	59.6%	7.6%	3.4%
Gold (USD/oz)	-4.8%	-11.0%	-11.0%	4.3%	8.3%	6.5%

Asset Allocation (Rand)	1 month	3 months	YTD	12 months	3 Year	5 Years
Domestic Equities	1.6%	13.1%	13.1%	54.0%	9.7%	8.2%
Domestic Bonds	-2.5%	-1.7%	-1.7%	17.0%	5.5%	8.7%
Domestic Cash	0.3%	0.9%	0.9%	4.6%	6.3%	6.8%
Domestic Property	1.2%	6.4%	6.4%	34.4%	-12.9%	-9.0%
International Equity	1.0%	5.6%	5.6%	28.1%	22.2%	13.4%
International Bonds	-4.2%	-3.9%	-3.9%	-13.4%	10.6%	2.6%
Exchange rate (R / \$)	-2.3%	0.6%	0.6%	-17.2%	7.7%	0.2%

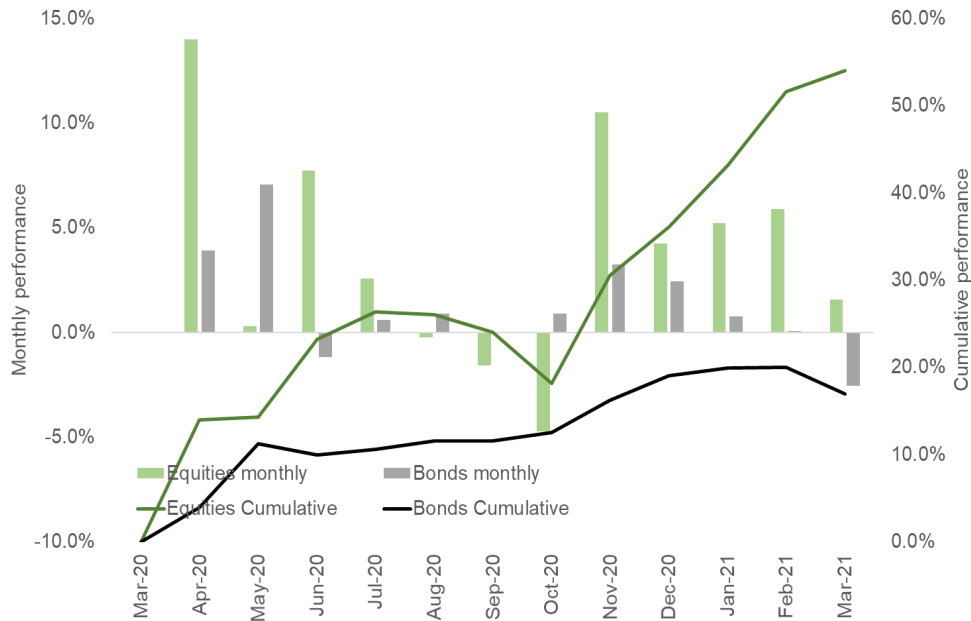
Scale:

Best performing asset class

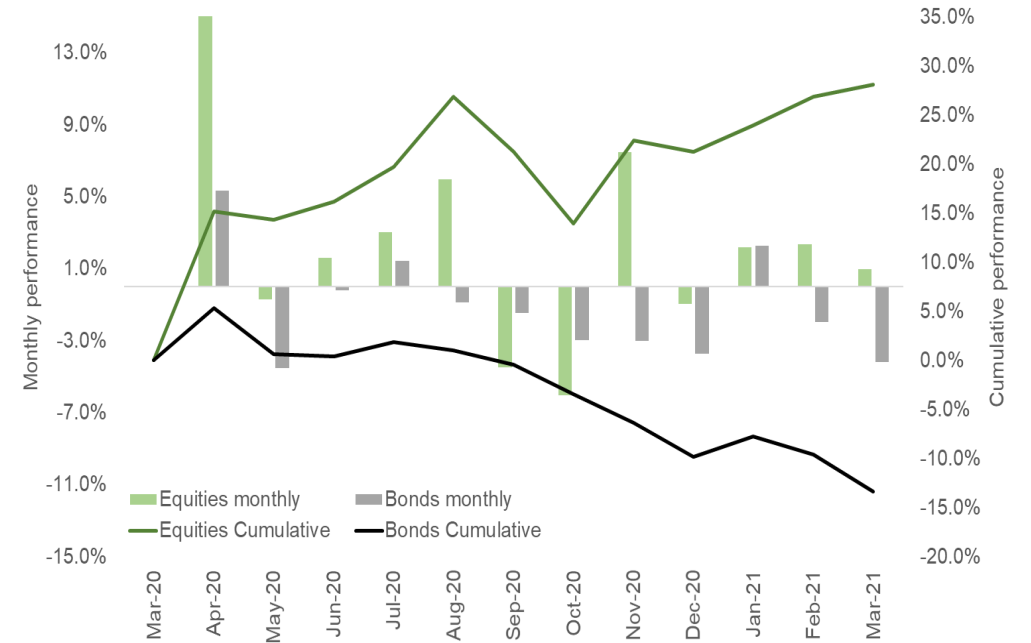
Worst performing asset class



Domestic Markets (R) over the last 12 months



International Markets over the last 12 months



MARKET PERFORMANCE

Section B

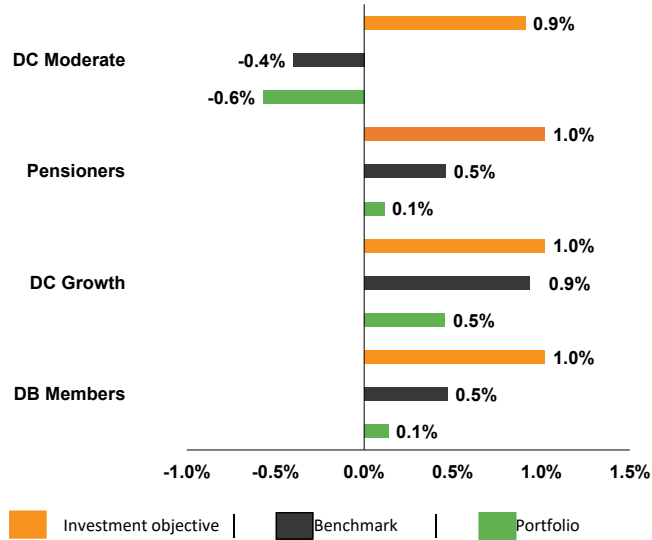
Fund Overview



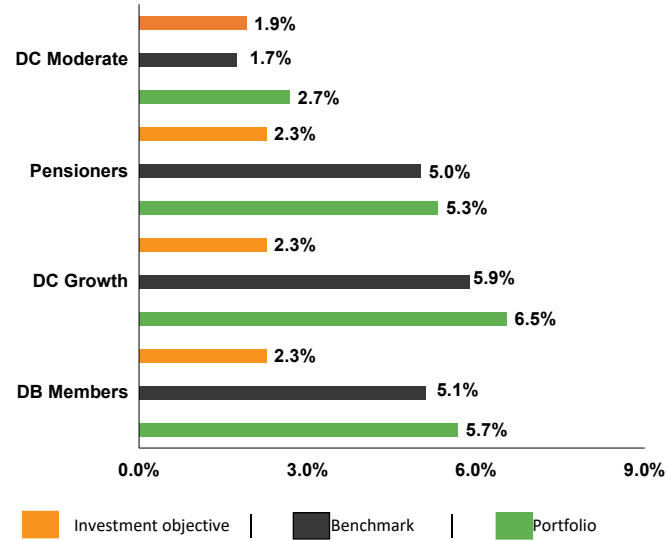
EXECUTIVE SUMMARY



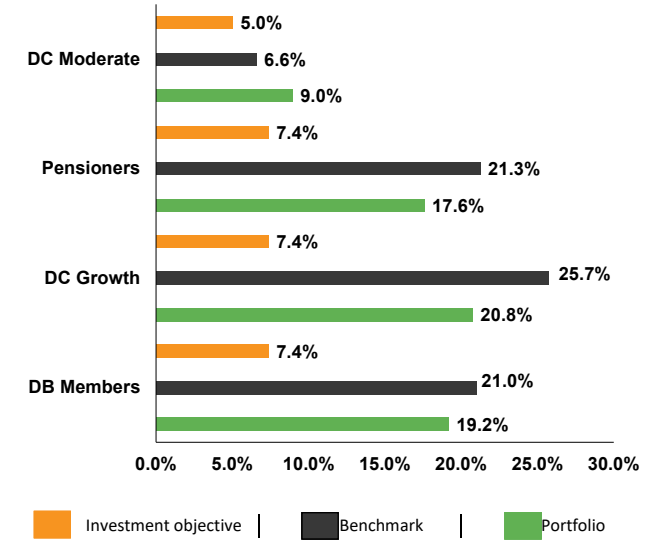
Monthly Return for March 2021



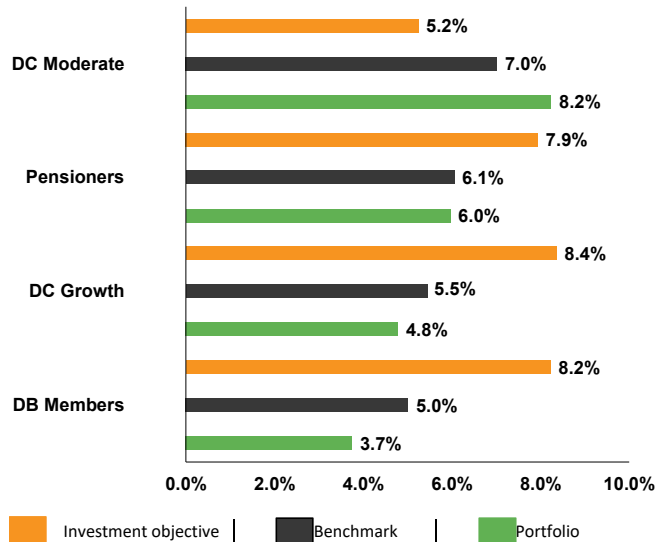
3 Months Return up to March 2021



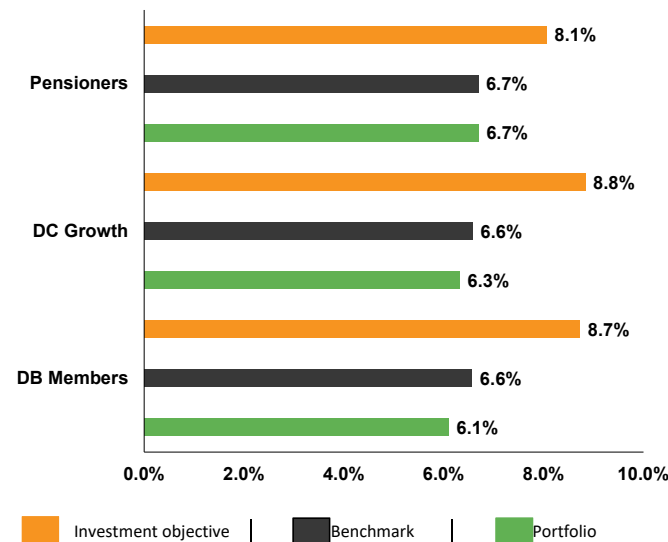
1 Year Return up to March 2021



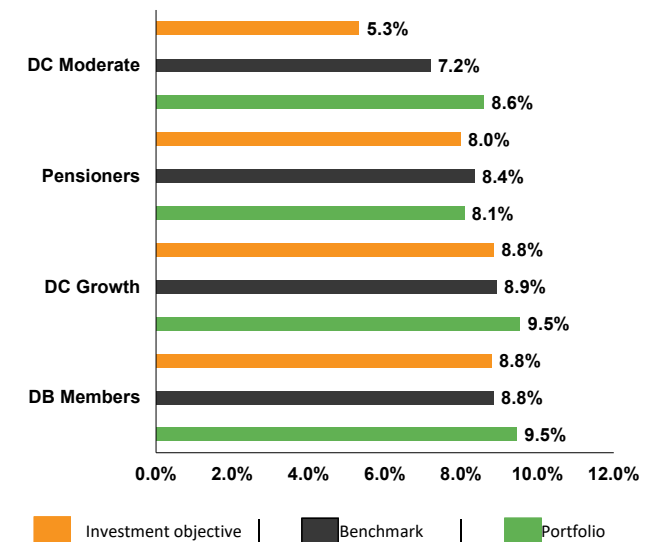
3 Year Return up to March 2021



7 Year Return up to March 2021



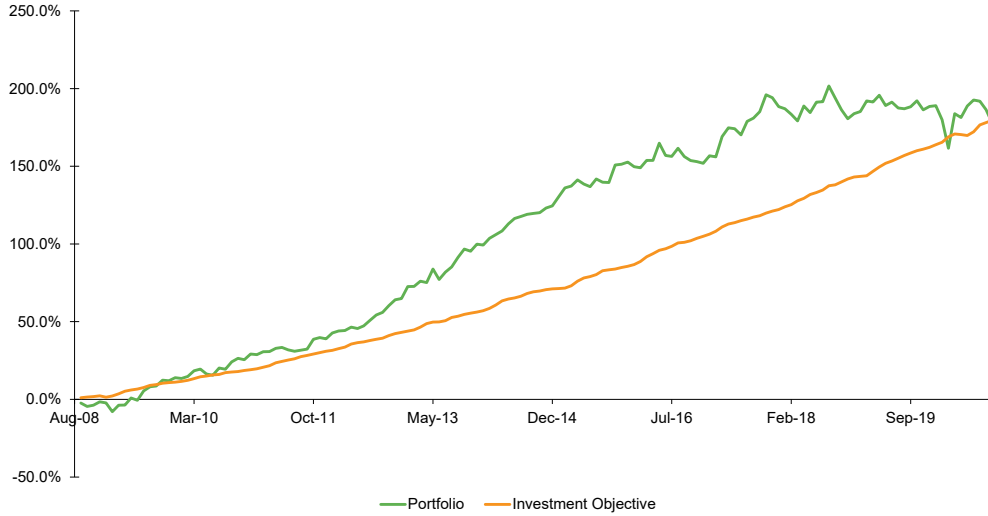
Returns Since Inception



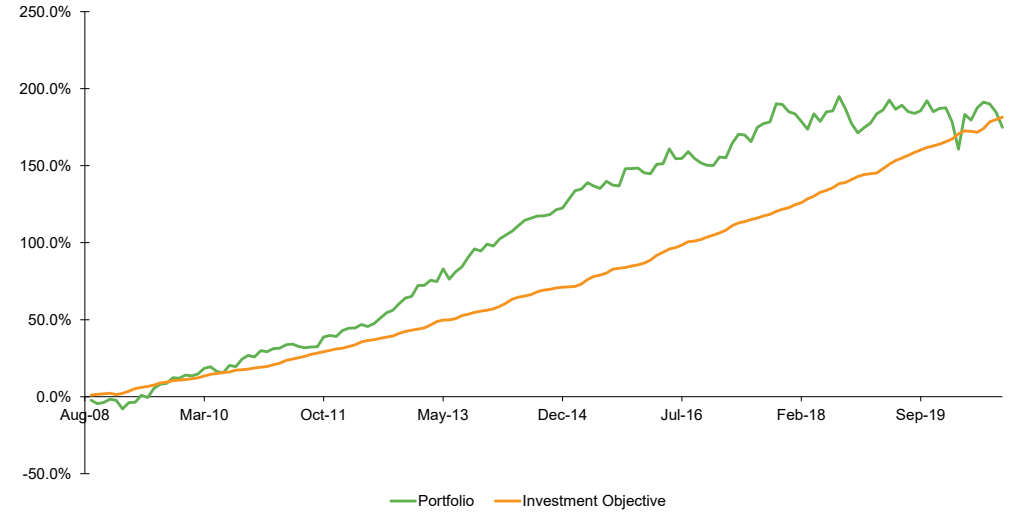
LONG TERM RETURNS

Longer term returns should be used to assess the Fund's performance when compared to the benchmark as short term volatility may distort short term performance measurement.

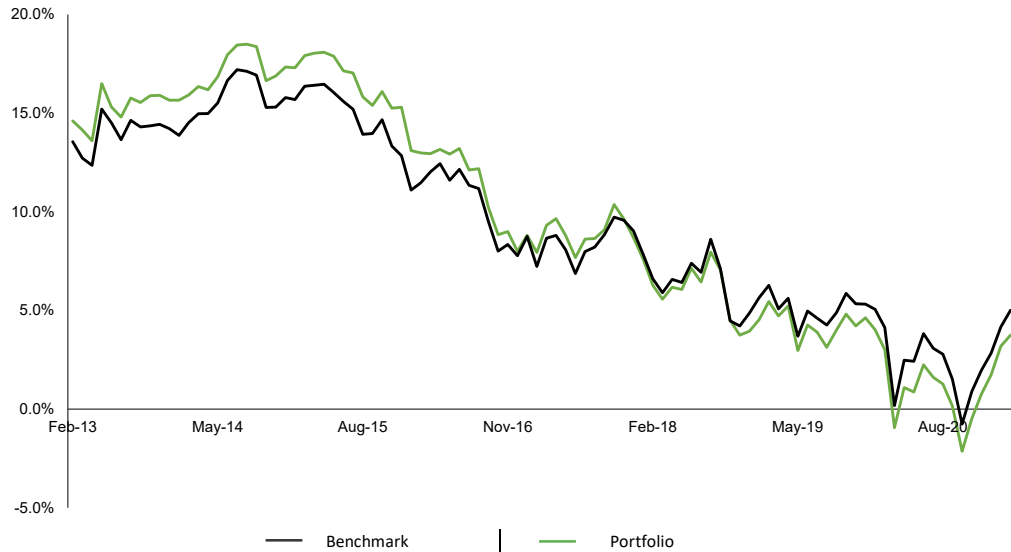
DB Members - Cumulative return since 30 September 2009



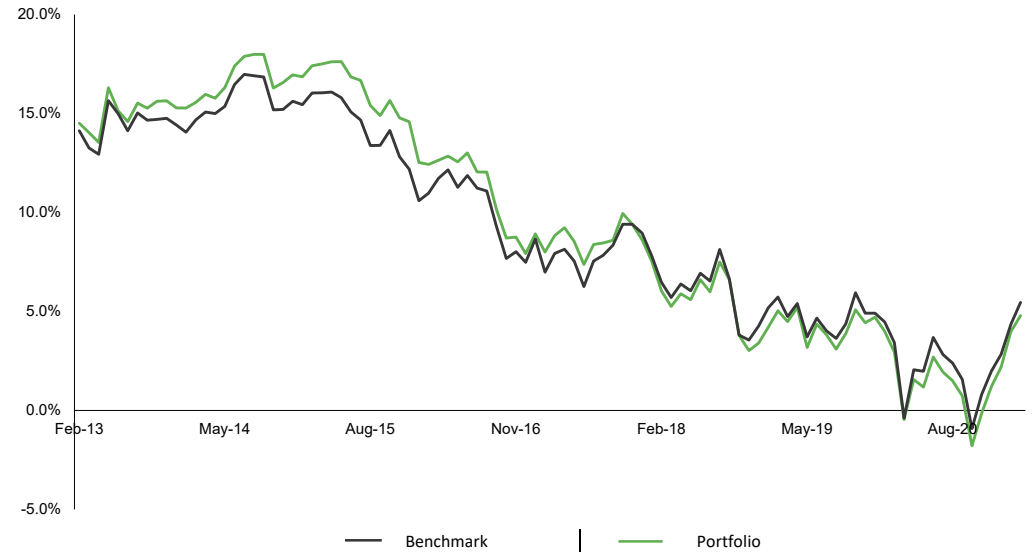
DC Growth - Cumulative return since 30 September 2009



DB Members - 3 Year Rolling Returns



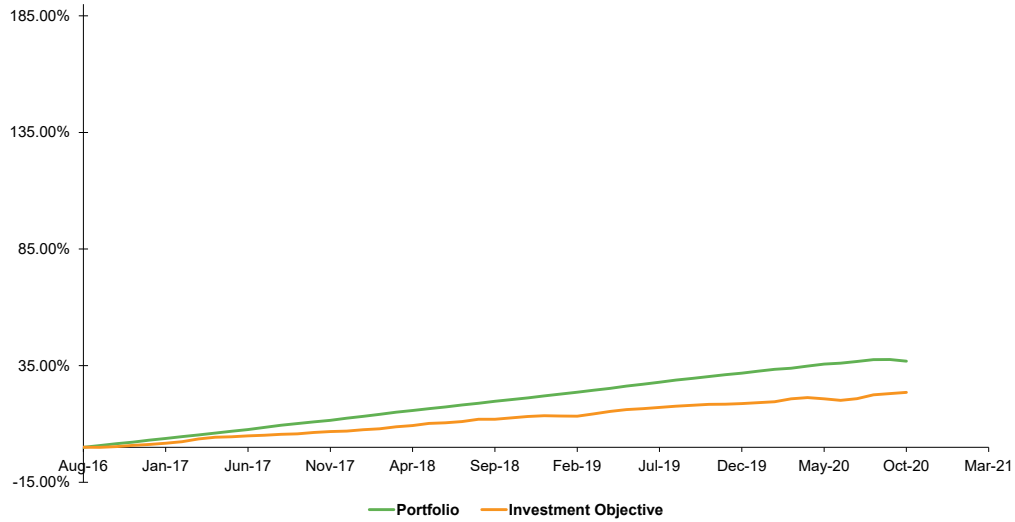
DC Growth - 3 Year Rolling Returns



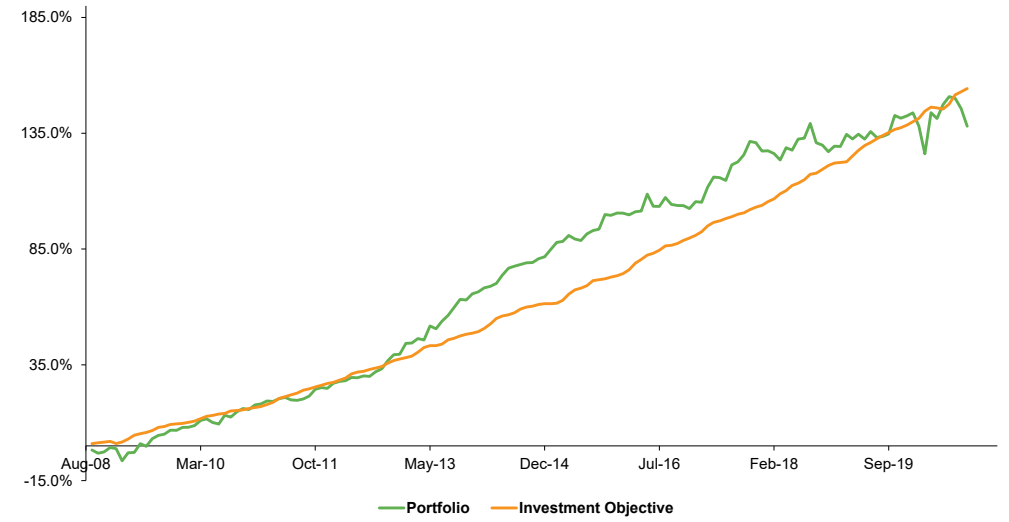
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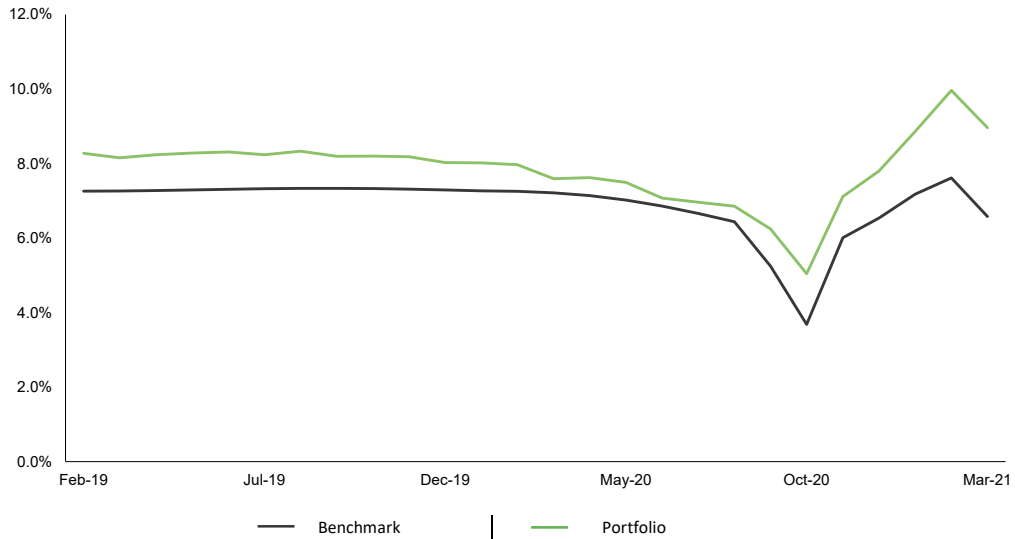
DC Moderate - Cumulative return since 30 September 2016



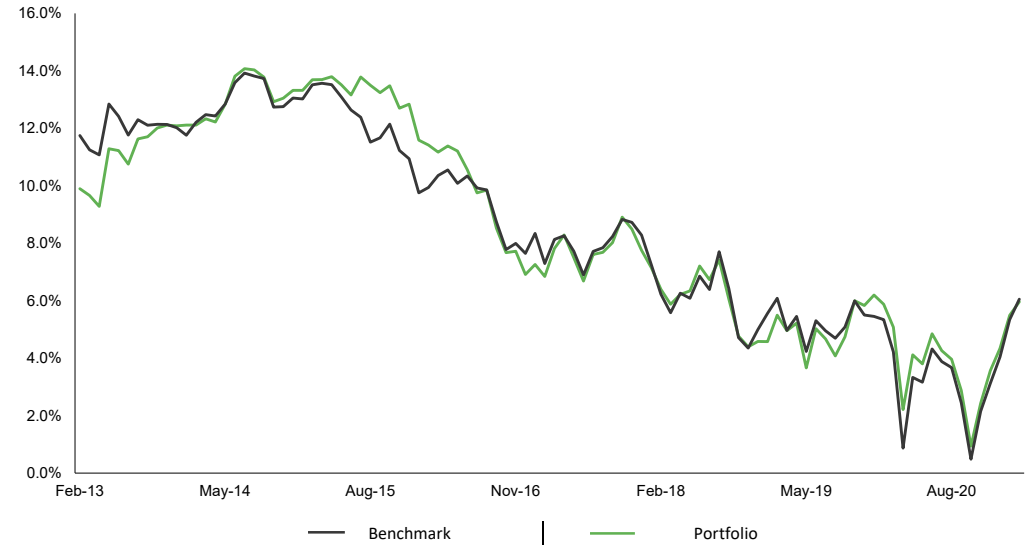
Pensioner - Cumulative return since 30 September 2016



DC Moderate - 1 Year Rolling Returns



Pensioner - 3 Year Rolling Returns



PORTFOLIO MARKET VALUES AND RETURNS

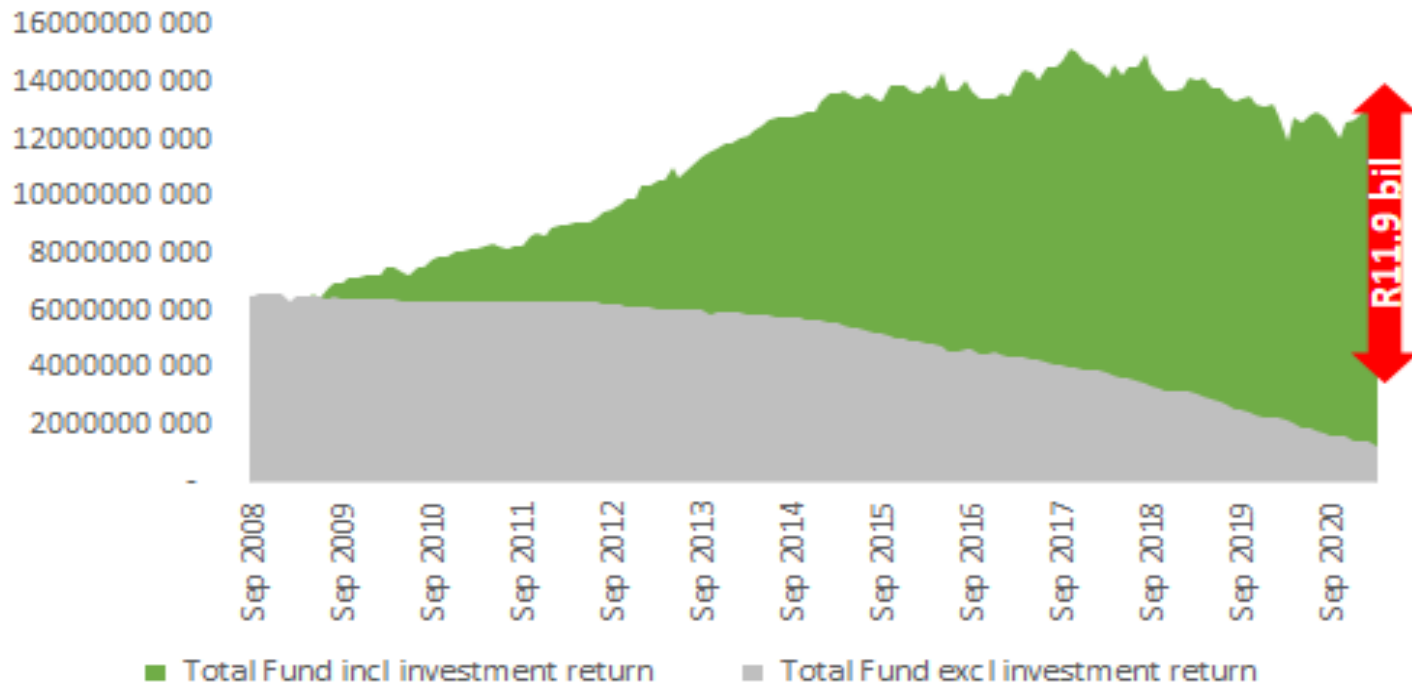
The table below sets out the portfolio returns of the funds over the various periods in comparison with their respective benchmarks.

	Market value (R)	Weight (%)	1 month (%)	3 months (%)	YTD (%)	12 months (%)	3 years (% p.a.)	5 years (% p.a.)
DB Members	9 300 585 268	70.4%	0.1%	5.7%	5.7%	19.2%	3.7%	4.2%
Strategic Benchmark			0.5%	5.1%	5.1%	21.0%	5.0%	5.3%
			-0.3%	0.6%	0.6%	-1.8%	-1.3%	-1.1%
DC Growth	1 802 117 587	13.6%	0.5%	6.5%	6.5%	20.8%	4.8%	4.6%
Strategic Benchmark			0.9%	5.9%	5.9%	25.7%	5.5%	5.4%
			-0.5%	0.7%	0.7%	-4.9%	-0.7%	-0.8%
DC Moderate	284 416 203	2.2%	-0.6%	2.7%	2.7%	9.0%	8.2%	-
Strategic Benchmark			-0.4%	1.7%	1.7%	6.6%	7.0%	-
			-0.2%	1.0%	1.0%	2.4%	1.2%	-
Pensioner	1 824 403 952	13.8%	0.1%	5.3%	5.3%	17.6%	6.0%	5.7%
Strategic Benchmark			0.5%	5.0%	5.0%	21.3%	6.1%	5.7%
			-0.3%	0.3%	0.3%	-3.7%	-0.1%	0.1%
DB Members			0.1%	5.7%	5.7%	19.2%	3.7%	4.2%
Objective			1.0%	2.3%	2.3%	7.4%	8.2%	8.5%
			-0.9%	3.4%	3.4%	11.8%	-4.5%	-4.3%
DC Growth			0.5%	6.5%	6.5%	20.8%	4.8%	4.6%
Objective			1.0%	2.3%	2.3%	7.4%	8.4%	8.7%
			-0.6%	4.3%	4.3%	13.4%	-3.6%	-4.0%
DC Moderate			-0.6%	2.7%	2.7%	9.0%	8.2%	-
Objective			0.9%	1.9%	1.9%	5.0%	5.2%	-
			-1.5%	0.8%	0.8%	3.9%	3.0%	-
Pensioner			0.1%	5.3%	5.3%	17.6%	6.0%	5.7%
Objective			1.0%	2.3%	2.3%	7.4%	7.9%	8.0%
			-0.9%	3.1%	3.1%	10.2%	-2.0%	-2.2%
	13 211 523 011	100%						

LONG TERM RETURNS

Longer term returns should be used to assess the Fund's performance when compared to the benchmark as short term volatility may distort short term performance measurement.

Estimate Value Added through Investment Returns since Inception



MANAGER PERFORMANCE

The table below sets out the individual manager returns for funds and compares them with their respective benchmarks.

Asset Class	Manager	Inception Date	Market value (R)	Weight (%)	1 month (%)	3 months (%)	12 months (%)	3 years (% p.a.)	5 years (% p.a.)	Since Inception	
Equity	All Weather Equity	2018/10/31	564 264 210.95	4.3%	4.6%	14.7%	55.7%	-	-	7.9%	
	JSE Capped Share Weighted Index				3.7%	12.6%	54.2%	-	-	8.6%	
					0.8%	2.0%	1.5%	-	-	-0.7%	
	Aluwani Capital Equity	2018/10/31	644 506 231.33	4.9%	3.6%	14.1%	50.2%	-	-	9.4%	
	JSE Capped Share Weighted Index				3.7%	12.6%	54.2%	-	-	8.6%	
					-0.2%	1.4%	-4.0%	-	-	0.8%	
Equity	Argon Equity	2018/10/31	383 195 457.10	2.9%	3.3%	13.2%	55.5%	-	-	8.2%	
	JSE Capped Share Weighted Index				3.7%	12.6%	54.2%	-	-	8.6%	
					-0.4%	0.6%	1.3%	-	-	-0.4%	
	Satrix Equity	2018/10/31	403 060 217.32	3.1%	3.8%	12.7%	53.9%	-	-	9.5%	
	JSE Capped Share Weighted Index				3.7%	12.6%	54.2%	-	-	8.6%	
					0.1%	0.1%	-0.3%	-	-	1.0%	
Equity	Vunani Equity	2018/10/31	925 236 694.69	7.0%	3.4%	12.1%	51.8%	-	-	8.2%	
	JSE Capped Share Weighted Index				3.7%	12.6%	54.2%	-	-	8.6%	
					-0.3%	-0.5%	-2.5%	-	-	-0.3%	
	Equity Incubation	Mianzo Equity	2018/10/31	573 779 403.24	4.3%	4.9%	15.7%	59.4%	-	-	9.5%
		JSE Capped Share Weighted Index				3.7%	12.6%	54.2%	-	-	8.6%
						1.2%	3.1%	5.2%	-	-	0.9%
Equity Incubation	Balondolozzi Equity	2018/10/31	575 626 206.00	4.4%	3.4%	13.1%	54.0%	-	-	8.6%	
	JSE Capped Share Weighted Index				3.7%	12.6%	54.2%	-	-	8.6%	
					-0.3%	0.5%	-0.2%	-	-	0.0%	
Protected Equity	Mergence Structured Product	2020/02/29	753 988 904.64	5.7%	0.8%	10.8%	53.8%	-	-	30.2%	
	JSE All Share Index Top 40				0.2%	12.0%	49.4%	-	-	18.2%	
					0.6%	-1.1%	4.3%	-	-	11.9%	

MANAGER PERFORMANCE

The table below sets out the individual manager returns for funds and compares them with their respective benchmarks.

Asset Class	Manager	Inception Date	Market value (R)	Weight (%)	1 month (%)	3 months (%)	12 months (%)	3 years (% p.a.)	5 years (% p.a.)	Since Inception
Fixed Income	Futuregrowth Infrastructure Bond All Bond Index	2008/08/31	960 009 282.62	7.3%	-2.7%	-1.0%	18.9%	6.3%	9.7%	10.6%
					-2.5%	-1.7%	17.0%	5.5%	8.7%	8.6%
					-0.2%	0.7%	2.0%	0.8%	1.0%	2.1%
	Stanlib Bond All Bond Index	2008/08/31	332 332 462.74	2.5%	-2.9%	-1.6%	17.7%	6.0%	9.5%	9.4%
					-2.5%	-1.7%	17.0%	5.5%	8.7%	8.6%
					-0.4%	0.1%	0.7%	0.5%	0.9%	0.8%
Property	Direct Property NO BENCHMARK	2008/08/31	159 700 023.25	1.2%	-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
	Meago Property Listed Property	2012/08/31	327 437 434.21	2.5%	1.1%	6.7%	35.4%	-12.3%	-8.5%	1.4%
					1.2%	6.4%	34.4%	-11.7%	-8.3%	0.6%
					-0.1%	0.3%	1.0%	-0.6%	-0.2%	0.8%
Money Market	Sanlam Cash STEFI Composite	2010/09/30	250 618 375.40	1.9%	0.2%	0.9%	5.0%	7.1%	8.0%	7.4%
					0.3%	0.9%	4.6%	6.3%	6.8%	6.3%
					-0.2%	0.0%	0.4%	0.7%	1.2%	1.1%
	Transition Account	2009/02/28	2 269 660.27	0.0%	-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
Money Market Incubation	Cartesian Capital Money Market STEFI Composite	2018/10/31	167 103 960.75	1.3%	0.4%	1.1%	5.2%	-	-	6.1%
					0.3%	0.9%	4.6%	-	-	6.1%
					0.1%	0.2%	0.6%	-	-	-0.1%
Alternatives	Mayibentsha Focused CPI + 4.5%	2011/07/31	525 760 874.61	4.0%	0.7%	5.1%	25.4%	10.1%	6.4%	8.2%
					1.0%	2.3%	7.4%	8.4%	8.9%	9.5%
					-0.4%	2.8%	18.1%	1.7%	-2.5%	-1.3%
	Mayibentsha Market Neutral CPI + 2.5%	2011/07/31	447 695 519.88	3.4%	0.6%	3.4%	16.3%	8.1%	7.6%	7.9%
					0.9%	1.8%	5.4%	6.4%	6.9%	7.5%
					-0.2%	1.6%	10.9%	1.8%	0.7%	0.4%
Mayibentsha Moderate CPI + 3.5%	2008/08/31	352 252 821.04	2.7%	0.8%	4.7%	21.9%	9.9%	7.8%	8.8%	
				0.9%	2.0%	6.4%	7.4%	7.9%	8.4%	
				-0.1%	2.6%	15.5%	2.5%	0.0%	0.4%	

MANAGER PERFORMANCE

The table below sets out the individual manager returns for funds and compares them with their respective benchmarks.

Asset Class	Manager	Inception Date	Market value (R)	Weight (%)	1 month (%)	3 months (%)	12 months (%)	3 years (% p.a.)	5 years (% p.a.)	Since Inception
Alternatives Incubation	Terebinth Capital	2020/01/31	62 076 103.02	0.5%	-1.1%	8.5%	37.6%	-	-	20.4%
	STEFI				0.3%	0.9%	4.6%	-	-	4.9%
					-1.4%	7.6%	33.1%	-	-	15.5%
	Sampada Private Equity	2015/09/30	235 195 788.35	1.8%	-	-	-	-	-	-
	NO BENCHMARK				-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
	Sampada Private Equity 2	2019/01/31	283 891 152.48	2.1%	-	-	-	-	-	-
	NO BENCHMARK				-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
	Legacy Africa	2020/01/31	153 761 563.50	1.2%	-	-	-	-	-	-
	Hurdle Rate				-	-	-	-	-	-
					-	-	-	-	-	-
	Tamela Capital	2020/01/31	-	0.0%	-	-	-	-	-	-
	NO BENCHMARK				-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
	Boxwood Property Fund	2020/03/31	59 876 535.28	0.5%	-	-	-	-	-	-
	Hurdle Rate (CPI +3%)				-	-	-	-	-	-
					-	-	-	-	-	-
	Summit Africa	2019/11/30	64 464 376.96	0.5%	-	-	-	-	-	-
	Hurdle Rate (CPI +5%)				-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
Africa	Novare Africa Property Fund 1	2010/07/31	321 094 096.32	2.4%	-	-	-	-	-	-
	10% in USD				-	-	-	-	-	-
					-	-	-	-	-	-
	Novare Africa Property Fund 2	2014/07/31	111 360 259.45	0.8%	-	-	-	-	-	-
	10% in USD				-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
International	Novare Global Balanced	2008/08/31	3 570 965 395.63	27.0%	-2.0%	2.6%	4.8%	11.5%	6.6%	11.0%
	60% Equity / 40% Bonds				-1.2%	1.5%	8.7%	16.3%	8.1%	10.7%
					-0.8%	1.1%	-3.9%	-4.8%	-1.5%	0.2%
			13 211 523 011	100%						

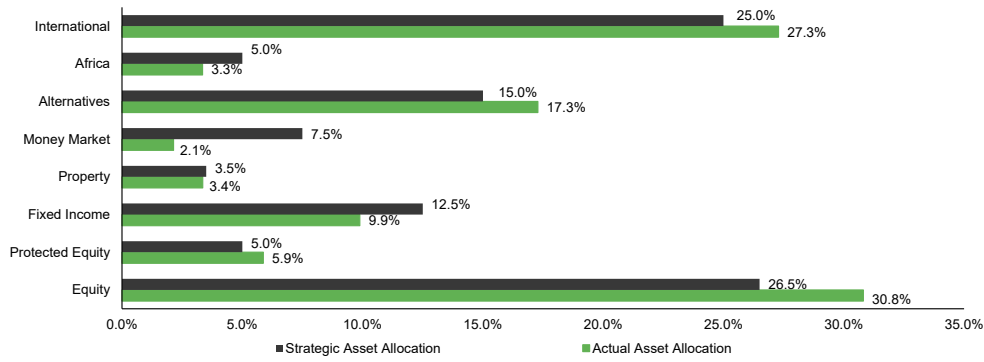
"The private equity and unlisted property portfolios will be measured and reported on in a separate report."

ASSET ALLOCATION

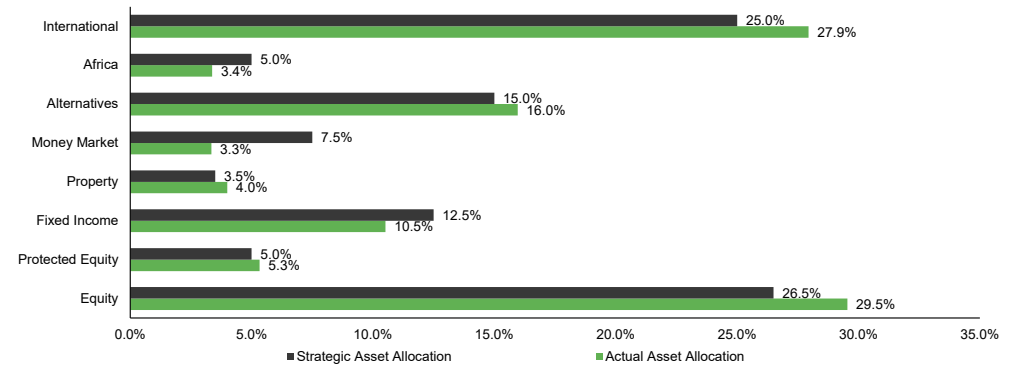
Asset Class	Manager	DB Members	DC Growth	DC Moderate	Pensioner	Total Fund
Equity	All Weather Equity	350 228 173.9	138 984 631.4	1 731 802.0	73 319 603.6	564 264 211.0
	Aluwani Capital Equity	460 958 140.9	161 040 406.5	1 525 285.9	20 982 398.1	644 506 231.3
	Argon Equity	218 587 066.4	142 393 723.3	1 505 519.4	20 709 148.0	383 195 457.1
	Balondolozzi Equity	419 981 828.9	124 924 322.2	1 684 966.8	29 035 088.2	575 626 206.0
	Mianzo Equity	417 245 859.0	28 372 865.3	1 777 798.4	126 382 880.6	573 779 403.2
	Satrix Equity	260 905 913.8	25 435 422.9	1 424 341.7	115 294 538.9	403 060 217.3
Protected Equity	Vunani Equity	737 853 990.6	17 657 080.9	16 527 084.0	153 198 539.3	925 236 694.7
	Mergence Structured Product	546 311 539.2	94 644 209.1	15 804 837.0	97 228 319.3	753 988 904.6
Fixed Income	Futuregrowth Infrastructure Bond	675 246 746.7	89 549 849.3	36 071 799.1	159 140 887.6	960 009 282.6
	Stanlib Bond	244 406 646.8	22 301 699.4	32 906 477.7	32 717 638.9	332 332 462.7
Property	Direct Property	127 317 543.5			32 382 479.8	159 700 023.3
	Meago Property	185 096 840.7	101 755 989.1		40 584 604.5	327 437 434.2
Money Market	Cartesian Capital Money Market	58 871 633.3	24 371 345.6	58 162 963.9	25 698 018.0	167 103 960.8
	Sanlam Cash	138 317 233.6	43 895 384.1	33 140 255.9	35 265 501.8	250 618 375.4
	Transition Account	2 269 660.3				2 269 660.3
Alternatives	Mayibentsha Focused	388 455 538.1	61 267 033.3	7 846 441.0	68 191 862.3	525 760 874.6
	Mayibentsha Market Neutral	327 802 726.0	52 320 101.7	7 497 858.4	60 074 833.9	447 695 519.9
	Mayibentsha Moderate	221 581 116.4	60 238 565.1	7 702 290.1	62 730 849.5	352 252 821.0
	Terebinth Capital	48 402 993.1	1 584 182.9	7 959 273.4	4 129 653.6	62 076 103.0
	Tamela Capital	-	-	-	-	-
	Legacy Africa	139 045 302.9	4 494 161.8		10 222 098.8	153 761 563.5
	Sampada Private Equity	183 655 195.7	22 374 534.3		29 166 058.4	235 195 788.4
	Sampada Private Equity 2	217 900 192.9	29 632 063.6		36 358 896.0	283 891 152.5
	Boxwood Property Fund	51 959 169.2	3 650 979.7		4 266 386.4	59 876 535.3
	Summit Africa	29 185 598.4	19 249 615.5		16 029 163.1	64 464 377.0
Africa	Novare Africa Property Fund 1	230 710 448.2	44 806 964.8		45 576 683.4	321 094 096.3
	Novare Africa Property Fund 2	80 462 268.5	14 989 935.6		15 908 055.4	111 360 259.5
International	Novare Global Balanced	2 537 825 901.9	472 182 520.1	51 147 208.6	509 809 765.0	3 570 965 395.6
Total Fund		9 300 585 268.5	1 802 117 587.3	284 416 203.1	1 824 403 952.2	13 211 523 011.0

ASSET ALLOCATION

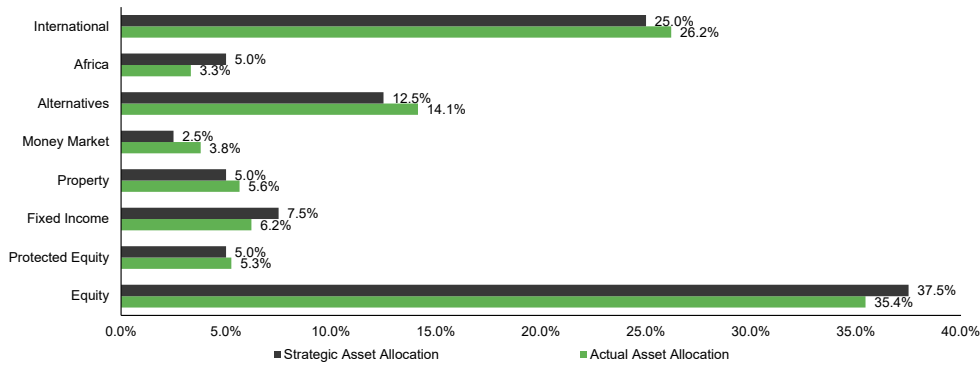
DB Members



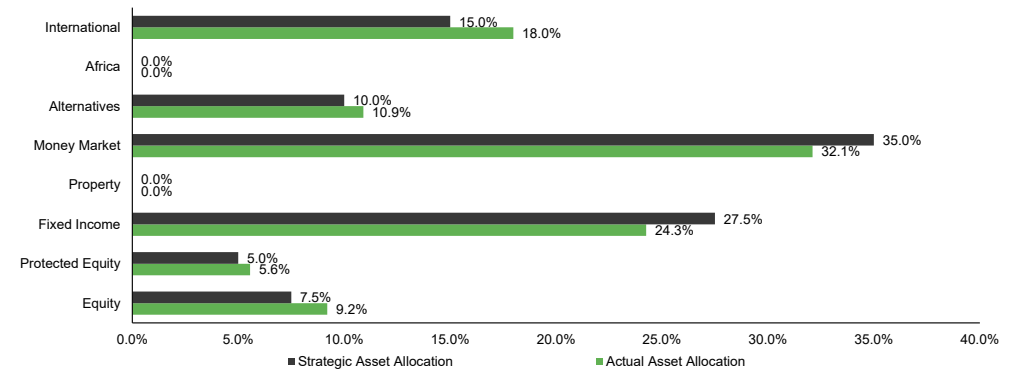
Pensioner



DC Growth



DC Moderate



PORTFOLIO RISK STATISTICS OVERVIEW

	DB Members	DC Growth	DC Moderate	Pensioner
Best 1 Month Period	8.49%	8.65%	2.55%	7.86%
Worst 1 Month Period	-6.53%	-6.29%	-0.57%	-5.30%
Standard Deviation	7.65%	7.73%	1.45%	5.88%
Gain Deviation	5.92%	5.97%	1.50%	4.43%
Loss Deviation	4.99%	5.06%	0.60%	4.00%
Max Drawdown	13.28%	11.59%	0.57%	7.28%
Sharpe Ratio	0.35	0.36	1.27	0.22

*Displayed risk statistics are calculated on actual portfolio/investment returns since inception of initial investment.

MANAGER RISK STATISTICS OVERVIEW

Inception Date Benchmark	All Weather Equity		Aluwani Capital Equity		Argon Equity		Satrix Equity		Vunani Equity		Mianzo Equity		Balondolozl Equity		Mergence Structured Product
	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2018/10/31 JSE Capped Share Weighted Index	2020/02/29 JSE All Share Index Top 40	
Best 1 Month Period	15.01%	13.07%	16.74%	13.87%	14.05%	14.23%	15.45%	11.14%							
Worst 1 Month Period	-16.48%	-15.01%	-17.89%	-16.48%	-16.36%	-17.64%	-15.58%	-11.55%							
Standard Deviation	19.95%	19.08%	21.69%	19.67%	19.76%	20.84%	20.49%	20.71%							
Gain Deviation	13.99%	13.46%	14.88%	13.61%	13.50%	14.34%	14.28%	17.46%							
Loss Deviation	14.03%	13.37%	15.52%	14.06%	14.24%	14.97%	14.47%	12.16%							
Max Drawdown	29.44%	25.82%	28.63%	26.50%	27.71%	29.08%	29.28%	11.55%							
Sharpe Ratio	0.09	0.17	0.10	0.17	0.11	0.16	0.12	1.22							

*Displayed risk statistics are calculated on actual portfolio/investment returns since inception of initial investment.

MANAGER RISK STATISTICS OVERVIEW

	Futuregrowth Infrastructure Bond	Stanlib Bond	Meago Property	Sanlam Cash	Cartesian Capital Money Market	Mayibentsha Focused	Mayibentsha Market Neutral	Mayibentsha Moderate
Inception Date	2008/08/31	2008/08/31	2012/08/31	2010/09/30	2018/10/31	2011/07/31	2011/07/31	2008/08/31
Benchmark	All Bond Index	All Bond Index	Listed Property	STEFI Composite	STEFI Composite	CPI + 4.5%	CPI + 2.5%	CPI + 3.5%
Best 1 Month Period	7.37%	7.10%	17.77%	0.88%	0.65%	6.18%	4.64%	4.85%
Worst 1 Month Period	-11.08%	-9.26%	-36.44%	0.00%	0.28%	-4.24%	-4.21%	-3.50%
Standard Deviation	7.50%	7.61%	21.91%	0.50%	0.35%	5.03%	2.80%	3.70%
Gain Deviation	5.60%	5.55%	12.98%	0.42%	0.23%	3.88%	2.12%	2.86%
Loss Deviation	5.08%	5.22%	17.65%	0.18%	0.24%	3.38%	1.97%	2.64%
Max Drawdown	11.15%	9.26%	62.68%	0.00%	0.00%	5.92%	4.42%	6.05%
Sharpe Ratio	0.51	0.34	0.23	2.16	0.16	0.37	0.56	0.54

*Displayed risk statistics are calculated on actual portfolio/investment returns since inception of initial investment.

MANAGER RISK STATISTICS OVERVIEW

Inception Date Benchmark	Terebinth Capital	Novare Global Balanced
	2020/01/31 STEFI	2008/08/31 60% Equity / 40% Bonds
Best 1 Month Period	17.95%	11.64%
Worst 1 Month Period	-11.66%	-9.18%
Standard Deviation	23.09%	12.59%
Gain Deviation	18.26%	9.95%
Loss Deviation	13.69%	7.85%
Max Drawdown	11.66%	16.53%
Sharpe Ratio	0.67	0.33

*Displayed risk statistics are calculated on actual portfolio/investment returns since inception of initial investment.

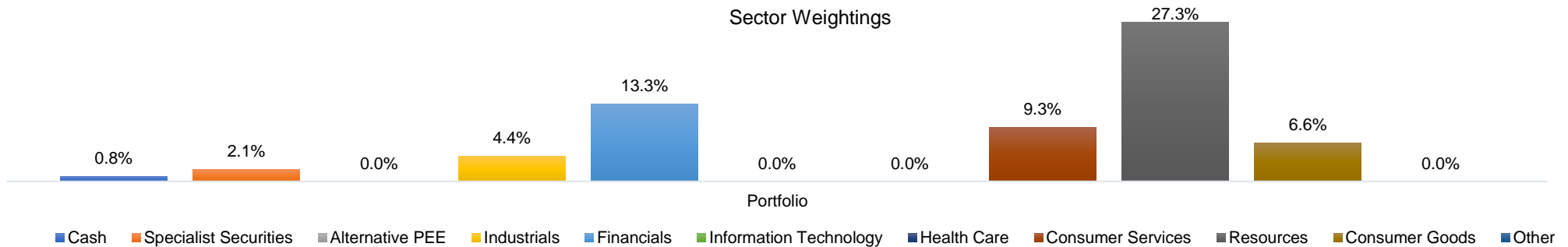
EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

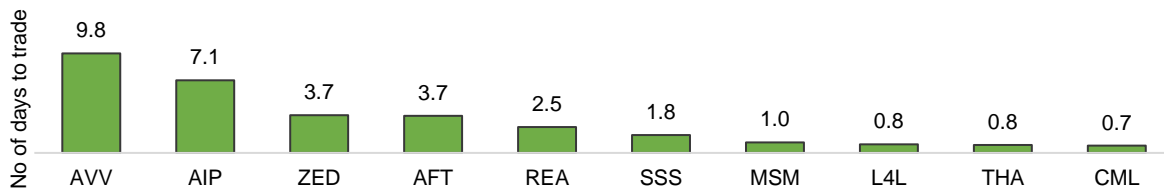
All Weather: Top10 holdings			
Share	Weight	Return	PE Ratio
AGL	7.0%	19.7%	14.5
FSR	5.5%	1.1%	20.0
IMP	4.0%	35.6%	8.4
SSW	3.9%	8.3%	6.2
BHP	3.2%	9.9%	16.2
SOL	3.1%	58.1%	155.7
AMS	3.1%	49.1%	18.7
SHP	2.4%	12.2%	19.4
MCG	2.3%	-3.8%	36.8
NHM	2.2%	22.8%	32.7

All Weather: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
SOL	1.8%	58.1%
AMS	1.5%	49.1%
IMP	1.4%	35.6%
AGL	1.4%	19.7%
RBP	0.9%	68.2%
ANG	0.0%	-6.0%
LBH	-0.1%	-4.9%
MCG	-0.1%	-3.8%
HAR	-0.1%	-12.6%
ANH	-0.2%	-10.3%

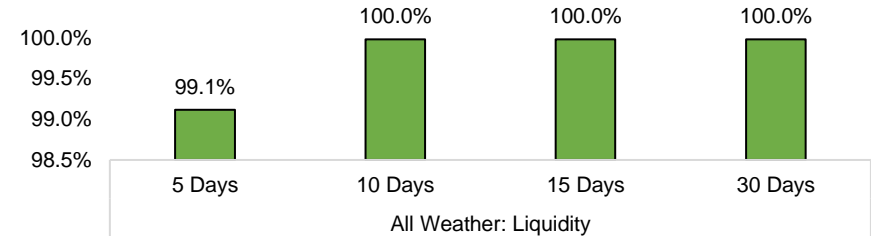
Sector Weightings



* All Weather: Most illiquid shares



* % that can be traded



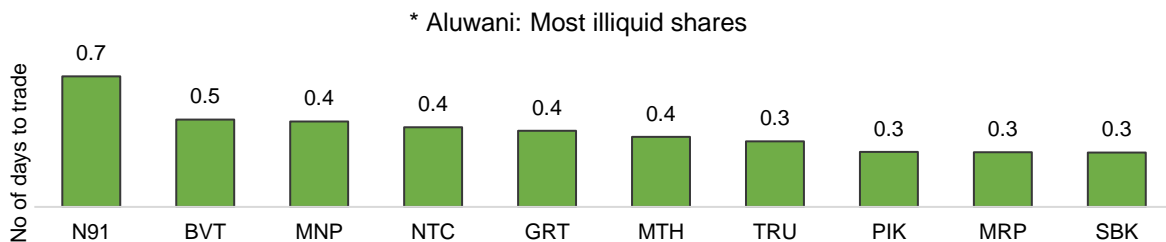
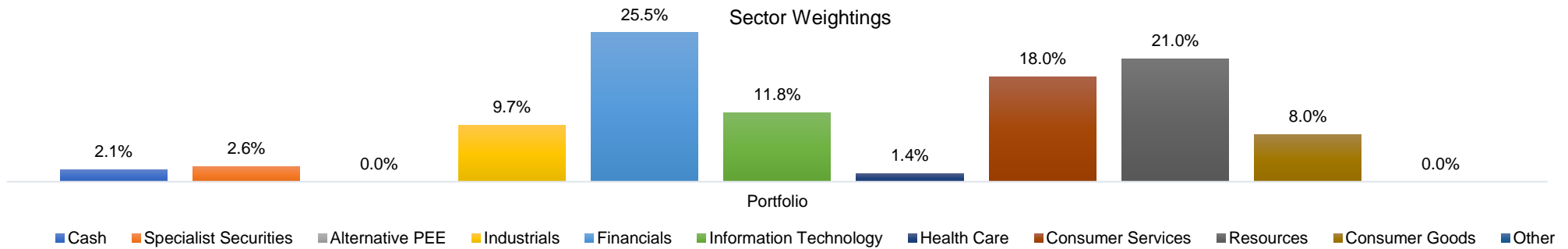
* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

Aluwani: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	9.9%	17.0%	36.8
FSR	8.1%	1.1%	20.0
SBK	7.2%	-1.3%	12.5
AGL	5.1%	19.7%	14.5
BVT	4.5%	8.5%	40.1
MTN	4.3%	44.3%	11.7
BTI	4.0%	3.0%	9.0
MRP	3.6%	13.5%	21.0
MNP	3.4%	10.5%	16.3
SLM	3.3%	1.3%	13.4

Aluwani: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
MTN	1.9%	44.3%
NPN	1.7%	17.0%
SOL	1.0%	58.1%
AGL	1.0%	19.7%
IMP	0.8%	35.6%
GFI	0.0%	0.0%
CPI	0.0%	-0.9%
MCG	-0.1%	-3.8%
ANG	-0.1%	-6.0%
SBK	-0.1%	-1.3%



* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

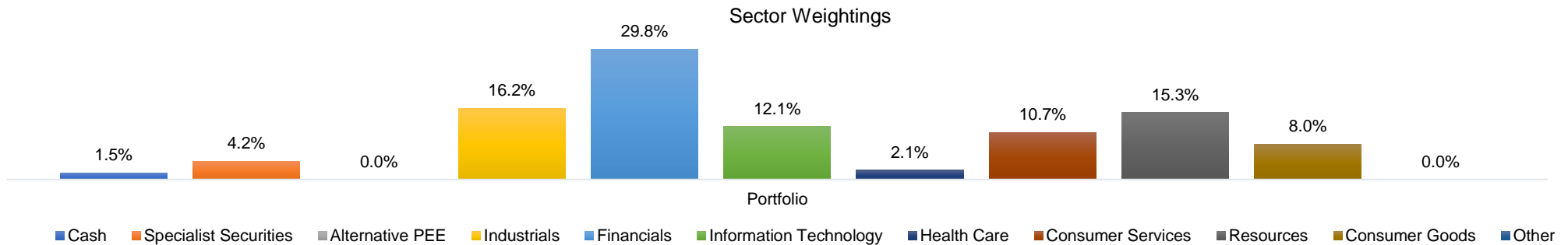
EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

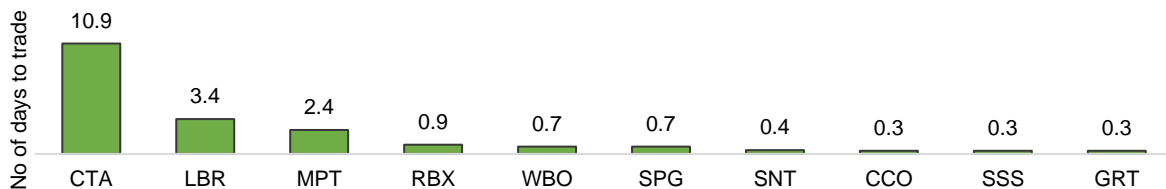
Argon: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	8.7%	17.0%	36.8
SOL	7.5%	58.1%	155.7
BTI	7.5%	3.0%	9.0
FSR	6.2%	1.1%	20.0
SBK	5.2%	-1.3%	12.5
AGL	3.5%	19.7%	14.5
ABG	3.4%	5.2%	17.3
PRX	3.3%	2.3%	45.0
GRT	3.3%	5.0%	20.8
SLM	2.8%	1.3%	13.4

Argon: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
SOL	4.4%	58.1%
NPN	1.5%	17.0%
MTN	1.0%	44.3%
AGL	0.7%	19.7%
SAP	0.7%	40.1%
MCG	0.0%	-3.8%
LBH	0.0%	-4.9%
SBK	-0.1%	-1.3%
ANG	-0.1%	-6.0%
PAN	-0.1%	-34.4%

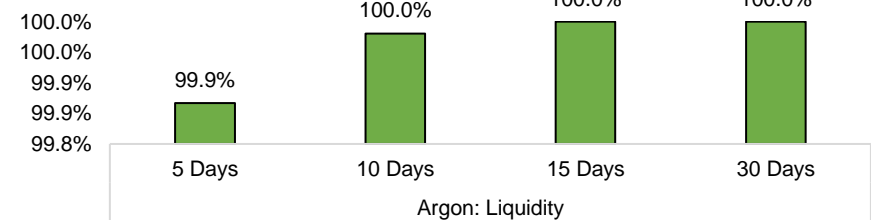
Sector Weightings



* Argon: Most illiquid shares



* % that can be traded



* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

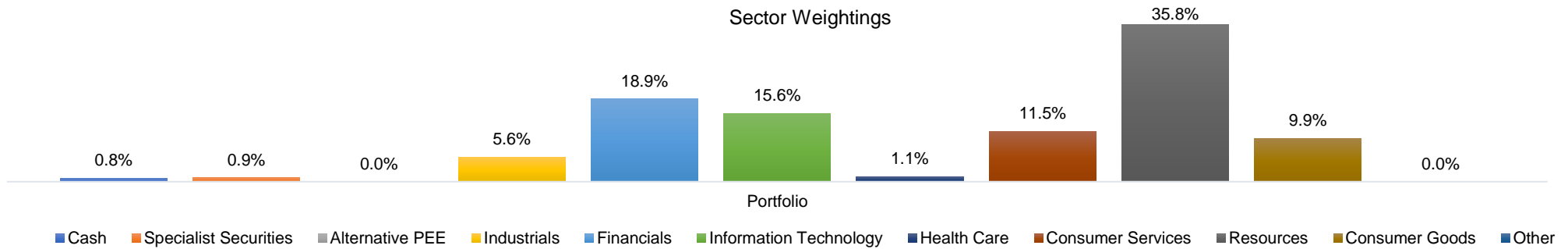
EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

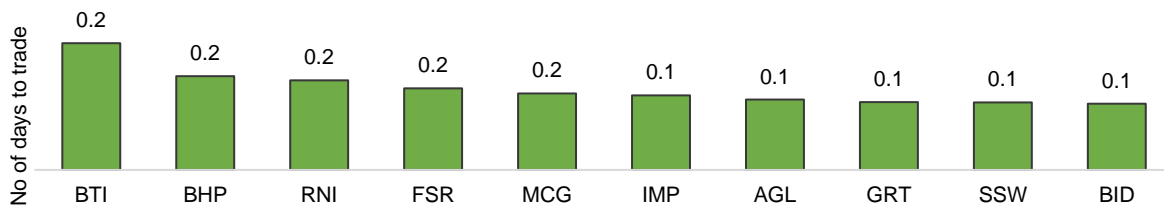
Balondolozzi: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	13.5%	17.0%	36.8
IMP	7.9%	35.6%	8.4
SSW	6.8%	8.3%	6.2
BTI	6.2%	3.0%	9.0
BHP	6.0%	9.9%	16.2
AGL	5.2%	19.7%	14.5
FSR	5.0%	1.1%	20.0
SBK	3.2%	-1.3%	12.5
MTN	3.0%	44.3%	11.7
AMS	2.5%	49.1%	18.7

Balondolozzi: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
IMP	2.8%	35.6%
NPN	2.3%	17.0%
SOL	1.4%	58.1%
MTN	1.3%	44.3%
AMS	1.2%	49.1%
MCG	0.0%	-3.8%
CLS	-0.1%	-4.9%
HAR	-0.1%	-12.6%
ANG	-0.1%	-6.0%
DSY	-0.1%	-13.7%

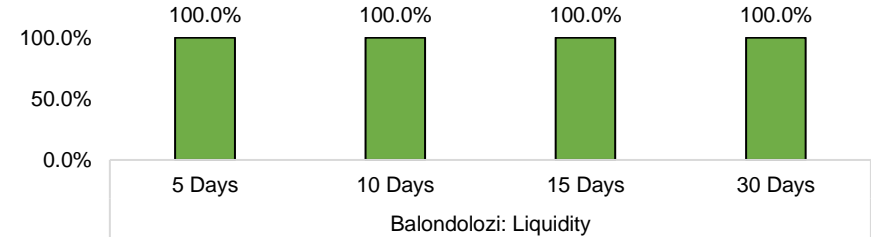
Sector Weightings



* Balondolozzi: Most illiquid shares



* % that can be traded



* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

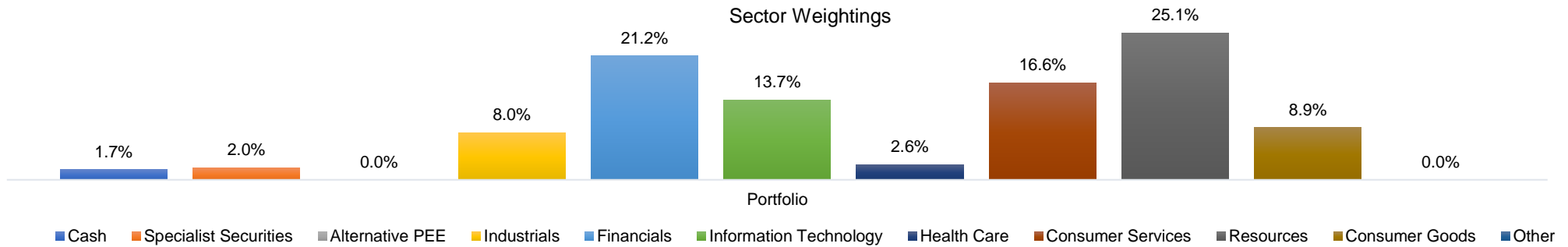
EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

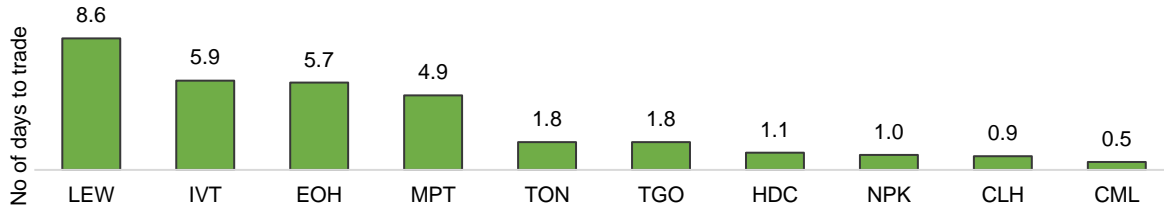
Mianzo: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	10.2%	17.0%	36.8
AGL	5.2%	19.7%	14.5
FSR	4.6%	1.1%	20.0
IMP	4.3%	35.6%	8.4
MTN	3.9%	44.3%	11.7
BTI	3.4%	3.0%	9.0
AMS	3.3%	49.1%	18.7
SBK	3.2%	-1.3%	12.5
SSW	2.9%	8.3%	6.2
SOL	2.5%	58.1%	155.7

Mianzo: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	1.7%	17.0%
MTN	1.7%	44.3%
AMS	1.6%	49.1%
IMP	1.5%	35.6%
SOL	1.5%	58.1%
SBK	0.0%	-1.3%
HAR	-0.1%	-12.6%
ANG	-0.1%	-6.0%
EOH	-0.1%	-10.6%
DSY	-0.1%	-13.7%

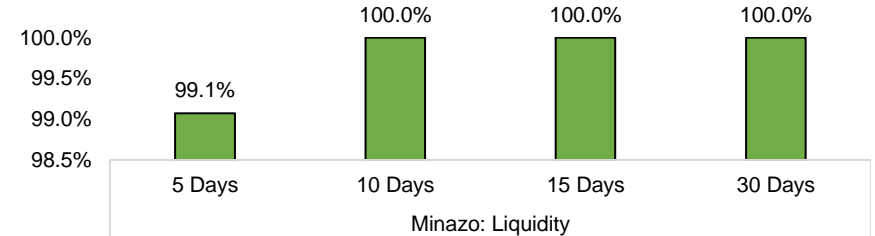
Sector Weightings



* Minazo: Most illiquid shares



* % that can be traded



* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

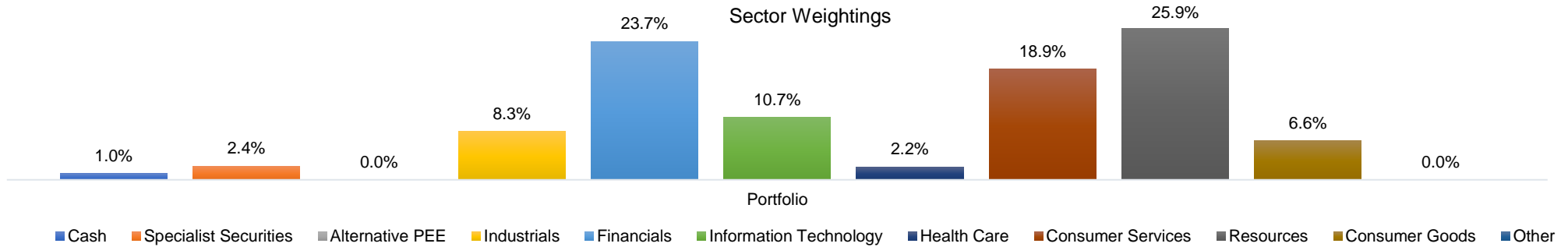
EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

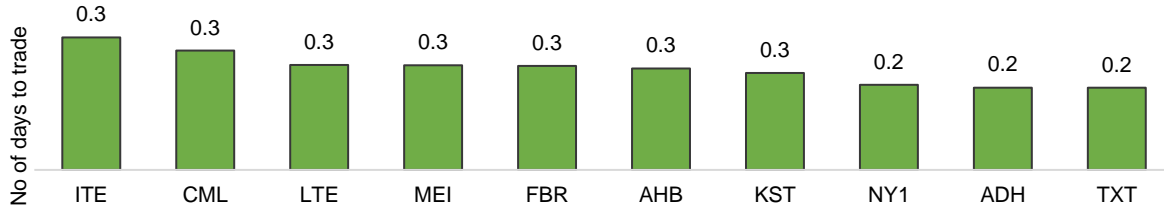
Sanlam Satrix: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	9.2%	17.0%	36.8
AGL	6.1%	19.7%	14.5
FSR	5.7%	1.1%	20.0
SSW	4.1%	8.3%	6.2
AMS	3.7%	49.1%	18.7
IMP	3.6%	35.6%	8.4
MTN	3.5%	44.3%	11.7
BTI	2.7%	3.0%	9.0
VOD	2.6%	1.5%	12.7
SBK	2.2%	-1.3%	12.5

Sanlam Satrix: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
AMS	1.8%	49.1%
NPN	1.6%	17.0%
MTN	1.5%	44.3%
SOL	1.3%	58.1%
IMP	1.3%	35.6%
ANH	0.0%	-10.3%
MCG	0.0%	-3.8%
CLS	-0.1%	-4.9%
ANG	-0.1%	-6.0%
DSY	-0.1%	-13.7%

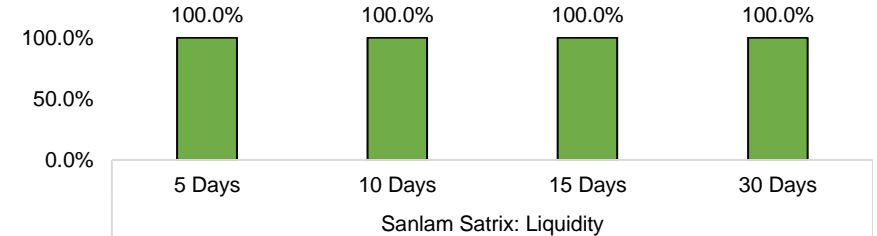
Sector Weightings



* Sanlam Satrix: Most illiquid shares



* % that can be traded



* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

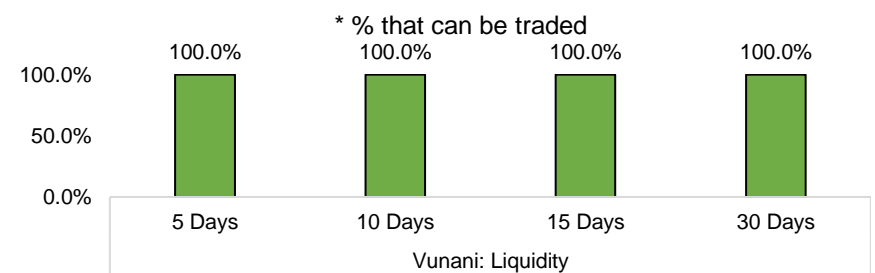
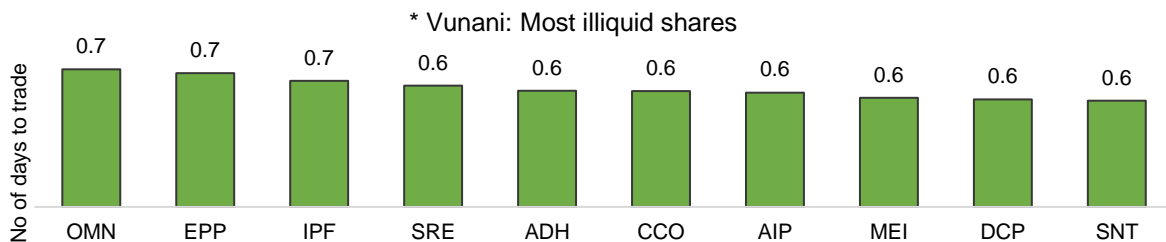
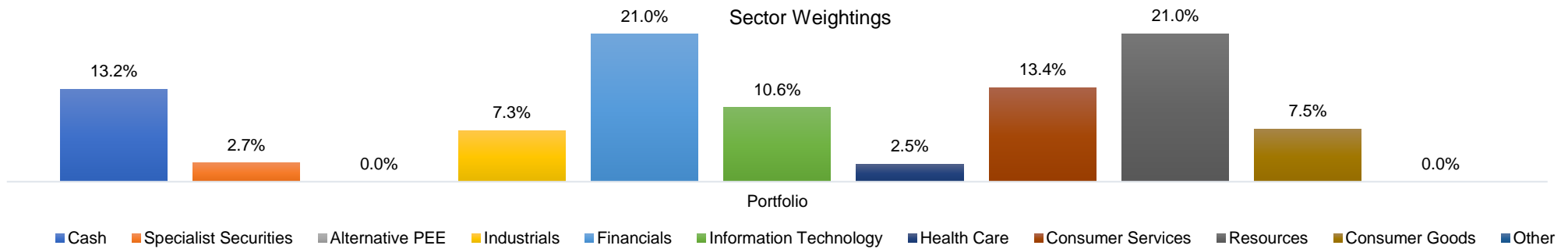
Sanlam Satrix: Liquidity

EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

Vunani: Top10 holdings			
Share	Weight	Return	PE Ratio
CASH	13.2%	0.0%	0.0
NPN	8.6%	17.0%	36.8
FSR	4.3%	1.1%	20.0
AGL	4.0%	19.7%	14.5
IMP	3.5%	35.6%	8.4
SBK	2.6%	-1.3%	12.5
SSW	2.6%	8.3%	6.2
MTN	2.6%	44.3%	11.7
BTI	2.5%	3.0%	9.0
AMS	2.1%	49.1%	18.7

Vunani: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	1.5%	17.0%
IMP	1.2%	35.6%
MTN	1.1%	44.3%
SOL	1.1%	58.1%
AMS	1.0%	49.1%
CLS	0.0%	-4.9%
ANH	-0.1%	-10.3%
HAR	-0.1%	-12.6%
ANG	-0.1%	-6.0%
DSY	-0.1%	-13.7%



* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

Vunani: Liquidity

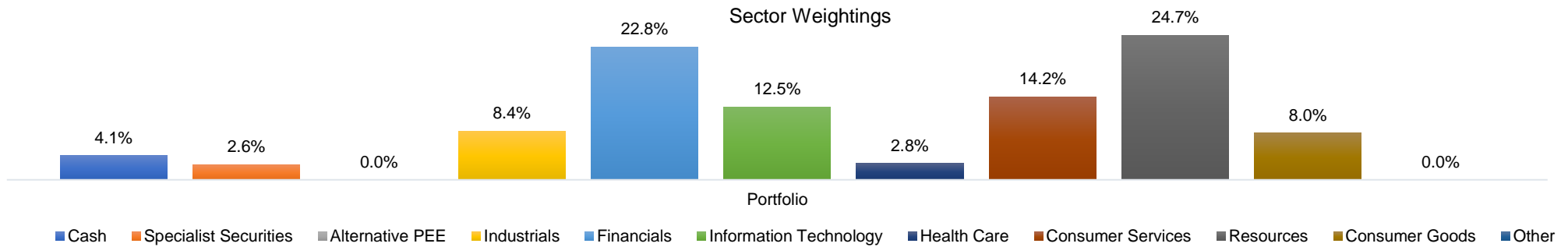
EQUITY HOLDINGS

The tables and graphs below set out the portfolio's holdings as a percentage of the portfolio's equity holdings

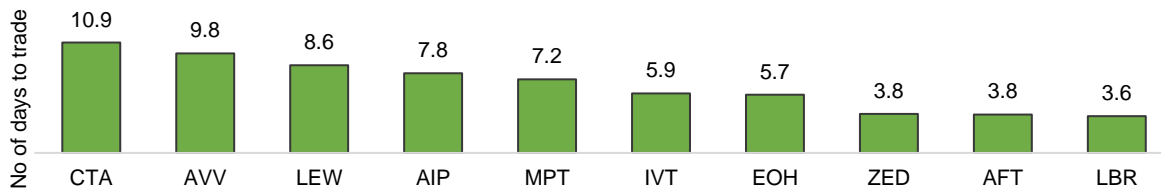
Total Fund: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	10.4%	17.0%	36.8
FSR	5.5%	1.1%	20.0
AGL	5.1%	19.7%	14.5
CASH	4.1%	0.0%	0.0
IMP	4.0%	35.6%	8.4
SBK	3.8%	-1.3%	12.5
SSW	3.6%	8.3%	6.2
BTI	3.5%	3.0%	9.0
MTN	3.0%	44.3%	11.7
SOL	2.8%	58.1%	155.7

Total Fund: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	1.8%	17.0%
SOL	1.6%	58.1%
IMP	1.4%	35.6%
MTN	1.3%	44.3%
AMS	1.1%	49.1%
MCG	0.0%	-3.8%
SBK	0.0%	-1.3%
HAR	-0.1%	-12.6%
DSY	-0.1%	-13.7%
ANG	-0.1%	-6.0%

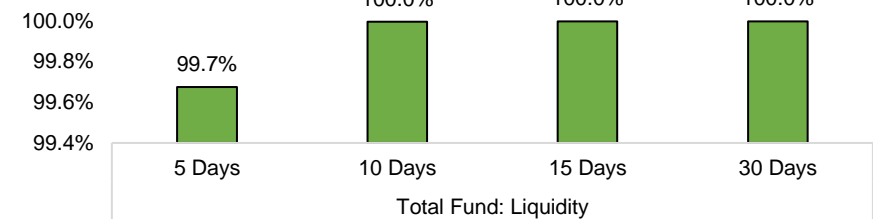
Sector Weightings



* Total Fund: Most illiquid shares



* % that can be traded



* estimate liquidity based on participating in no more than 25% of the average daily traded volume over the previous 3 months

Section C

Glossary



INVESTMENT GLOSSARY

ALTERNATIVE INVESTMENTS

Any non-traditional asset class. Investing in these generally provides a portfolio with greater diversification.

ANNUALISED RETURN

Where a cumulative return is over a period greater than a year, an annualised return is what the return is when converted into annual periods. For example, if the cumulative return over a 3-year period was 6%, the annualised return would be approximately 2% p.a. It means the investment earned an effective return of around 2% each year over the 3-year period (to arrive at the 6%).

ASSET CLASS

A type of investment, such as equities, bonds, cash, private equity etc.

BENCHMARK

What a portfolio, asset class or investment manager is judged against.

BENCHMARK PERFORMANCE

The performance return of an investment manager's benchmark or a Fund's strategic asset allocation.

BOND

A bond is issued by a company or country where it borrows money from the market, with a promise to repay it back. Bonds are characterised by what interest is paid back each year, and how long the term of the bond is.

CPI

Consumer price index. It is commonly used to identify periods of inflation or deflation.

CREDIT RATING

The rating given by a credit-rating agency, based on its view of the financial wellbeing of a company or country and the likelihood of default (i.e. inability to meet debt obligations). The highest rating is usually AAA, and the lowest is D.

CRISA

Code of Responsible Investing in South Africa.

CUMULATIVE RETURN

The aggregated return of an investment over a particular time-period.

DERIVATIVES

A derivative is a security of which the price is dependent upon or derived from one or more underlying assets.

EQUITY

Referring to the asset class, equity describes the ownership of a company. An individual or financial institution can own part of the company by buying equity shares or stocks. These are generally traded on a stock exchange, such as the Johannesburg Stock Exchange.

FUND OBJECTIVE

The investment objective that a Fund portfolio is trying to achieve. This is generally a return in excess of CPI. E.g. CPI + 3% per annum.

INVESTMENT GLOSSARY

A hand in a dark suit sleeve points towards a document. The document features several charts and tables. On the left, there are two pie charts with legends for 'Energy', 'Industrial', 'Oil', and 'Agriculture'. On the right, there is a table with columns for 'Global Equities', 'Global Bonds', and 'Global Cash', and rows for 'Jan-04', 'Jan-05', and 'Jan-06'. The background is a blurred office setting.

HEDGE FUND

A type of alternative asset class. Here the investment manager generally invests in traditional asset classes, but has more tools to express their view of the market. Hedge funds look to protect capital in times of market falls and offer diversification from traditional asset classes.

INDEX

A benchmark measure to gauge how an asset class has performed. For example, the JSE All Share index is a measure to gauge how South African equities have performed.

INFLATION

The increase (or decrease) in the price of goods. For example, if inflation over the year was 5%, this means that prices rose by 5% over the period.

INTERNATIONAL

The assets of a Fund that are invested outside of South Africa. Exposure is limited to 25% per Regulation 28 of the Pension Fund, or 30% subject to 5% being invested in Africa.

INVESTMENT OBJECTIVE

The target that an investment fund or portfolio is trying to achieve.

INVESTMENT POLICY STATEMENT (IPS)

A document which sets out the investment aspects of the Fund, including its Fund objectives and describes the various strategies followed to meet them.

MONTHLY RETURN

The performance return over a month.

MANDATE

An investment manager's portfolio and objective.

OVERWEIGHT

To have a higher allocation in a particular asset class or security than what the comparable benchmark indicates.

PERFORMANCE

How much the value of a portfolio or instrument has grown by over a particular period.

PRIVATE EQUITY

An alternative asset class where investors buy equity ownership of a company but where the equity is not listed on a stock exchange.

PROPERTY

An asset class where one invests in property either directly (i.e. buying a property) or indirectly (i.e. buying property shares on the stock exchange).

PROTECTED EQUITY

An asset class giving the investor exposure to equities, but whilst also offering protection against market falls.

INVESTMENT GLOSSARY

REGULATION 28

Refers to regulation 28 of the Pension Funds Act, i.e. the guidelines for South African retirement funds which is aimed at ensuring Funds are not taking on too much risk, by limiting the excessive use of specific investment instruments, markets and asset classes.

REPO RATE

The interest rate which the Reserve Bank lends money to the commercial banks. An increase in the repo rates puts pressure on commercial banks to increase the prime rate.

SHARPE RATIO

A statistical measure indicating the reward for taking on an additional unit of risk. A high positive value is ideal as it indicates that for the risk taken, positive returns were achieved.

STRATEGIC ASSET ALLOCATION

This is the target that a Fund portfolio should be invested in over the long term across various asset classes. The strategic asset allocations are designed to help meet the Fund objective.

TACTICAL ASSET ALLOCATION

These are deviations made away from the strategic asset allocation with the aim of enhancing performance based on views of the investment markets.

TRACKING ERROR

A statistical measure indicating the deviation or difference of a portfolio's return compared to its benchmark return.

TRADITIONAL ASSET CLASS

This generally refers to equities, bonds, cash and property

UNDERWEIGHT

To have a lower allocation in a particular asset class or security than what the comparable benchmark indicates.

VOLATILITY

A risk measure characterised by the standard deviation of portfolio returns. The higher the value, the higher expected risk.

YEAR-TO-DATE ("YTD")

The performance return since the beginning of the latest calendar year

CONTACT US

Novare Actuaries and Consultants (Pty) Ltd

Registration No: 2001/008015/07

Third Floor, The Cliffs Office Block I

Niagara Way, Tyger Falls

Carl Cronje Drive, Bellville, 7530

South Africa

P O Box 4742, Tyger Valley, 7536

