



**NOVARE**<sup>®</sup>  
actuaries & consultants

**| Monthly Report |**

**SALA Pension Fund**

December 2022

# 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 1<sup>st</sup> 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 + 4.75%

The objective of the DC Growth Portfolio represents the inflation target of CPI + 4.75%

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 + 4.75%

## BENCHMARK

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

Asset Class	Allocation	Benchmark
Domestic Equities	25%	Capped SWIX
Domestic Protected Equities	5%	JSE TOP 40
Domestic Fixed Income	7.5%	ALBI
Domestic Property	3.5%	SA Listed Property
Domestic Money Market	6.5%	STeFI Composite Index
Domestic Alternatives	15%	CPI + 3.5%
Africa	3.5%	Actual Fund Returns
International	34%	82.5% MSCI World Equity/ 12.5% Barclays Global AGB/ 5% GRP 250 REIT World

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

Asset Class	Allocation	Benchmark
Domestic Equities	27.5%	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 Composite Index
Domestic Alternatives	15%	CPI + 3.5%
Africa	3.5%	Actual Fund Returns
International	34%	82.5% MSCI World Equity/ 12.5% Barclays Global AGB/ 5% GRP 250 REIT World

# REPORT OVERVIEW

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

Asset Class	Allocation	Benchmark
Domestic Equities	25%	Capped SWIX
Domestic Protected Equities	5%	JSE TOP 40
Domestic Fixed Income	7.5%	ALBI
Domestic Property	3.5%	SA Listed Property
Domestic Money Market	6.5%	STeFI Composite Index
Domestic Alternatives	15%	CPI + 3.5%
Africa	3.5%	Actual Fund Returns
International	34%	82.5% MSCI World Equity/ Barclays Global AGB/ 5% GRP 250 REIT World

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

Asset Class	Allocation	Benchmark
Domestic Equities	5%	Capped SWIX
Domestic Protected Equities	7.5%	JSE TOP 40
Domestic Fixed Income	25%	ALBI
Domestic Money Market	35%	STeFI Composite Index
Domestic Alternatives	12.5%	CPI + 3.5%
International	15%	82.5% MSCI World Equity/ Barclays Global AGB/ 5% GRP 250 REIT World

## TACTICAL LIMITS

DB Portfolio

Asset Class	Lower limit	Upper limit
Domestic Equities	12.5%	45%
Domestic Fixed Income	0%	20%
Domestic Property	0%	15%
Domestic Money Market	0%	60%
Domestic Alternatives	10%	20%
Africa	0%	5%
International	25%	45%

DC Growth

Asset Class	Lower limit	Upper limit
Domestic Equities	20%	45%
Domestic Fixed Income	0%	20%
Domestic Property	0%	15%
Domestic Money Market	0%	60%
Domestic Alternatives	10%	20%
Africa	0%	5%
International	20%	45%

Pensioner Portfolio

Asset Class	Lower limit	Upper limit
Domestic Equities	12.5%	45%
Domestic Fixed Income	0%	20%
Domestic Property	0%	15%
Domestic Money Market	0%	60%
Domestic Alternatives	10%	20%
Africa	0%	5%
International	25%	45%

DC Moderate

Asset Class	Lower limit	Upper limit
Domestic Equities	7.5%	25%
Domestic Fixed Income	15%	35%
Domestic Property	0%	10%
Domestic Money Market	15%	60%
Domestic Alternatives	0%	20%
Africa	0%	0%
International	5%	25%

## DISCLAIMER

This document is confidential and issued for information purposes only and intended solely for the addressee(s) and members of the **South African Local Authorities Pension Fund**, which employs Novare Actuaries and Consultants (Pty) Ltd (Registration number: 2001/008015/07) (**NAC**), as its Investment Consultant. The performance of the Fund is dependent on the fluctuations of the underlying financial instruments, exchange rates and other economic factors. Past performance is not a guarantee for future performance. No guarantees are provided in relation to portfolio investment performance. NAC does not accept any liability or responsibility of whatsoever nature and however arising in respect of any claim, damage, loss or expense relating to or arising out of or in connection with the reliance by anyone on the contents of this document. Copyright of this document will remain vested with NAC and may not be reproduced to anyone in part or whole without the prior written consent of NAC.

NAC is an Authorised Financial Service Provider in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002. **FSP No. 815.**

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



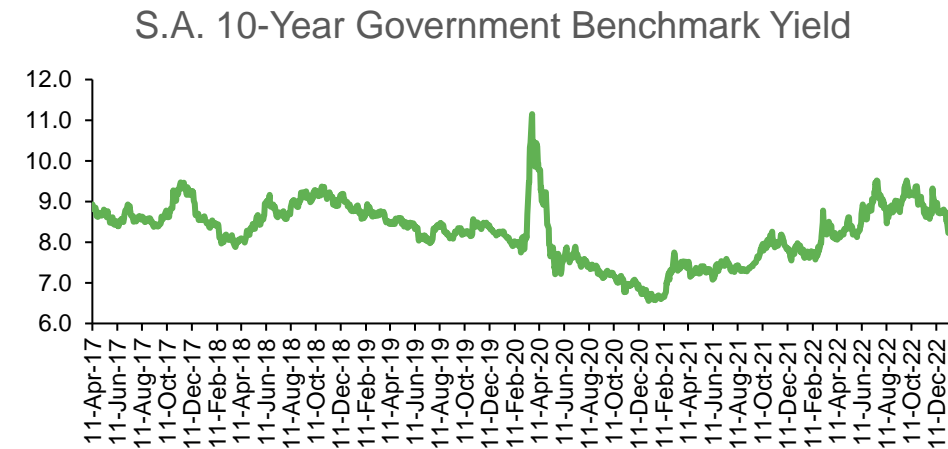
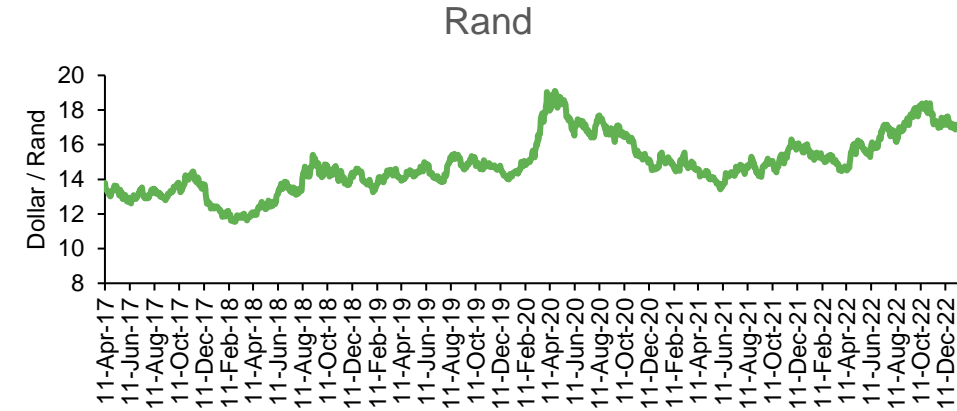
# DOMESTIC MARKET VIEW



Locally it was also a difficult month, with very few subsectors with positive returns. The JSE All Share Index (ALSI) dropped -2.3% during the month of December, albeit maintaining the positive performance for the year at +3.58%. The JSE Capped SWIX ALSI (Capped SWIX) returned -2.8% for the month and 4.4% for 2022. The fourth quarter of 2022 had been rather good for the local market, in what was considered the tough year. The ALSI reversed the losses experienced throughout the year by posting 15.2% just in the 4<sup>th</sup> quarter, while the Capped SWIX returned 12.2% for the same period.

The JSE All Bonds Index (ALBI), had a positive month returning +0.6% and 5.7% for the last quarter of 2022. At 4.3% for the year, the ALBI was among the local indices that outperformed and was just 0.15% behind that of Capped Swix.

Foreign investors were reported to be the net sellers of both South African bonds and equities in December 2022. After the R1.5bn outflow in November, non-residents remained net sellers of SA equities in December as the pace accelerated to R18.3bn of outflows. In the SA bond market, non-residents remained large net sellers, but the R12.9bn outflow in December was nearly half of the outflows in the previous two months - November's R24.5bn and October's R23.2bn.



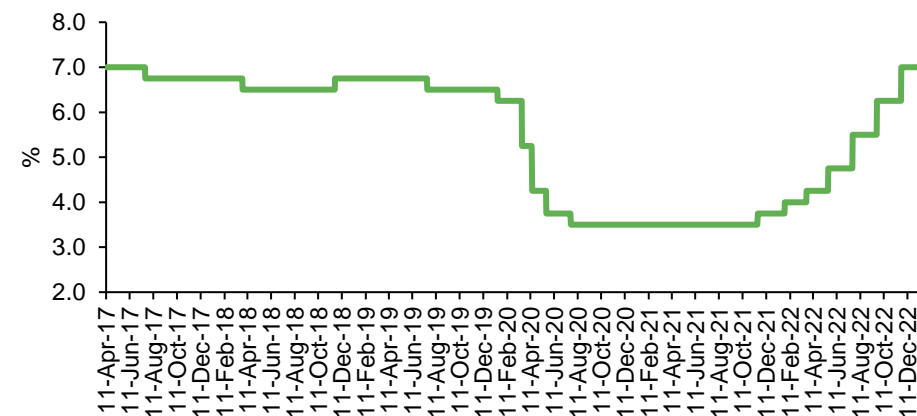
# DOMESTIC MARKET VIEW

On the local economic data front, annual headline inflation, as measured by the consumer price index (CPI), surprised slightly to the downside, falling to 7.4% year on year after the November's headline number fell by 0.2ppt.

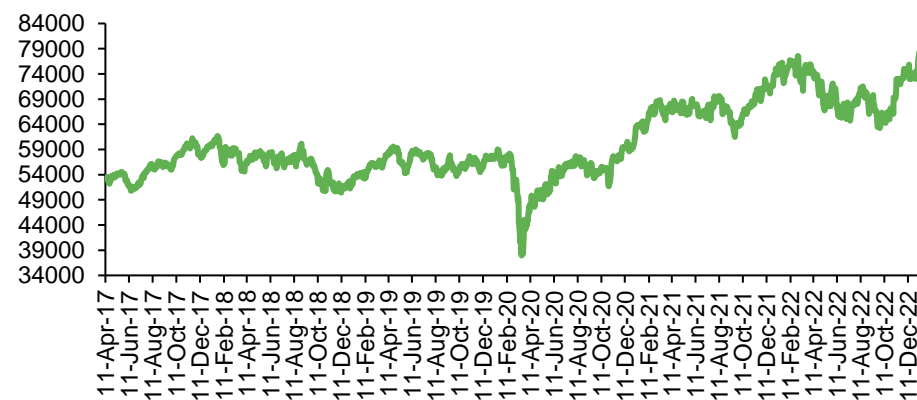
The SA domestic backdrop remained mired in local political uncertainty dominated initially by President Ramaphosa's rumoured resignation after being implicated in the Phala Phala scandal. This was followed by a fraught run-up to the ANC's December elective conference.

The country also remained trapped down by power cuts (load-shedding) on a daily basis. This dampened the sentiment for domestic risk assets after a record 200 days of load-shedding in 2022. Despite these negative local factors, the ZAR managed to remain stable against the US dollar, ending the year at R17.03/\$ as Ramaphosa's re-election as ANC president brought a late-quarter relief rally.

### Repo Rate



### FTSE/JSE All Share Index



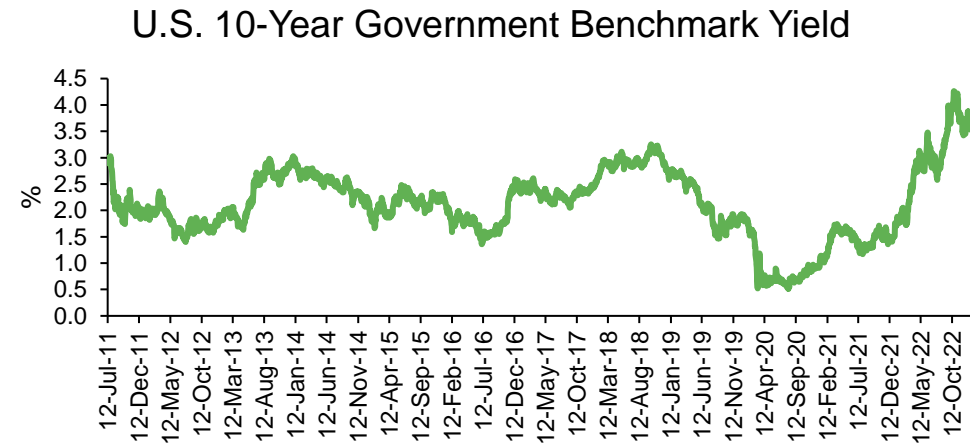
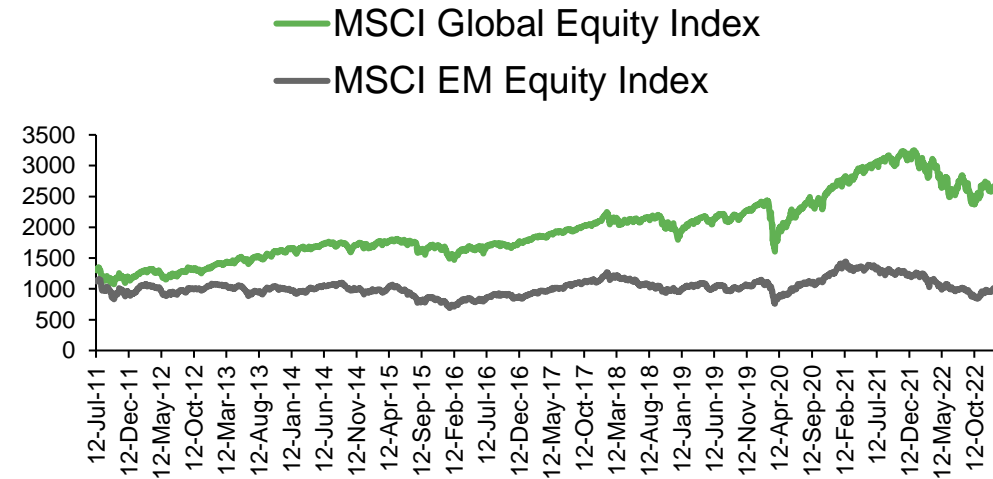
# INTERNATIONAL MARKET VIEW

December 2022 completed what was dubbed the horrible year by many investors, as further losses were recorded in most global market. Throughout the year, financial markets were battling tough conditions, including: runaway inflation, hawkish monetary policy as central banks aggressively hiked interest rate in an effort to curb inflation, the ongoing global recession fears, increasing concerns over a surge in Covid-19 cases in China and the country's strict pandemic protocols, the continuing war in Ukraine and elevated energy prices as supply remained under pressure.

The world market index, represented by MSCI world in dollar terms was down 4.2% in December, extending losses for the year to -17.7%, while the MSCI EM returned -1.6% for the month and -22.4% for 2022. The three major US indices also ended in the red, both in the last month of 2022 and for the rest of the year.

The tech heavy NASDAQ dropped -8.7% for the month leading to -33.1% for 2022, the S&P500 also lost -5.9% for the month further extending its losses to -19.4% and the Dow Jones dropped by -4.2% for December, extending its losses to -8.8% for the 12 months.

On slightly positive note, US inflation had shown some signs of slowing down in the October and November months. Nevertheless, on December 14, and for the 5th consecutive time, the US Federal Reserve raised its benchmark interest rate, but this time by 0.50%. This brought US rates to the highest level in 15 years.





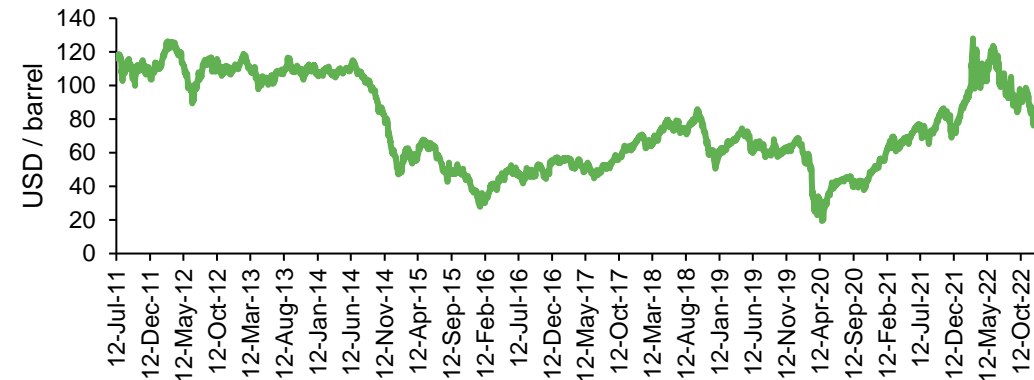
# INTERNATIONAL MARKET VIEW

In Europe, the German Dax ended the month of December at -3.3% and -12.3% for 2022. The French CAC40 closed December down -3.9% and -9.5% for the year. In effort to curb runaway inflation, the European Central Bank (ECB) also increased interest rates on December 15 by 0.50% to 2%. Although the UK FTSE 100 index reported a negative return of -1.6% for the month, the index ended the year slightly positive, at 0.9% for 2022. The decrease in fuel prices helped ease some of the pressures. The Bank of England (BoE) followed suit in increasing interest rates by 0.5% to 3.5% in November, making it the 8<sup>th</sup> consecutive increase in 2022.

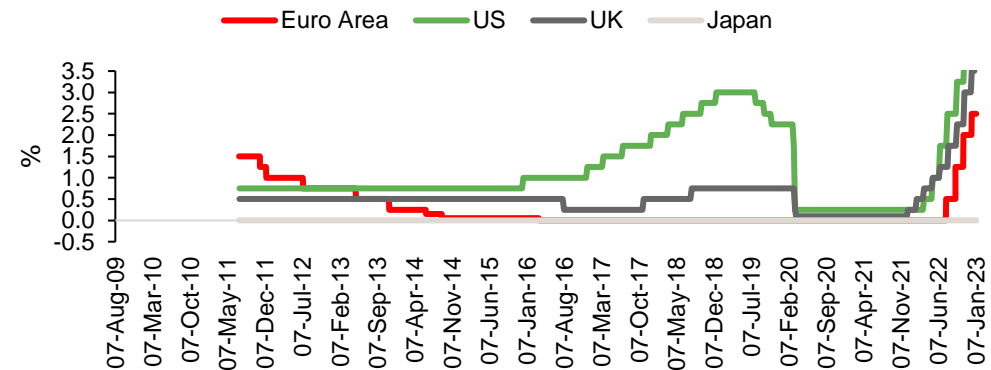
China's Hong Kong Hang Seng index jumped up 6.4% in December after the country removed its strict Covid-19 restrictions earlier in the month. The market had however ended the year in negative territory, posting -15.5%. The Shanghai composite index closed at -2.0% for the month and down -15.1% for 2022. Japan's benchmark Nikkei fell -6.7% for the month, extending its 2022 losses to -9.4%.

Commodity prices bucked the trend, especially on 12 months returns. Natural gas plummeted -35.4% in December but managed to end the year at 20.0%. The platinum prices jumped 5.6% in the month, extending gains to 10.9% for 2022. Brent crude oil also ended the year up at 10.5% though only 0.6% up in December. Other metals including gold and palladium produced negative returns for the year, with the former slightly down at -0.3% while the latter was down -5.9%.

## OIL (BRENT)



## G4 Policy Rates



# TACTICAL ASSET ALLOCATION

## RSA BONDS

The yield curve shifted modestly at the end of December, with the R186 yield increasing by 4 basis points while the R2030 yield declined by 7.5 basis points. Longer end yields increased, with the R2048 yield increasing by 7 basis points. The R186 yielded 0.58% m/m, whereas the R2030 and R2048 yielded 1.2% m/m and 0.34% m/m, respectively.

The ALBI recorded a total return of 0.6% m/m, bringing the year-to-date return to 4.23%.

In the SA bond market, non-residents remained large net sellers, but the R12.9bn outflow in December was nearly half of the outflows in the previous two months - November's R24.5bn and October's R23.2bn (according to Bloomberg data). This brings the cumulative outflow for the last 12 months to R259bn.

## RSA PROPERTY, ALTERNATIVES AND CASH

During December, listed property experienced a fairly muted month, ending up 1.13%.

Sector fundamentals remain challenging but seem to be largely troughing and even turning in some instances. Rental growth will remain under pressure for some time given excess supply, particularly in the office sector. The latest move down has been driven mostly by expectations of rate hikes and a possible move into recession.

We will be looking to increase our allocation to the asset class as we see some signs of normality returning to the local macro environment and on a

basis of probability see more upside than downside risk. The SARBs rate hiking cycle also does not warrant an increase in our allocation.

## RSA MONEY MARKET

In South Africa's money market, the 3-m JIBAR rate rose by 6bp to end the month at 7.26%, while the 12-m JIBAR rate rose by 16bp to 8.68%. Over the last 12 months, these rates are up 338bp and 325bp, respectively. The 12-m T-bill average yield rose 12bp m/m to 8.39% at the end of December.

## RSA EQUITIES

The JSE All Share Index (ALSI) dropped -2.3% during the month of December, albeit maintaining the positive performance for the year at +3.58%. The JSE Capped SWIX ALSI (Capped SWIX) returned -2.8% for the month and 4.4% for 2022. The fourth quarter of 2022 had been rather good for the local market, in what was considered the tough year. The ALSI reversed the losses experienced throughout the year by posting 15.2% just in the 4<sup>th</sup> quarter, while the Capped SWIX returned 12.2% for the same period.

We have started to reduce our underweight to this asset class and will consider increasing further should the opportunity arise.

## INTERNATIONAL

The world market index, represented by MSCI world in dollar terms was down 4.2% in December, extending losses for the year to -17.7%, while the MSCI EM returned -1.6% for the month and -22.4% for 2022. The three

major US indices also ended in the red, both in the last month of 2022 and for the rest of the year. The tech heavy NASDAQ dropped -8.7% for the month leading to -33.1% for 2022, the S&P500 also lost -5.9% for the month further extending its losses to -19.4% and the Dow Jones dropped by -4.2% for December, extending its losses to -8.8% for the 12 months.

On slightly positive note, US inflation had shown some signs of slowing down in the October and November months. Nevertheless, on December 14, and for the 5th consecutive time, the US Federal Reserve raised its benchmark interest rate, but this time by 0.50%. This brought US rates to the highest level in 15 years.

In Europe, the German Dax ended the month of December at -3.3% and -12.3% for 2022. The French CAC40 closed December down -3.9% and -9.5% for the year. In effort to curb runaway inflation, the European Central Bank (ECB) also increased interest rates on December 15 by 0.50% to 2%. Although the UK FTSE 100 index reported a negative return of -1.6% for the month, the index ended the year slightly positive, at 0.9% for 2022. The decrease in fuel prices helped ease some of the pressures. The Bank of England (BoE) followed suit in increasing interest rates by 0.5% to 3.5% in November, making it the 8<sup>th</sup> consecutive increase in 2022.

China's Hong Kong Hang Seng index jumped up 6.4% in December after the country removed its strict Covid-19 restrictions earlier in the month. The market had however ended the year in negative territory, posting -15.5%. The Shanghai composite index closed at -2.0% for the month and down -15.1% for 2022. Japan's benchmark Nikkei fell -6.7% for the month, extending its 2022 losses to -9.4%.

Commodity prices bucked the trend, especially on 12 months returns. Natural gas plummeted -35.4% in December but managed to end the year at 20.0%. The platinum prices jumped 5.6% in the month, extending gains

to 10.9% for 2022. Brent crude oil also ended the year up at 10.5% though only 0.6% up in December. Other metals including gold and palladium produced negative returns for the year, with the former slightly down at -0.3% while the latter was down -5.9%.

**NOVARE HOUSE VIEW: December 2022  
TACTICAL POSITIONING\***

	←	ON-WEIGHT	→		PREVIOUS
	UNDER-WEIGHT			OVER-WEIGHT	
<b>DOMESTIC</b>	Under-weight				
Equities	95%				90%
Bonds		100%			95%
Property	95%				85%
Alternatives		100%			100%
Cash		Balancing			100%
<b>OFFSHORE</b>			120%		120%
Equities	90%				80%
Bonds	80%				70%
Property	90%				
Alternatives				125%	100%
<b>AFRICA</b>		100%			

\* positioning is as a % of strategic asset allocation

**Summary:**

Novare remains underweight domestic equities, domestic property and onweight domestic bonds: 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.

++
+
<b>Neutral</b>
-
--



# TACTICAL ASSET ALLOCATION

Global Assets (US\$)	1 month	3 months	YTD	12 months	3 Years	5 Years
MSCI All Countries Equity	-3.9%	9.9%	-18.0%	-18.0%	4.5%	5.8%
MSCI Emerging Markets	-1.4%	9.8%	-19.7%	-19.7%	-2.3%	-1.0%
Global Bonds (R)	-0.6%	-1.6%	-10.6%	-10.6%	2.0%	4.9%

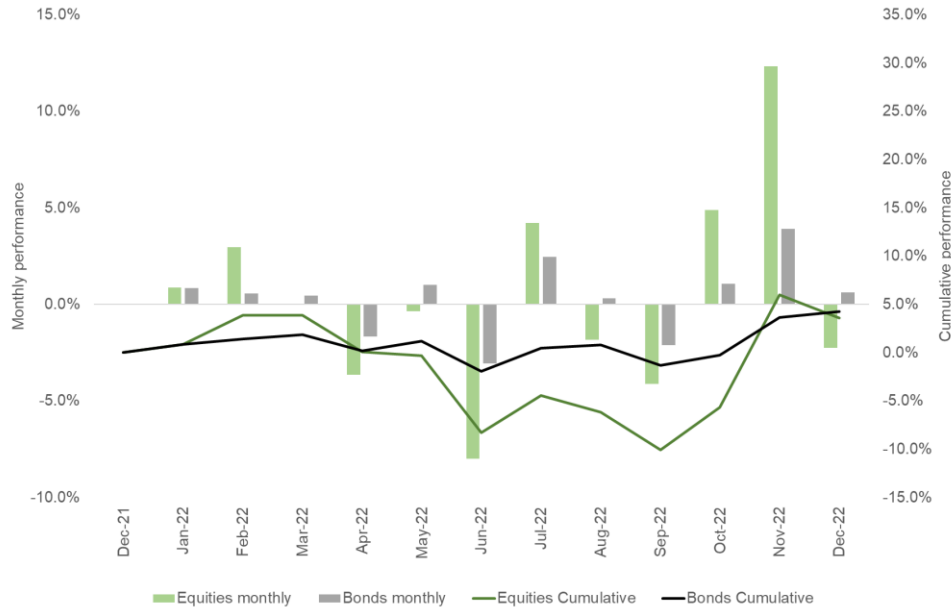
  

Commodity Prices	1 month	3 months	YTD	12 months	3 Years	5 Years
Brent Oil (USD/Barrel)	-1.2%	0.9%	10.5%	10.5%	9.1%	5.2%
Platinum (USD/oz)	5.4%	24.1%	10.7%	10.7%	3.4%	2.9%
Gold (USD/oz)	3.6%	9.8%	-0.3%	-0.3%	6.2%	7.1%

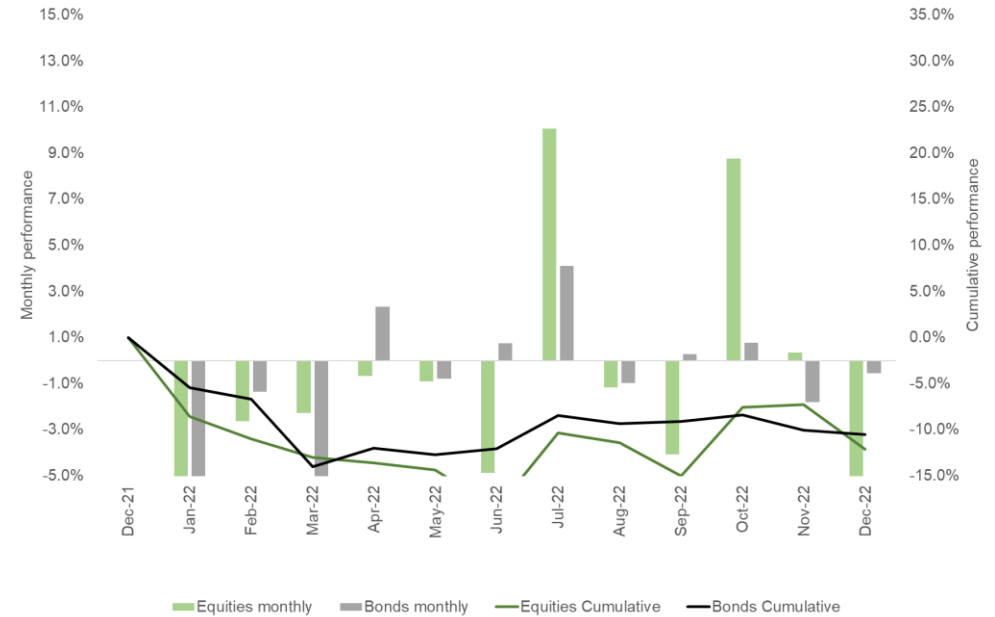
Asset Allocation (Rand)	1 month	3 months	YTD	12 months	3 Year	5 Years
Domestic Equities	-2.3%	15.2%	3.6%	3.6%	12.7%	8.0%
Domestic Bonds	0.6%	5.7%	4.3%	4.3%	7.1%	7.8%
Domestic Cash	0.6%	1.6%	5.2%	5.2%	4.8%	5.8%
Domestic Property	1.1%	19.3%	0.5%	0.5%	-3.4%	-7.2%
International Equity	-5.3%	3.4%	-12.1%	-12.1%	12.6%	13.7%
International Bonds	-0.6%	-1.6%	-10.6%	-10.6%	2.0%	4.9%
Exchange rate (R / \$)	-1.1%	-5.9%	6.8%	6.8%	6.7%	6.6%

Scale:  
*Best performing asset class*   
*Worst performing asset class* 

Domestic Markets (R) over the last 12 months



International Markets over the last 12 months



## Section B

Fund Overview

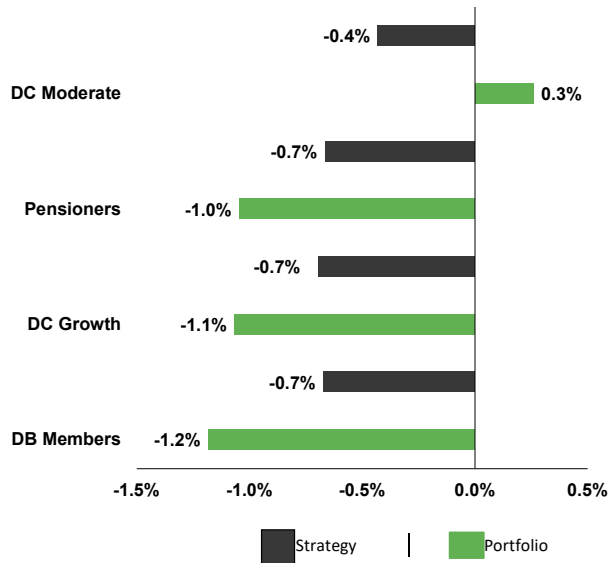


# EXECUTIVE SUMMARY

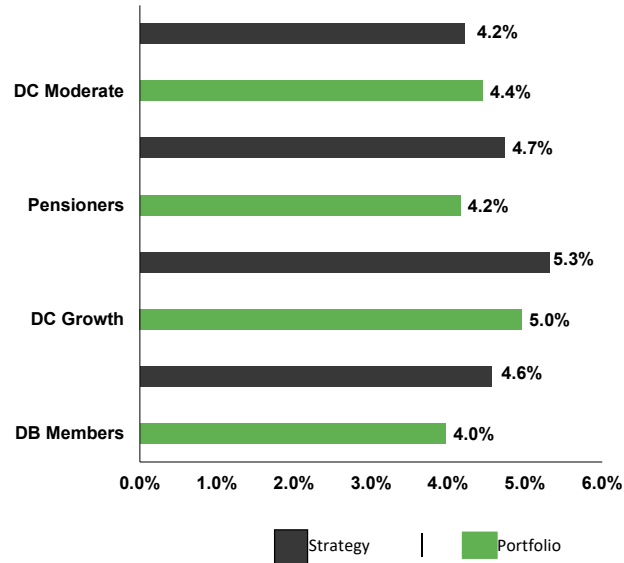
## SHORT TERM RETURNS VERSUS STRATEGIES



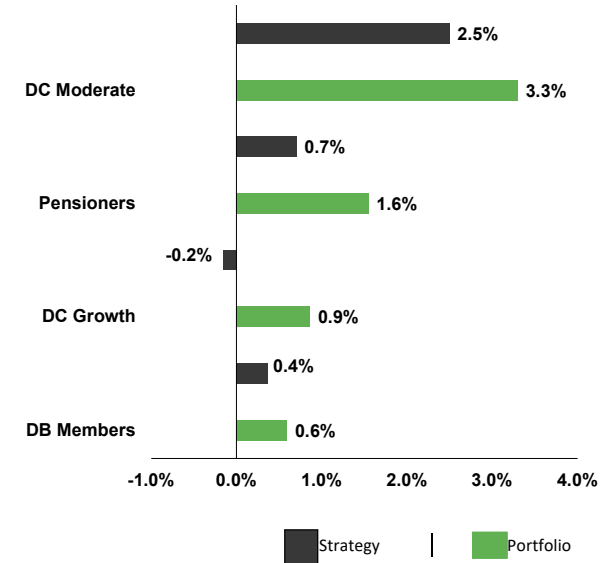
Monthly Return for December 2022



3 Months Return up to December 2022



1 Year Return up to December 2022



# PORTFOLIO MARKET VALUES AND SHORT TERM RETURNS

The below sets out the portfolio returns of the funds over the short term periods in comparison with their respective strategies.

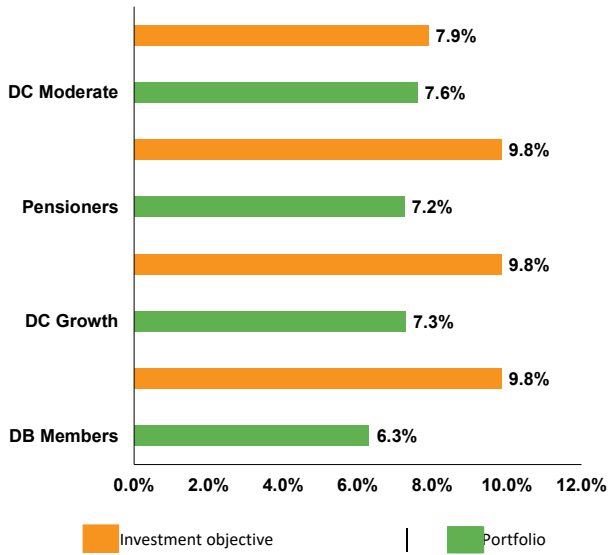
	Market value (R)	Weight (%)	1 month (%)	3 months (%)	YTD (%)	12 months (%)
<b>DB Members</b>						
Strategy	8 095 094 165	65.9%	-1.2%	4.0%	0.6%	0.6%
			-0.7%	4.6%	0.4%	0.4%
			-0.5%	-0.6%	0.2%	0.2%
<b>DC Growth</b>						
Strategy	2 210 034 677	18.0%	-1.1%	5.0%	0.9%	0.9%
			-0.7%	5.3%	-0.2%	-0.2%
			-0.4%	-0.4%	1.0%	1.0%
<b>DC Moderate</b>						
Strategy	347 855 902	2.8%	0.3%	4.4%	3.3%	3.3%
			-0.4%	4.2%	2.5%	2.5%
			0.7%	0.2%	0.8%	0.8%
<b>Pensioner</b>						
Strategy	1 637 729 960	13.3%	-1.0%	4.2%	1.6%	1.6%
			-0.7%	4.7%	0.7%	0.7%
			-0.4%	-0.6%	0.8%	0.8%
	<b>12 290 714 704</b>	<b>100%</b>				

# EXECUTIVE SUMMARY

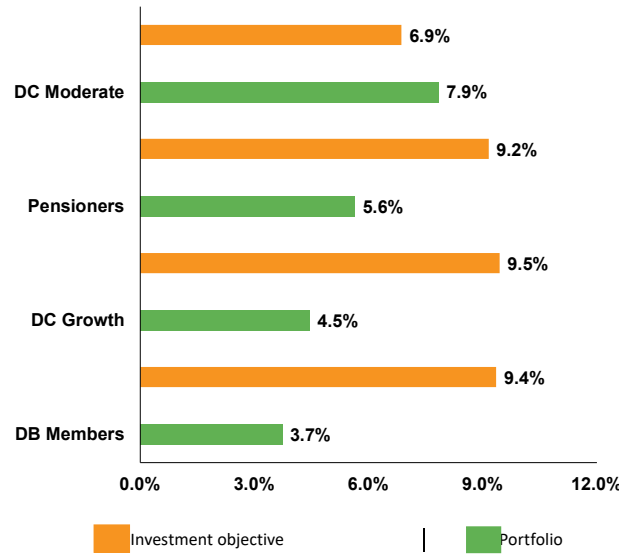
## LONG TERM RETURNS VERSUS OBJECTIVES



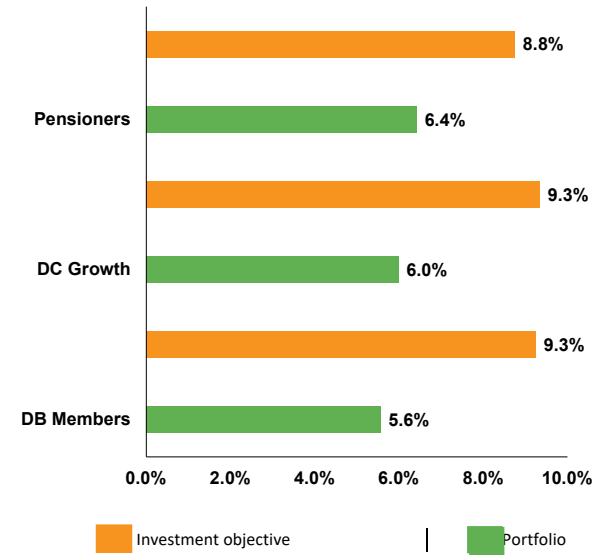
3 Year Return up to December 2022



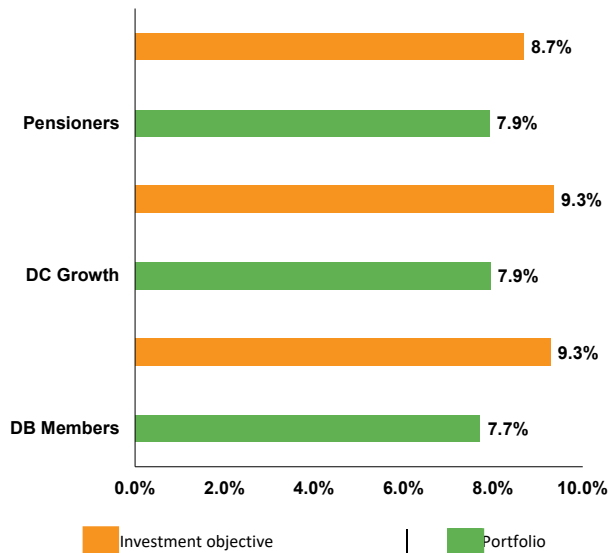
5 Year Return up to December 2022



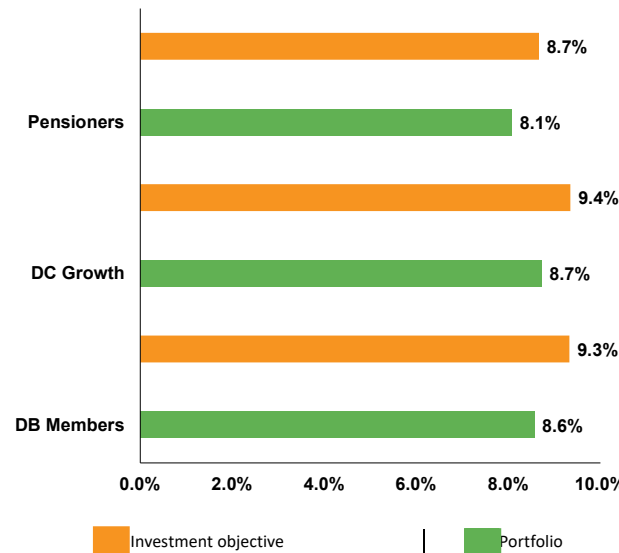
8 Year Return up to December 2022



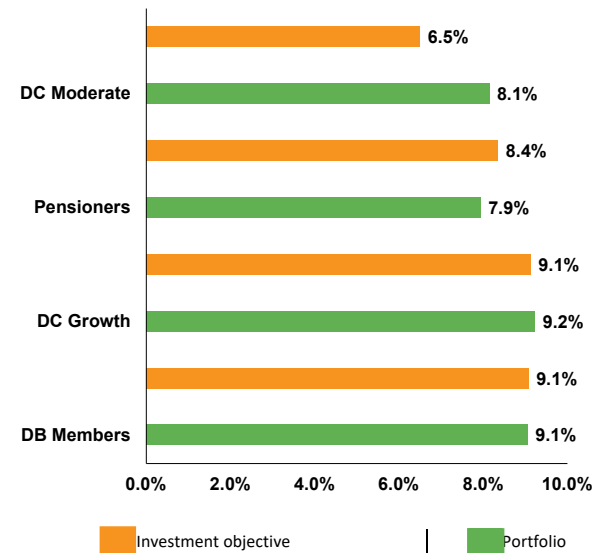
10 Year Return up to December 2022



12 Year Return up to December 2022



Returns Since Inception





# PORTFOLIO MARKET VALUES AND LONG TERM RETURNS

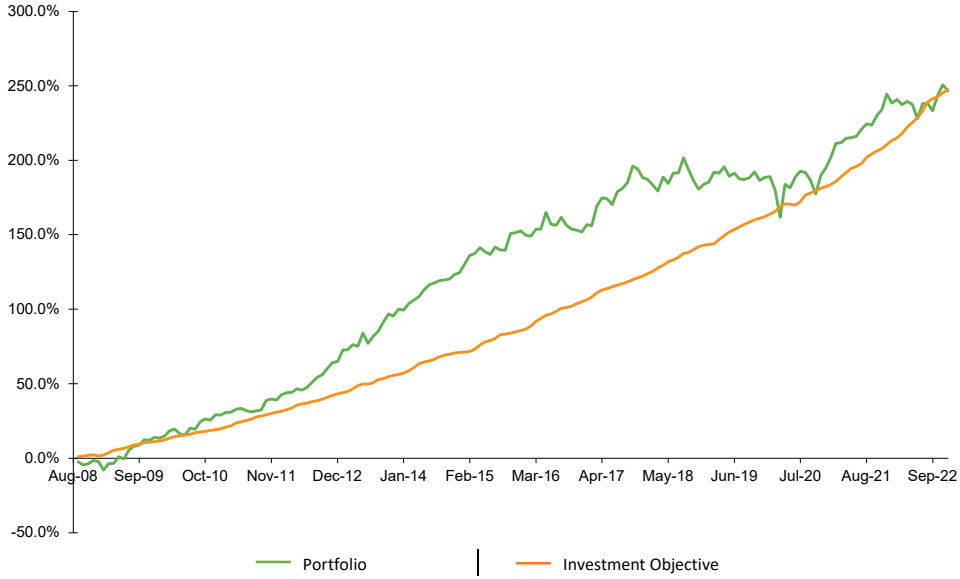
The below sets out the portfolio returns of the funds over the long term periods in comparison with their respective investment objectives.

	Market value (R)	Weight (%)	3 years (% p.a.)	5 years (% p.a.)	8 years (% p.a.)	10 years (% p.a.)	12 years (% p.a.)	Since Inception
<b>DB Members</b>								
Objective	8 095 094 165	65.9%	6.3%	3.7%	5.6%	7.7%	8.6%	9.1%
			9.8%	9.4%	9.3%	9.3%	9.3%	9.1%
			-3.5%	-5.6%	-3.7%	-1.6%	-0.8%	0.0%
<b>DC Growth</b>								
Objective	2 210 034 677	18.0%	7.3%	4.5%	6.0%	7.9%	8.7%	9.2%
			9.8%	9.5%	9.3%	9.3%	9.4%	9.1%
			-2.6%	-5.0%	-3.4%	-1.4%	-0.6%	0.1%
<b>DC Moderate</b>								
Objective	347 855 902	2.8%	7.6%	7.9%	-	-	-	8.1%
			7.9%	6.9%	-	-	-	6.5%
			-0.3%	1.0%	-	-	-	1.6%
<b>Pensioner</b>								
Objective	1 637 729 960	13.3%	7.2%	5.6%	6.4%	7.9%	8.1%	7.9%
			9.8%	9.2%	8.8%	8.7%	8.7%	8.4%
			-2.6%	-3.5%	-2.3%	-0.8%	-0.6%	-0.4%
	<b>12 290 714 704</b>	<b>100%</b>						

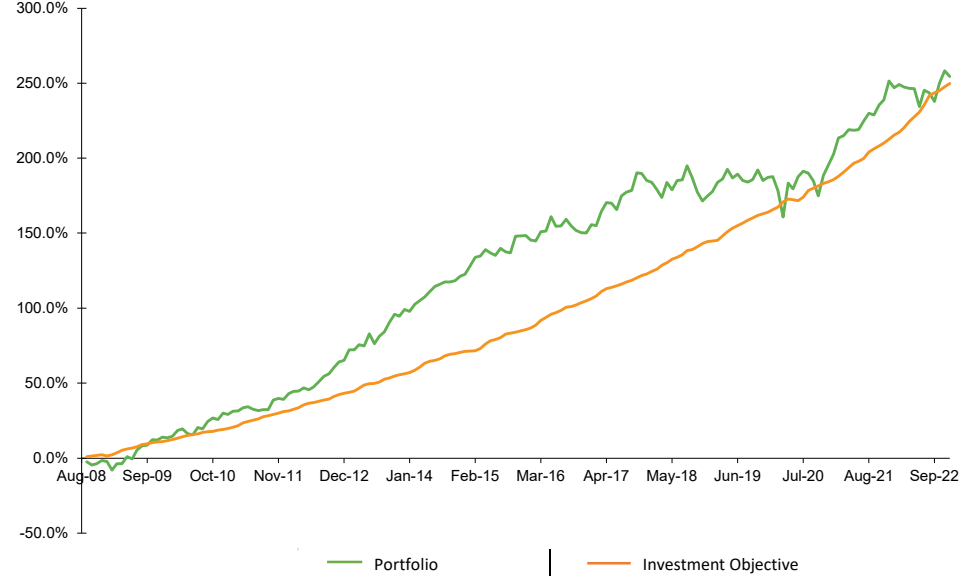
# LONG TERM RETURNS

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.

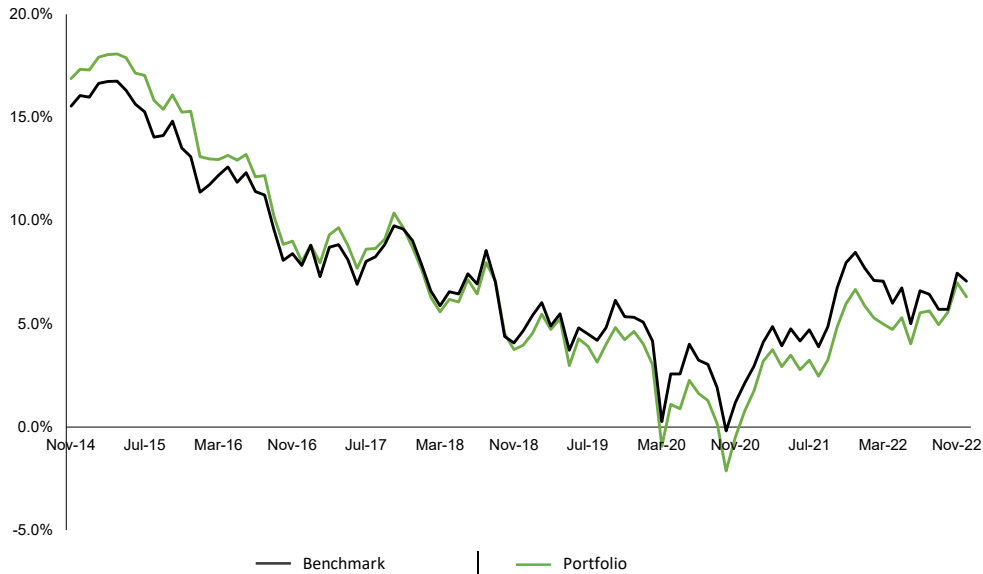
**DB Members - Cumulative return since 30 September 2009**



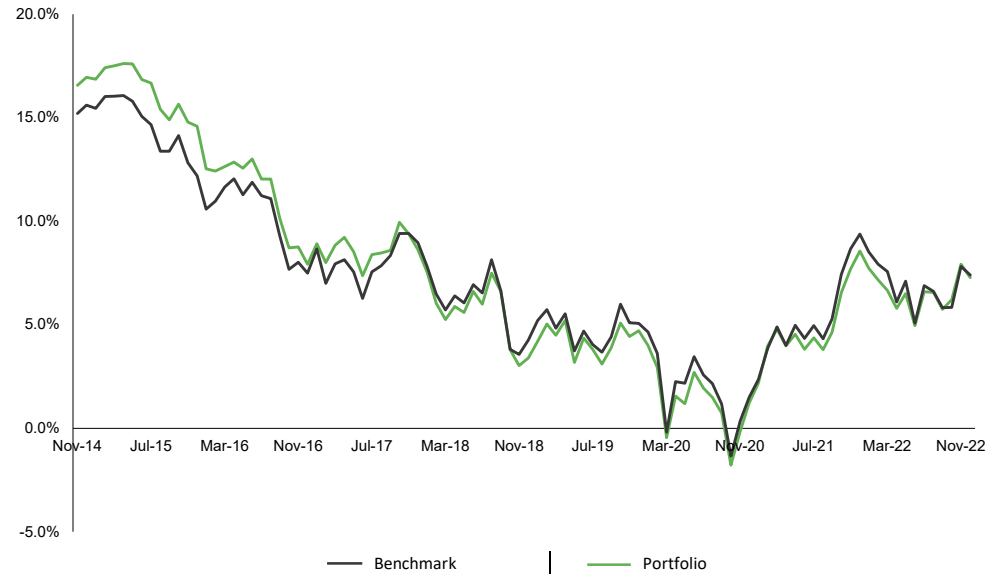
**DC Growth - Cumulative return since 30 September 2009**



**DB Members - 3 Year Rolling Returns**



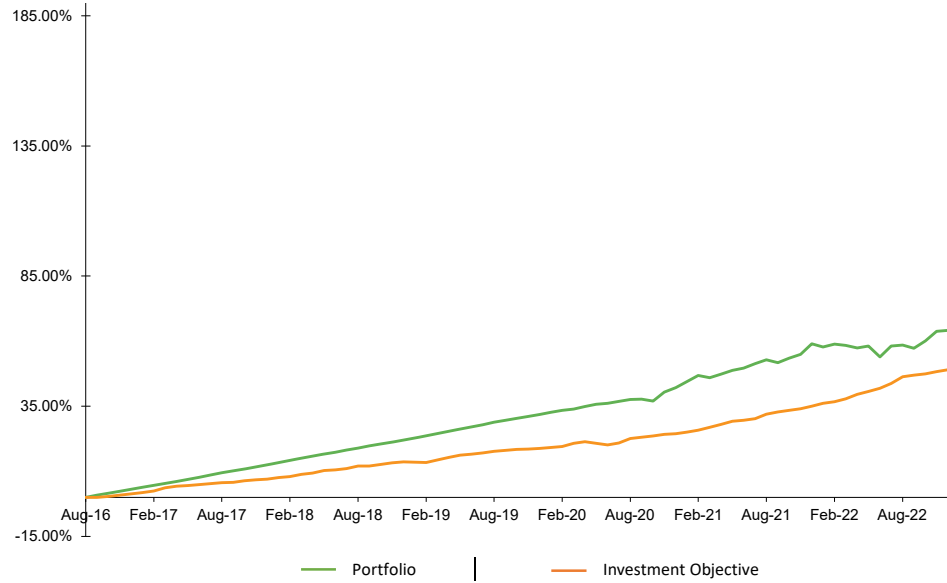
**DC Growth - 3 Year Rolling Returns**



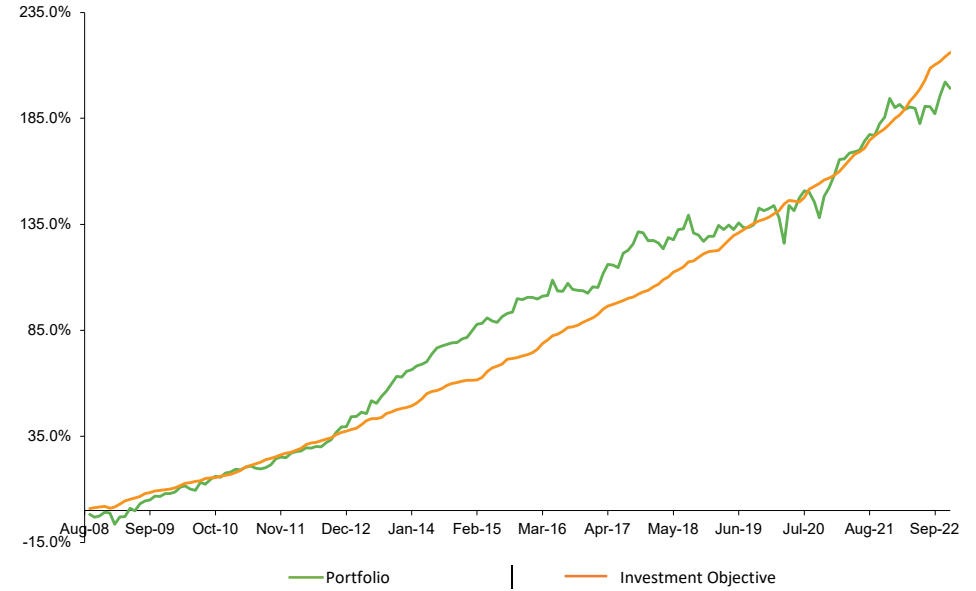
# LONG TERM RETURNS

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.

**DC Moderate - Cumulative return since 30 September 2016**



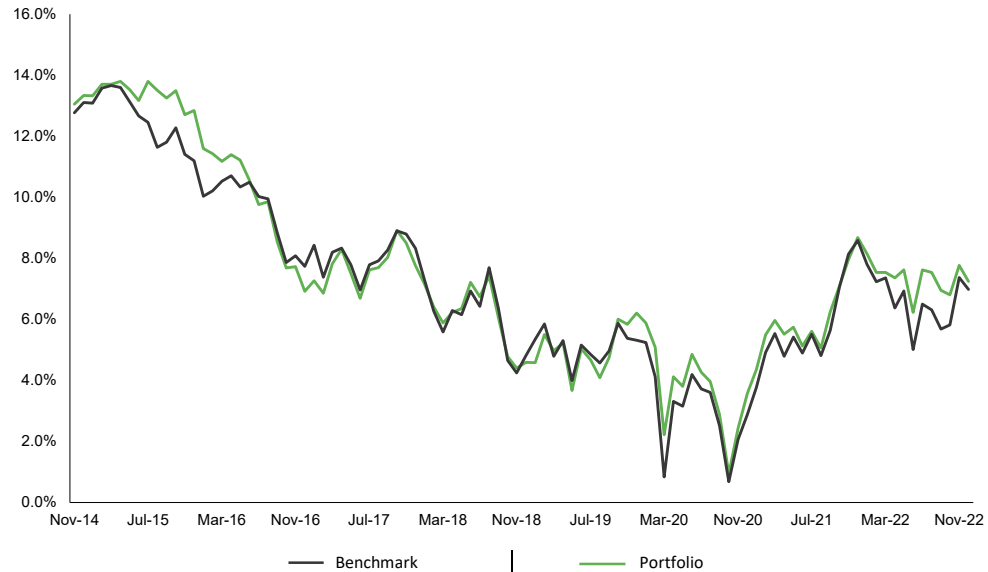
**Pensioner - Cumulative return since 31 August 2008**



**DC Moderate - 1 Year Rolling Returns**



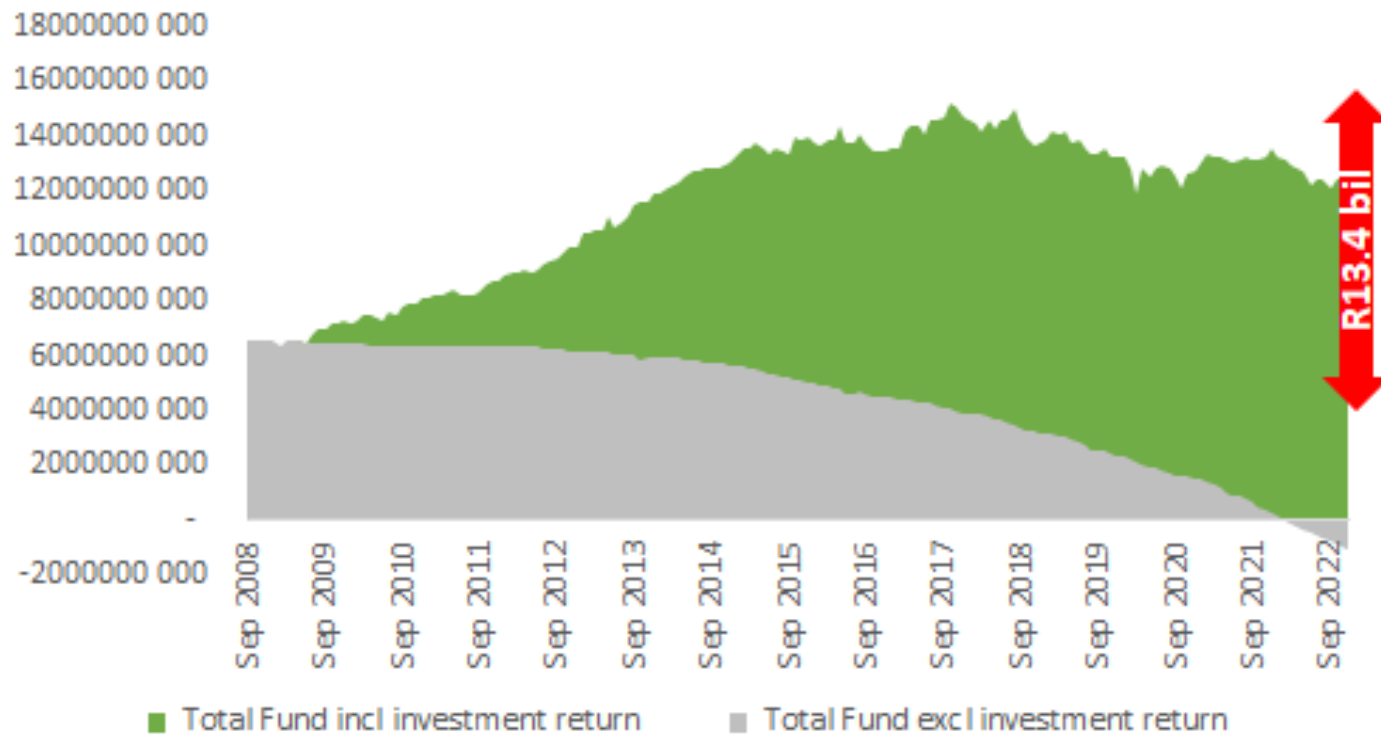
**Pensioner - 3 Year Rolling Returns**



# LONG TERM RETURNS

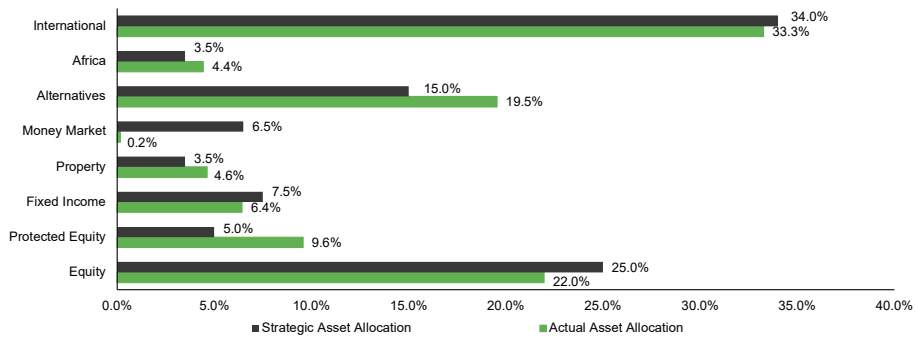
Longer term returns should be used to assess the Fund's performance when compared to the benchmark as short term volatility may distort short term performance measurement.

## Estimate Value Added through Investment Returns since Inception

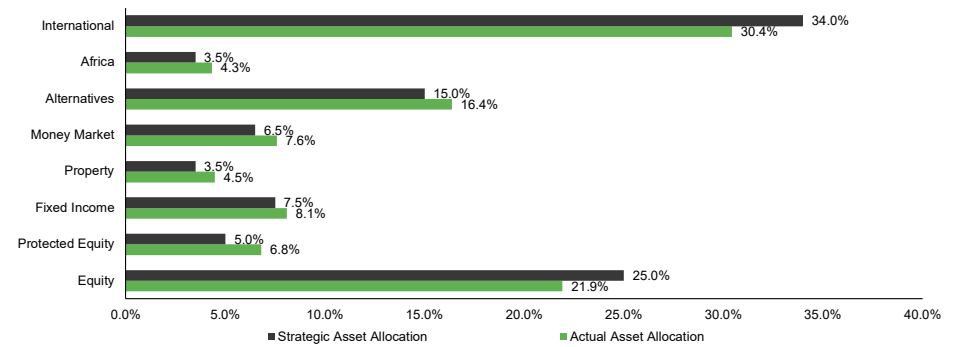


# ASSET ALLOCATION

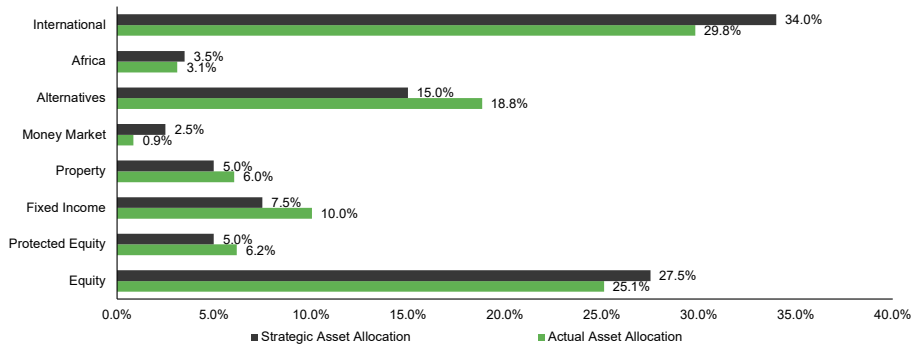
### DB Members



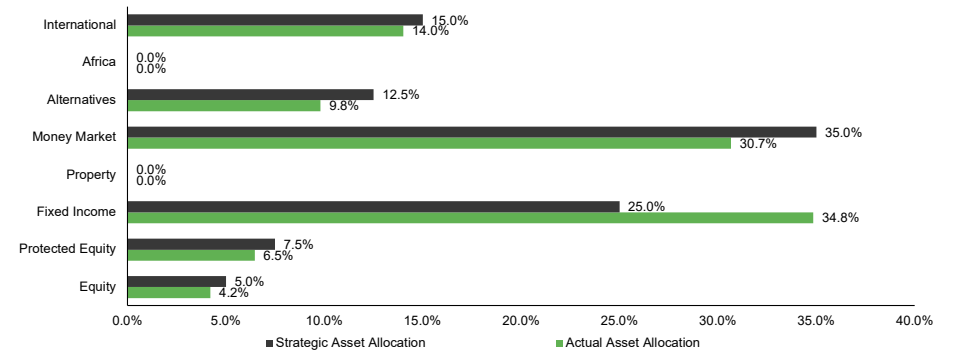
### Pensioner



### DC Growth



### DC Moderate



# 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	<b>All Weather Equity</b>	2018/10/31	478 466 233.10	3.9%	-2.4%	11.9%	10.5%	14.4%	-	11.1%
	JSE Capped Share Weighted Index				-2.8%	12.2%	4.4%	10.1%	-	9.1%
					0.4%	-0.3%	6.1%	4.3%	-	2.0%
	<b>Aluwani Capital Equity</b>	2018/10/31	477 840 284.63	3.9%	-2.8%	11.7%	2.0%	8.2%	-	8.0%
	JSE Capped Share Weighted Index				-2.8%	12.2%	4.4%	10.1%	-	9.1%
					0.0%	-0.5%	-2.4%	-1.9%	-	-1.1%
	<b>Argon Equity</b>	2018/10/31	302 281 594.95	2.5%	-2.4%	11.8%	7.5%	10.2%	-	9.3%
	JSE Capped Share Weighted Index				-2.8%	12.2%	4.4%	10.1%	-	9.1%
				0.4%	-0.4%	3.1%	0.2%	-	0.2%	
<b>Satrix Equity</b>	2018/10/31	279 514 222.41	2.3%	-3.2%	12.2%	4.5%	10.3%	-	9.7%	
JSE Capped Share Weighted Index				-2.8%	12.2%	4.4%	10.1%	-	9.1%	
				-0.3%	-0.1%	0.1%	0.2%	-	0.6%	
<b>Vunani Equity</b>	2018/10/31	251 864 153.77	2.0%	-2.8%	12.5%	3.8%	9.5%	-	8.7%	
JSE Capped Share Weighted Index				-2.8%	12.2%	4.4%	10.1%	-	9.1%	
				0.0%	0.2%	-0.6%	-0.6%	-	-0.4%	
<b>Mianzo Equity</b>	2018/10/31	508 423 312.15	4.1%	-2.9%	11.7%	6.3%	11.4%	-	10.4%	
JSE Capped Share Weighted Index				-2.8%	12.2%	4.4%	10.1%	-	9.1%	
				-0.1%	-0.5%	1.9%	1.3%	-	1.3%	
<b>Balondolozzi Equity</b>	2018/10/31	353 893 977.75	2.9%	-2.8%	11.8%	6.8%	10.5%	-	9.0%	
JSE Capped Share Weighted Index				-2.8%	12.2%	4.4%	10.1%	-	9.1%	
				0.0%	-0.4%	2.4%	0.4%	-	-0.1%	
Equity Incubation	<b>LIMA Mbeu Equity</b>	2022/07/31	53 696 400.00	0.4%	-3.0%	12.1%	-	-	-	7.4%
	JSE Capped Share Weighted Index				-2.8%	12.2%	-	-	-	6.5%
					-0.2%	-0.1%	-	-	-	0.9%
Protected Equity	<b>Mergence Structured Product</b>	2019/11/01	624 178 424.04	5.1%	-1.3%	14.5%	4.4%	16.8%	-	15.8%
	JSE All Share Index Top 40				-2.3%	16.7%	-0.1%	9.9%	-	9.4%
					1.0%	-2.2%	4.5%	6.8%	-	6.4%
	<b>MAC Dynamic Protected Equity</b>	2022/06/01	267 497 446.56	2.2%	-0.1%	12.0%	-	-	-	6.5%
	SALA_MAC_Dynamic_Custom 80% DTop, 20% SteFi				-1.8%	13.6%	-	-	-	2.8%
					1.7%	-1.6%	-	-	-	3.7%
Protected Equity Incubation	<b>REGIVE Protected Equity</b>	2022/02/01	152 375 700.01	1.2%	1.3%	13.6%	-	-	-	1.6%
	SALA REGIVE SP Custom				-2.3%	16.7%	-	-	-	-1.3%
					3.7%	-3.1%	-	-	-	2.9%

# 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	<b>Futuregrowth Infrastructure Bond</b> All Bond Index	2008/08/31	805 232 228.64	6.6%	1.5%	6.8%	7.1%	8.9%	9.4%	10.7%
					0.6%	5.7%	4.3%	7.1%	7.8%	8.5%
	<b>Stanlib Bond</b> All Bond Index	2008/08/31	191 136 288.17	1.6%	0.6%	5.8%	5.3%	8.1%	8.6%	9.4%
					0.6%	5.7%	4.3%	7.1%	7.8%	8.5%
Property	<b>Direct Property</b> NO BENCHMARK	2008/08/31	159 700 023.25	1.3%	-	-	-	-	-	-
					-	-	-	-	-	-
	<b>Meago Property</b> Listed Property	2012/08/31	423 198 226.98	3.4%	1.2%	19.1%	-0.2%	-2.8%	-6.9%	3.8%
					1.1%	19.3%	0.5%	-3.4%	-6.5%	3.0%
Money Market	<b>Sanlam Cash</b> STEFI Composite	2010/09/30	108 501 057.73	0.9%	0.8%	2.0%	6.1%	5.4%	6.7%	7.1%
					0.6%	1.6%	5.2%	4.8%	5.8%	6.1%
	<b>Transition Account</b>	2009/02/28	2 397 287.55	0.0%	-	-	-	-	-	-
					-	-	-	-	-	-
Money Market Incubation	<b>Cartesian Capital Money Market</b> STEFI Composite	2018/10/31	153 072 722.44	1.2%	0.7%	1.9%	5.5%	5.3%	-	5.7%
					0.6%	1.6%	5.2%	4.8%	-	5.5%
Alternatives	<b>Mayibentsha Focused</b> CPI + 4.5%	2011/07/31	496 757 938.96	4.0%	0.5%	3.7%	7.1%	11.1%	8.9%	8.2%
					0.6%	1.8%	11.9%	9.8%	9.5%	9.7%
					-0.1%	1.8%	-4.8%	1.3%	-0.6%	-1.6%
	<b>Mayibentsha Market Neutral</b> CPI + 2.5%	2011/07/31	411 427 375.08	3.3%	0.6%	2.6%	8.8%	8.8%	8.3%	7.9%
					0.5%	1.4%	9.9%	7.8%	7.4%	7.7%
					0.1%	1.2%	-1.1%	0.9%	0.8%	0.1%
<b>Mayibentsha Moderate</b> CPI + 3.5%	2008/08/31	328 810 769.76	2.7%	0.7%	3.4%	7.8%	10.6%	9.2%	8.7%	
				0.6%	1.6%	10.9%	8.8%	8.4%	8.6%	
				0.1%	1.8%	-3.1%	1.7%	0.7%	0.1%	

# 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	<b>Terebinth Capital</b> STEFI	2020/01/31	68 351 482.01	0.6%	0.7% 0.6% 0.2%	1.0% 1.6% -0.6%	17.3% 5.2% 12.1%	- - -	- - -	11.3% 4.7% 6.6%
	<b>Sampada Private Equity</b> NO BENCHMARK	2015/09/30	250 921 757.85	2.0%	- - -	- - -	- - -	- - -	- - -	- - -
	<b>Sampada Private Equity 2</b> NO BENCHMARK	2019/01/31	301 888 323.43	2.5%	- - -	- - -	- - -	- - -	- - -	- - -
	<b>Umthombo IF1</b> NO BENCHMARK	2022/12/01	50 000 000.00	0.4%	- - -	- - -	- - -	- - -	- - -	- - -
	<b>REAL Fund</b> STEFI	2022/03/01	10 064 566.14	0.1%	0.0% 0.6% -0.6%	0.0% 1.6% -1.6%	- - -	- - -	- - -	0.3% 4.5% -4.2%
	<b>Legacy Africa</b> Hurdle Rate	2020/01/31	181 828 277.11	1.5%	- - -	- - -	- - -	- - -	- - -	- - -
	<b>Tamela Capital</b> NO BENCHMARK	2020/01/31	19 594 344.97	0.2%	- - -	- - -	- - -	- - -	- - -	- - -
	<b>Boxwood Property Fund</b> Hurdle Rate (CPI +3%)	2020/03/31	77 434 692.28	0.6%	- - -	- - -	- - -	- - -	- - -	- - -
	<b>Summit Africa</b> Hurdle Rate (CPI +5%)	2019/11/30	103 091 198.90	0.8%	- - -	- - -	- - -	- - -	- - -	- - -
	Africa	<b>Novare Africa Property Fund 1</b> 10% in USD	2010/07/31	378 121 578.30	3.1%	- - -	- - -	- - -	- - -	- - -
	<b>Novare Africa Property Fund 2</b> 10% in USD	2014/07/31	121 016 491.66	1.0%	- - -	- - -	- - -	- - -	- - -	- - -
International	<b>Novare Global Balanced</b> SALA NBAUIS Fund	2008/08/31	2 943 162 346.74	23.9%	-1.8% -1.1% -0.7%	-2.0% -1.1% -0.9%	-7.9% -15.1% 7.2%	5.7% 6.2% -0.5%	6.4% 8.4% -1.9%	9.9% 9.3% 0.5%
	<b>SALA Global Fund</b> SALA Global Fund	2022/04/01	954 973 976.46	7.8%	-2.5% -4.6% 2.1%	1.5% 2.9% -1.3%	- - -	- - -	- - -	-1.0% -0.9% -0.1%
				<b>12 290 714 704</b>	<b>100%</b>					

"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	279 994 787.7	120 888 423.6	6 326 725.9	71 256 295.9	478 466 233.1	
	Aluwani Capital Equity	281 238 495.7	142 692 186.4	2 240 637.6	51 668 965.0	477 840 284.6	
	Argon Equity	200 480 818.6	87 910 395.2	1 170 151.9	12 720 229.3	302 281 595.0	
	Balondolozzi Equity	261 398 470.8	77 534 375.9	1 035 914.5	13 925 216.6	353 893 977.8	
	Mianzo Equity	337 158 492.3	81 205 185.7	1 089 426.0	88 970 208.1	508 423 312.2	
	Satrix Equity	197 276 051.5	20 687 953.2	980 460.1	60 569 757.6	279 514 222.4	
	Vunani Equity	191 382 322.1	8 404 718.3	503 159.4	51 573 954.1	251 864 153.8	
	Lima Equity	28 534 427.8	15 570 408.1	1 290 240.9	8 301 323.3	53 696 400.0	
Protected Equity	Mergence Structured Product	466 908 400.2	81 708 852.8	13 083 797.7	62 477 373.3	624 178 424.0	
	MAC Dynamic Protected Equity	182 520 435.9	45 195 395.2	6 203 233.6	33 578 381.9	267 497 446.6	
	Regive Protected Equity	124 069 354.5	9 770 878.0	3 194 043.2	15 341 424.4	152 375 700.0	
Fixed Income	Futuregrowth Infrastructure Bond	445 426 281.0	174 527 854.4	81 214 851.0	104 063 242.2	805 232 228.6	
	Stanlib Bond	75 299 425.3	47 480 921.5	39 996 098.3	28 359 843.1	191 136 288.2	
Property	Direct Property	127 317 543.5			32 382 479.8	159 700 023.3	
	Meago Property	248 611 820.2	133 662 493.2		40 923 913.6	423 198 227.0	
Money Market	Cartesian Capital Money Market	5 931 343.7	4 375 366.4	32 465 770.1	110 300 242.3	153 072 722.4	
	Sanlam Cash	5 840 494.3	14 463 160.4	74 218 589.0	13 978 814.0	108 501 057.7	
	Transition Account	2 397 287.6				2 397 287.6	
Alternatives	Mayibentsha Focused	329 523 044.6	84 718 128.1	8 467 021.4	74 049 744.8	496 757 939.0	
	Mayibentsha Market Neutral	305 668 797.9	54 111 736.7	6 890 451.3	44 756 389.2	411 427 375.1	
	Mayibentsha Moderate	200 228 283.7	71 379 044.2	9 838 793.7	47 364 648.2	328 810 769.8	
	Terebinth Capital	54 108 737.3	1 930 271.1	8 763 890.0	3 548 583.6	68 351 482.0	
	Tamela Capital	7 693 289.9	7 776 062.5		4 124 992.6	19 594 345.0	
	Legacy Africa	128 026 053.4	44 251 344.0		9 550 879.7	181 828 277.1	
	Sampada Private Equity	184 473 668.5	50 040 580.4		16 407 509.0	250 921 757.9	
	Sampada Private Equity 2	210 378 886.0	53 342 366.1		38 167 071.3	301 888 323.4	
	Umthombo IF1	34 743 749.7	10 315 332.1		4 940 918.1	50 000 000.0	
	Boxwood Property Fund	68 196 290.9	4 937 867.3		4 300 534.1	77 434 692.3	
	Summit Africa	51 309 897.5	31 843 801.1		19 937 500.3	103 091 198.9	
	Real Fund	7 649 021.7	1 238 662.9	137 935.1	1 038 946.5	10 064 566.1	
	Africa	Novare Africa Property Fund 1	271 685 464.8	52 764 845.1		53 671 268.5	378 121 578.3
		Novare Africa Property Fund 2	87 530 808.1	16 180 119.5		17 305 564.1	121 016 491.7
International	Novare Global Balanced	2 001 568 662.8	520 017 538.5	35 066 547.0	386 509 598.5	2 943 162 346.7	
	SALA Global Fund	690 523 256.0	139 108 409.1	13 678 164.8	111 664 146.5	954 973 976.5	
<b>Total Fund</b>		<b>8 095 094 165.2</b>	<b>2 210 034 677.0</b>	<b>347 855 902.1</b>	<b>1 637 729 959.5</b>	<b>12 290 714 703.8</b>	

# PORTFOLIO RISK STATISTICS OVERVIEW

	DB Members	DC Growth	DC Moderate	Pensioner
Best 1 Month Period	8.5%	8.6%	2.7%	7.9%
Worst 1 Month Period	-6.5%	-6.3%	-2.6%	-5.3%
Standard Deviation	7.4%	7.6%	2.6%	5.8%
Gain Deviation	5.7%	5.9%	2.2%	4.4%
Loss Deviation	4.8%	4.9%	1.6%	3.9%
Max Drawdown	13.3%	11.6%	3.1%	7.3%
Sharpe Ratio	0.35	0.37	0.81	0.25

\*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
	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
Best 1 Month Period	15.0%	13.1%	16.7%	13.9%	14.1%	14.2%
Worst 1 Month Period	-16.5%	-15.0%	-17.9%	-16.5%	-16.4%	-17.6%
Standard Deviation	16.8%	16.8%	18.2%	17.4%	17.2%	17.7%
Gain Deviation	12.5%	12.0%	12.9%	12.4%	12.1%	12.6%
Loss Deviation	11.4%	11.8%	12.8%	12.3%	12.3%	12.5%
Max Drawdown	29.4%	25.8%	28.6%	26.5%	27.7%	29.1%
Sharpe Ratio	0.34	0.16	0.22	0.25	0.20	0.29

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

# MANAGER RISK STATISTICS OVERVIEW

	Balondolozzi Equity	Futuregrowth Infrastructure Bond	Stanlib Bond	Meago Property	Sanlam Cash
Inception Date	2018/10/31	2008/08/31	2008/08/31	2012/08/31	2010/09/30
Benchmark	JSE Capped Share Weighted Index	All Bond Index	All Bond Index	Listed Property	STEFI Composite
Best 1 Month Period	15.5%	7.4%	7.1%	17.8%	0.9%
Worst 1 Month Period	-15.6%	-11.1%	-9.3%	-36.4%	0.0%
Standard Deviation	17.6%	7.4%	7.5%	21.7%	0.5%
Gain Deviation	12.6%	5.6%	5.5%	13.7%	0.4%
Loss Deviation	12.3%	5.0%	5.1%	16.8%	0.2%
Max Drawdown	29.3%	11.2%	9.3%	62.7%	0.0%
Sharpe Ratio	0.21	0.58	0.39 -	0.10	2.10

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

## MANAGER RISK STATISTICS OVERVIEW

	Cartesian Capital Money Market	Mayibentsha Focused	Mayibentsha Market Neutral	Mayibentsha Moderate	Terebinth Capital	Novare Global Balanced
Inception Date	2018/10/31	2011/07/31	2011/07/31	2008/08/31	2020/01/31	2008/08/31
Benchmark	STEFI Composite	CPI + 4.5%	CPI + 2.5%	CPI + 3.5%	STEFI	SALA NBAUIS Fund
Best 1 Month Period	0.7%	6.2%	4.6%	4.9%	18.0%	11.6%
Worst 1 Month Period	0.1%	-4.2%	-4.2%	-3.5%	-11.7%	-9.2%
Standard Deviation	0.4%	4.8%	2.7%	3.6%	15.7%	12.4%
Gain Deviation	0.3%	3.8%	2.1%	2.9%	12.4%	9.6%
Loss Deviation	0.2%	3.2%	1.8%	2.5%	9.5%	8.0%
Max Drawdown	0.0%	5.9%	4.4%	6.0%	11.7%	16.5%
Sharpe Ratio	0.86	0.45	0.70	0.61	0.44	0.27

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

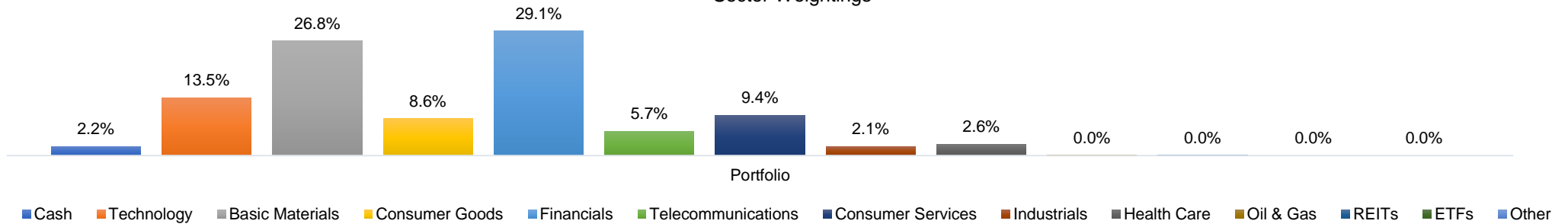
# EQUITY HOLDINGS

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

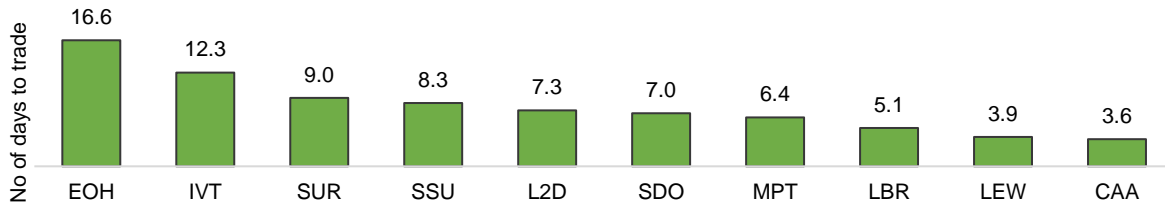
Total Fund: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	8.8%	24.8%	125.3
FSR	5.2%	2.3%	10.6
AGL	4.7%	21.5%	7.6
MTN	4.7%	6.2%	11.2
PRX	4.2%	24.2%	149.5
SBK	3.8%	16.5%	9.4
BTI	3.7%	3.9%	11.0
IMP	3.3%	25.6%	5.6
ABG	3.1%	9.8%	8.0
SOL	2.8%	-5.7%	5.8

Total Fund: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	2.2%	24.8%
PRX	1.0%	24.2%
AGL	1.0%	21.5%
IMP	0.8%	25.6%
CFR	0.8%	30.4%
SLM	-0.1%	-5.6%
TKG	-0.1%	-35.3%
DTC	-0.1%	-29.6%
TFG	-0.1%	-14.1%
SOL	-0.2%	-5.7%

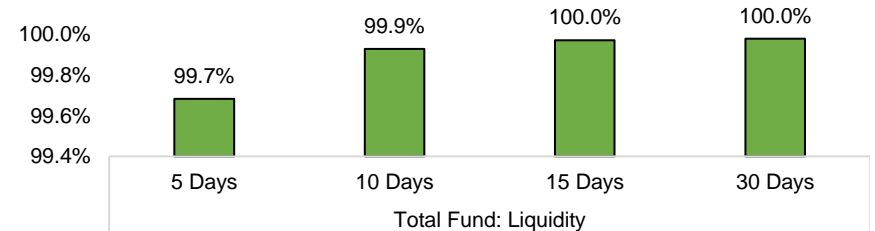
Sector Weightings



\* 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

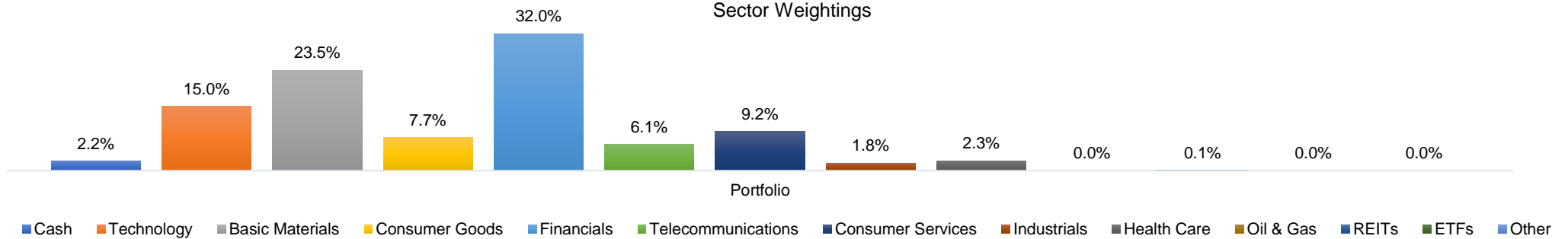
# EQUITY HOLDINGS

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

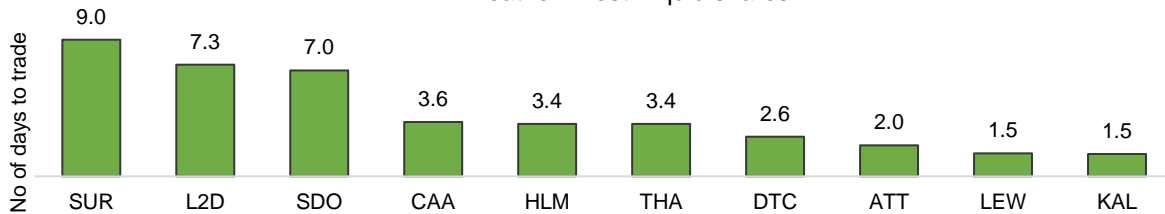
All Weather: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	9.1%	24.8%	125.3
FSR	5.3%	2.3%	10.6
AGL	4.6%	21.5%	7.6
PRX	4.4%	24.2%	149.5
MTN	4.3%	6.2%	11.2
BTI	3.5%	3.9%	11.0
SOL	3.4%	-5.7%	5.8
ABG	3.2%	9.8%	8.0
SBK	2.9%	16.5%	9.4
CPI	2.7%	19.7%	23.6

All Weather: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	2.3%	24.8%
PRX	1.1%	24.2%
AGL	1.0%	21.5%
INL	0.7%	50.1%
IMP	0.6%	25.6%
SLM	-0.1%	-5.6%
SOL	-0.2%	-5.7%
TKG	-0.2%	-35.3%
TFG	-0.3%	-14.1%
DTC	-0.5%	-29.6%

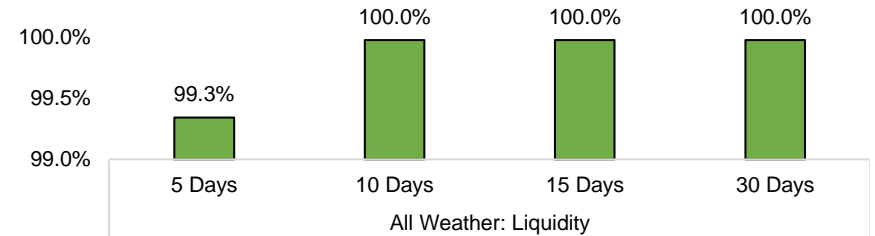
Sector Weightings



\* 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

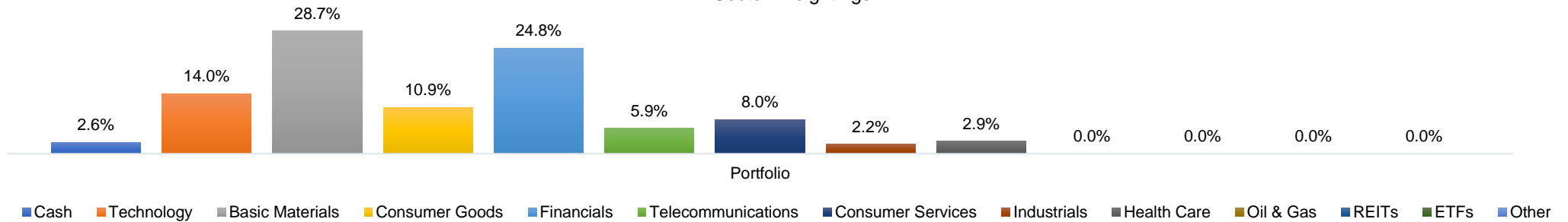
# EQUITY HOLDINGS

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

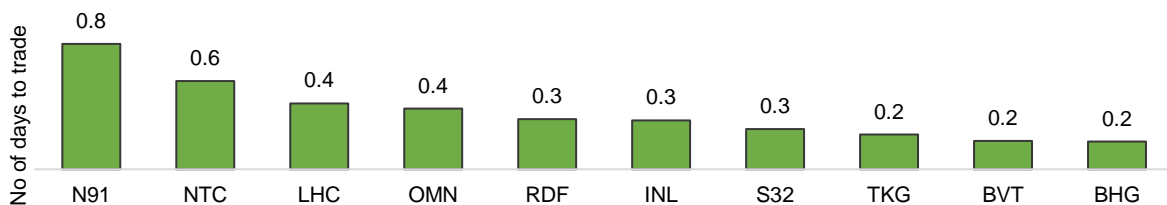
Aluwani: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	9.5%	24.8%	125.3
MTN	5.3%	6.2%	11.2
SBK	4.7%	16.5%	9.4
CFR	4.5%	30.4%	26.6
PRX	4.5%	24.2%	149.5
AGL	4.3%	21.5%	7.6
BTI	4.3%	3.9%	11.0
FSR	4.3%	2.3%	10.6
IMP	3.9%	25.6%	5.6
BHG	3.7%	15.3%	7.9

Aluwani: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	2.4%	24.8%
CFR	1.4%	30.4%
PRX	1.1%	24.2%
IMP	1.0%	25.6%
INL	1.0%	50.1%
SLM	-0.1%	-5.6%
MRP	-0.2%	-8.0%
SOL	-0.2%	-5.7%
TKG	-0.2%	-35.3%
TFG	-0.2%	-14.1%

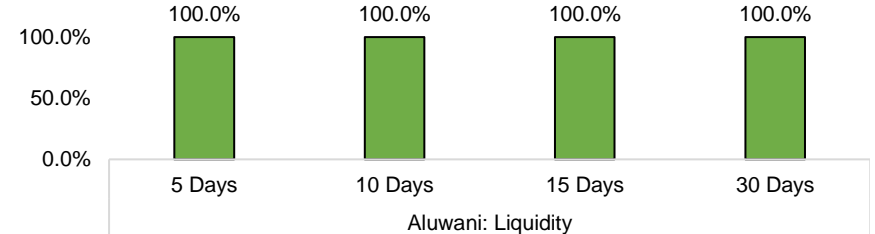
Sector Weightings



\* Aluwani: 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

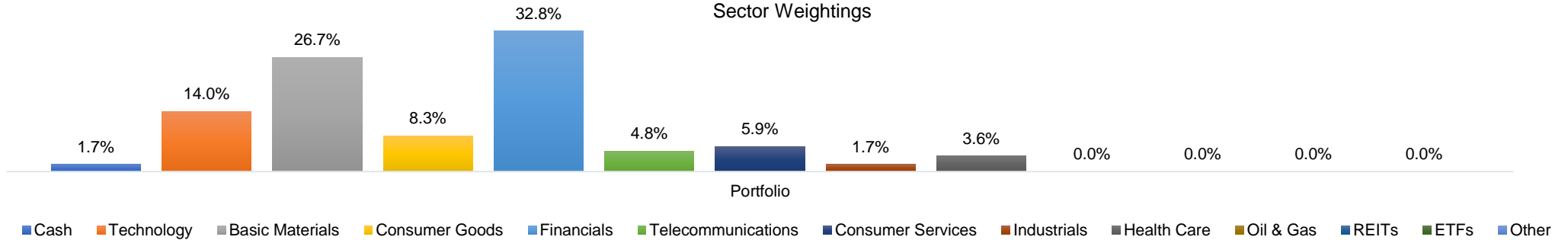
Argon: Top10 holdings

Share	Weight	Return	PE Ratio
NPN	7.2%	24.8%	125.3
PRX	6.6%	24.2%	149.5
BTI	5.5%	3.9%	11.0
FSR	5.3%	2.3%	10.6
AGL	5.2%	21.5%	7.6
MTN	4.3%	6.2%	11.2
SBK	4.1%	16.5%	9.4
IMP	3.5%	25.6%	5.6
ABG	3.4%	9.8%	8.0
SOL	2.8%	-5.7%	5.8

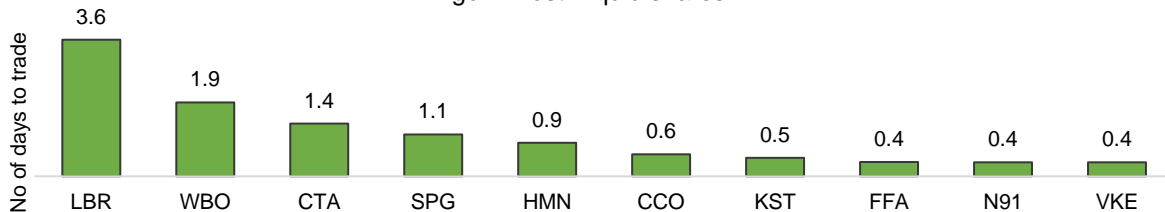
Argon: Top5 & Bottom5 estimate active contributors

Share	Contribution	Quarterly Return
NPN	1.8%	24.8%
PRX	1.6%	24.2%
AGL	1.1%	21.5%
IMP	0.9%	25.6%
SBK	0.7%	16.5%
TGA	-0.1%	-14.0%
SLM	-0.1%	-5.6%
TFG	-0.1%	-14.1%
SOL	-0.2%	-5.7%
SPP	-0.2%	-20.8%

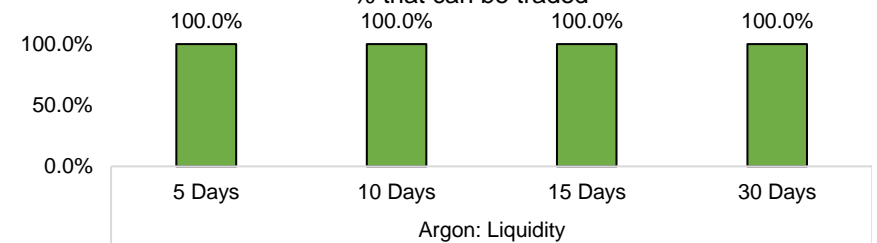
Sector Weightings



\* 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

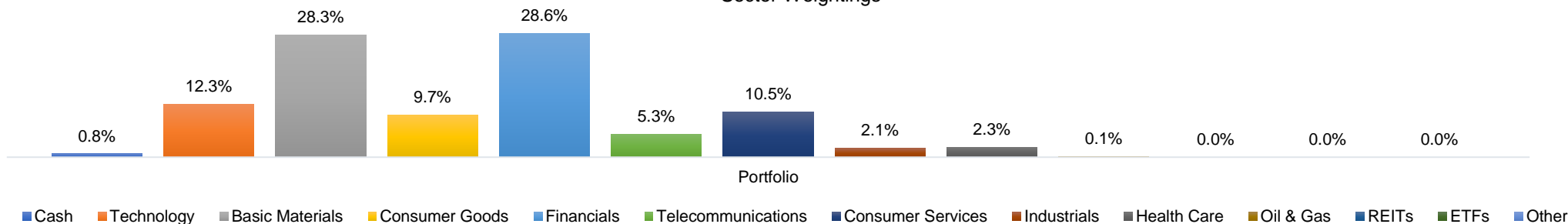
# EQUITY HOLDINGS

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

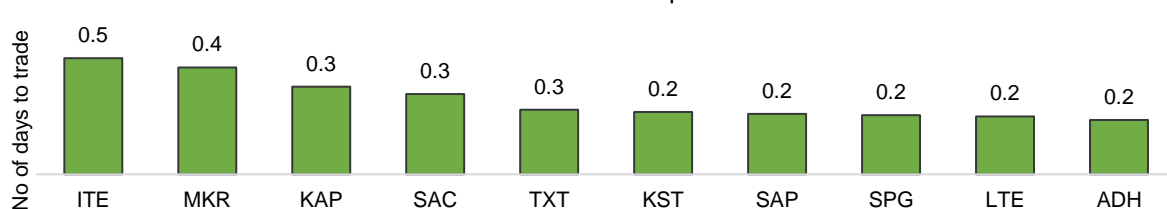
Balondoloz: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	8.6%	24.8%	125.3
FSR	5.3%	2.3%	10.6
MTN	5.3%	6.2%	11.2
AGL	4.8%	21.5%	7.6
BTI	4.3%	3.9%	11.0
SBK	3.8%	16.5%	9.4
PRX	3.6%	24.2%	149.5
IMP	3.0%	25.6%	5.6
ABG	2.8%	9.8%	8.0
CPI	2.7%	19.7%	23.6

Balondoloz: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	2.1%	24.8%
AGL	1.0%	21.5%
PRX	0.9%	24.2%
CFR	0.8%	30.4%
IMP	0.8%	25.6%
CLS	-0.1%	-5.4%
SPP	-0.1%	-20.8%
TFG	-0.1%	-14.1%
SLM	-0.1%	-5.6%
SOL	-0.1%	-5.7%

Sector Weightings



\* Balondoloz: 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

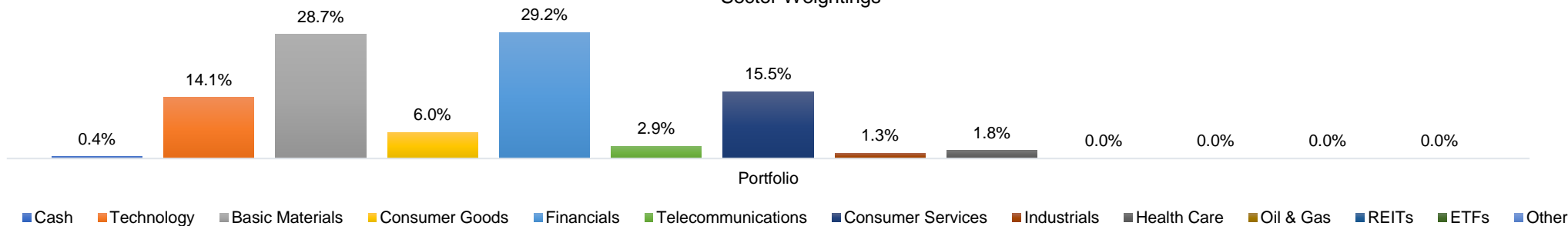
Lima: Top10 holdings

Share	Weight	Return	PE Ratio
NPN	9.7%	24.8%	125.3
AGL	6.2%	21.5%	7.6
CPI	4.6%	19.7%	23.6
IMP	4.6%	25.6%	5.6
FSR	4.5%	2.3%	10.6
SBK	3.9%	16.5%	9.4
ABG	3.6%	9.8%	8.0
PRX	3.5%	24.2%	149.5
SHP	3.5%	4.2%	21.5
SOL	3.2%	-5.7%	5.8

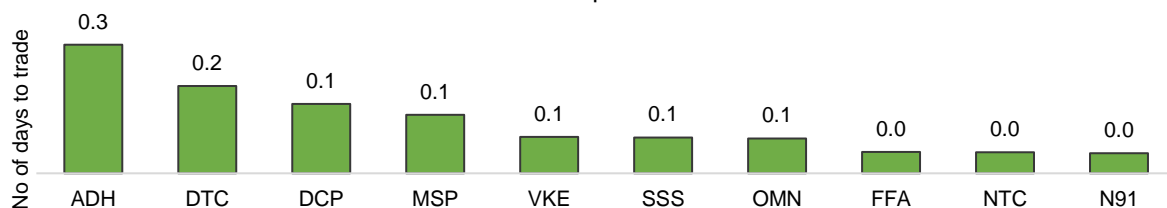
Lima: Top5 & Bottom5 estimate active contributors

Share	Contribution	Quarterly Return
NPN	2.4%	24.8%
AGL	1.3%	21.5%
IMP	1.2%	25.6%
CPI	0.9%	19.7%
PRX	0.9%	24.2%
TGA	-0.1%	-14.0%
DCP	-0.1%	-9.7%
CLS	-0.1%	-5.4%
SOL	-0.2%	-5.7%
DTC	-0.3%	-29.6%

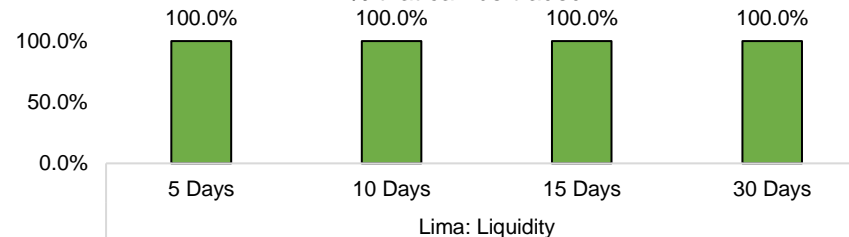
Sector Weightings



\* Lima: 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

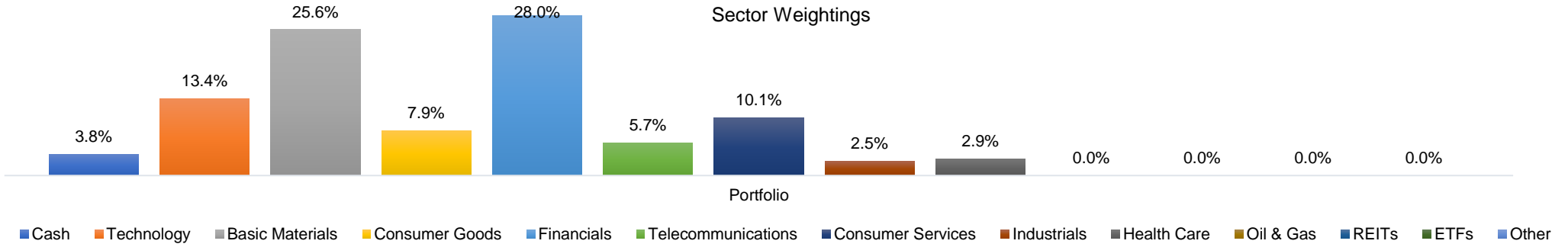
Mianzo: Top10 holdings

Share	Weight	Return	PE Ratio
NPN	9.3%	24.8%	125.3
FSR	5.4%	2.3%	10.6
MTN	4.5%	6.2%	11.2
AGL	4.4%	21.5%	7.6
SBK	4.3%	16.5%	9.4
CASH	3.8%	0.0%	0.0
PRX	3.7%	24.2%	149.5
IMP	3.6%	25.6%	5.6
SOL	3.0%	-5.7%	5.8
BTI	3.0%	3.9%	11.0

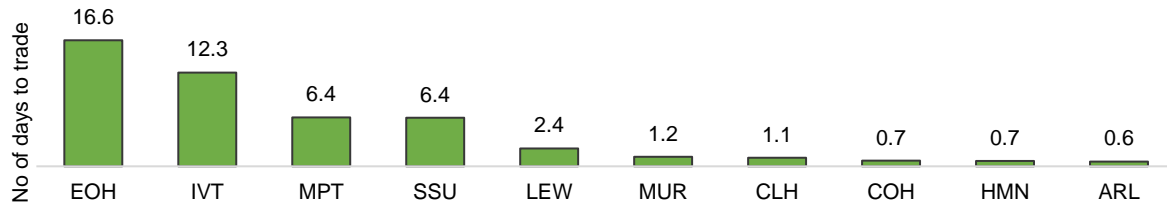
Mianzo: Top5 & Bottom5 estimate active contributors

Share	Contribution	Quarterly Return
NPN	2.3%	24.8%
AGL	1.0%	21.5%
IMP	0.9%	25.6%
PRX	0.9%	24.2%
CFR	0.7%	30.4%
SLM	-0.1%	-5.6%
ARL	-0.1%	-15.8%
TFG	-0.1%	-14.1%
SPP	-0.1%	-20.8%
SOL	-0.2%	-5.7%

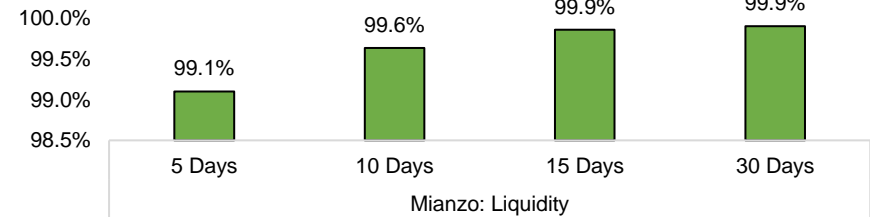
Sector Weightings



\* Mianzo: 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

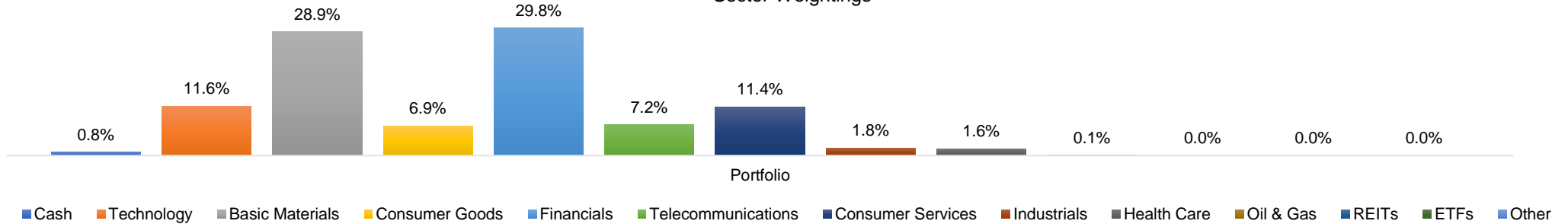
# EQUITY HOLDINGS

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

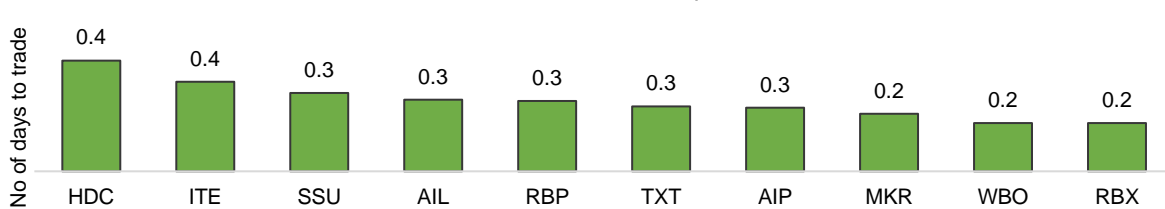
Sanlam Satrix: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	8.1%	24.8%	125.3
FSR	6.1%	2.3%	10.6
AGL	5.2%	21.5%	7.6
MTN	5.1%	6.2%	11.2
ABG	3.8%	9.8%	8.0
PRX	3.3%	24.2%	149.5
IMP	3.2%	25.6%	5.6
BTI	2.9%	3.9%	11.0
SBK	2.8%	16.5%	9.4
NED	2.7%	6.4%	8.1

Sanlam Satrix: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	2.0%	24.8%
AGL	1.1%	21.5%
IMP	0.8%	25.6%
PRX	0.8%	24.2%
INP	0.6%	48.8%
SLM	-0.1%	-5.6%
MRP	-0.1%	-8.0%
CLS	-0.1%	-5.4%
SOL	-0.1%	-5.7%
TGA	-0.1%	-14.0%

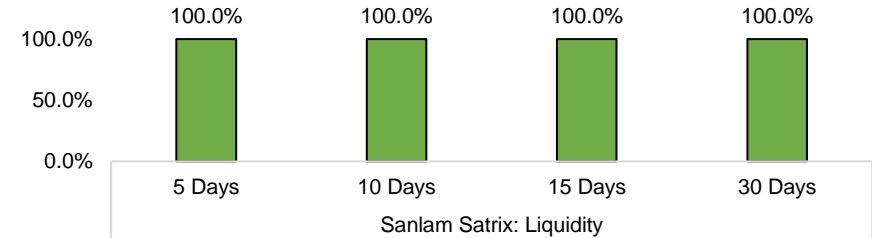
Sector Weightings



\* 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

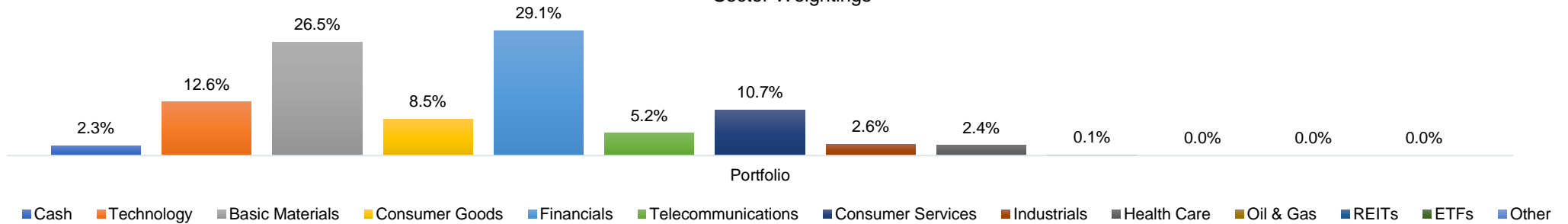
# EQUITY HOLDINGS

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

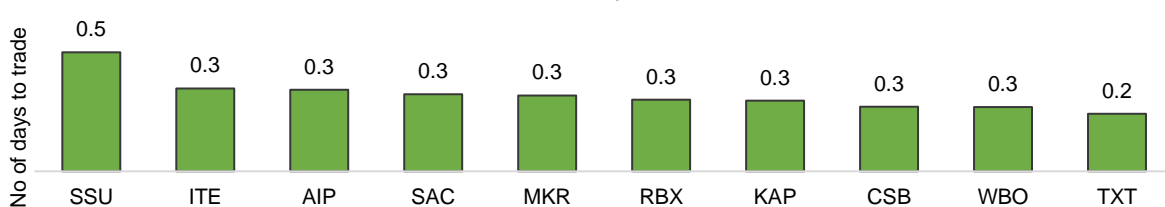
Vunani: Top10 holdings			
Share	Weight	Return	PE Ratio
NPN	8.7%	24.8%	125.3
FSR	5.2%	2.3%	10.6
AGL	4.7%	21.5%	7.6
MTN	3.8%	6.2%	11.2
SBK	3.8%	16.5%	9.4
PRX	3.6%	24.2%	149.5
BTI	3.0%	3.9%	11.0
IMP	2.9%	25.6%	5.6
ABG	2.7%	9.8%	8.0
CFR	2.6%	30.4%	26.6

Vunani: Top5 & Bottom5 estimate active contributors		
Share	Contribution	Quarterly Return
NPN	2.2%	24.8%
AGL	1.0%	21.5%
PRX	0.9%	24.2%
CFR	0.8%	30.4%
IMP	0.7%	25.6%
TGA	-0.1%	-14.0%
TFG	-0.1%	-14.1%
SPP	-0.1%	-20.8%
SLM	-0.1%	-5.6%
SOL	-0.1%	-5.7%

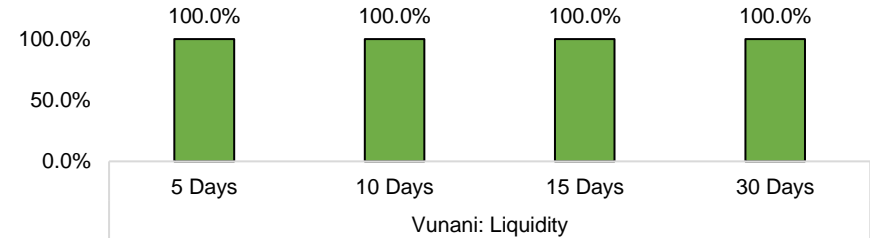
Sector Weightings



\* Vunani: 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

## 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 35% per Regulation 28 of the Pension Fund Act, or 45% subject to 10% 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

