

**WEBSITE MONTHLY REPORTS**  
**SALA PENSION FUND**

The local financial market continued to be dominated by international sentiment during the month, although general performance was better compared to other emerging markets. The FTSE/JSE All Share Index recovered from its mid-month decline to end the month 1.6% in the black and to take the year to date return to 5.1%. The resources sector was the best performing industry with a return of 1.9%, followed by financial and industrial shares with performances of 1.2% and 1.1% respectively. The equity market benefitted somewhat from a weaker rand as the rand depreciated by 2.1% against the dollar to close the month at R8.12 a dollar.

Moody's, the global credit rating agency, put South Africa's credit rating outlook on "negative" from "stable" as they cited slower economic growth and pressure on the ruling government to abandon their current prudent financial policies for their deteriorated outlook. Economic growth for the third quarter of this year increased from 1.3% in the previous quarter to 1.4%. The non-cyclical sectors of the economy held up well, but declines in the cyclical sectors, including mining, manufacturing, and agriculture provided headwinds to GDP growth. In the meantime, local business confidence continued to deteriorate alongside the leading economic indicator. The latest employment data indicated that unemployment improved from 25.7% to 25%.

Consumer price inflation accelerated to 6% on the back of broad based gains in most of the underlying price components, but more specifically, due to an upside surprise in food prices. The Reserve Bank kept monetary policy unchanged during the month, but its inflation and growth forecasts continued to deteriorate. Selling pressure from foreign investors resulted in the All Bond Index ending the month flat. Listed property, however, declined by 0.9%.

Global Equity (US\$)	Level	1 Month	3 Months	6 Months	YTD	12 Months
S&P 500	1 247.0	-0.5%	2.3%	-7.3%	-0.8%	5.6%
Nasdaq	2 620.3	-2.4%	1.6%	-7.6%	-1.2%	4.9%
MSCI Global Equity	1 184.6	-2.7%	-2.2%	-12.5%	-7.5%	-0.8%
MSCI Emerging Mkt	928.3	-6.8%	-10.1%	-20.5%	-19.4%	-13.7%
<b>Global Bond (US\$)</b>						
Global Bonds	514.0	-1.1%	-2.3%	2.4%	6.1%	7.7%
<b>Commodity Prices</b>						
Brent Oil (USD/Barrel)	111.8	2.7%	-3.1%	-4.0%	18.0%	29.6%
Platinum (USD/oz)	1 558.0	-2.6%	-15.6%	-15.0%	-12.0%	-6.2%
Gold (USD/oz)	1 744.7	1.7%	-4.5%	13.6%	22.7%	26.0%
<b>South African Mkt (Rand)</b>						
Africa All Share	3 891.5	1.6%	7.1%	2.5%	5.1%	11.7%
Africa Top 40	3 496.5	1.5%	7.6%	2.2%	5.6%	12.7%
Africa Resource 20	2 794.3	1.9%	8.2%	-1.3%	-1.6%	5.9%
Africa Financial 15	3 467.4	1.2%	4.0%	0.4%	4.7%	10.2%
Africa Industrial 25	4 892.4	1.1%	7.9%	6.6%	13.2%	19.8%
Africa Mid Cap	7 603.0	2.0%	4.9%	4.8%	3.4%	6.6%
Africa Small Cap	8 624.1	1.0%	2.5%	0.4%	-2.6%	1.9%
All Bond Index	371.4	0.0%	0.6%	5.8%	8.0%	9.9%
Stefi Composite	263.8	0.5%	1.4%	2.8%	5.2%	5.8%
Africa SA Listed Property - (SAPY)	928.0	-0.9%	-0.6%	5.0%	6.7%	9.1%
MSCI Global Equity (R)		-0.6%	13.5%	4.4%	-0.6%	13.6%
Global Bonds (R)		1.0%	13.4%	22.2%	30.2%	23.3%
Rand Dollar Exchange Rate	8.12	2.1%	16.1%	19.4%	22.6%	14.4%

As a result of the movements in the financial markets the SALA Fund's total assets is R8 729 519 752 as at the end of November 2011. For the month of November the Active Members' portion of the total Fund returned 0.75%, DC Members returned 0.69% whilst the Pensioners Members' portion returned 0.60% p.a. Over the past 5 years to 30 November 2011 the total Fund returned 10.64% p.a.