

Risk rating

September 2017



Risk and reward profile

Equity and property investments are volatile by nature and subject to potential capital loss. For credit and income instruments, while unlikely, capital loss may also occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.

General Information

BENCHMARK/TARGET RETURN

Inflation + 3 - 5% per annum after fees over rolling 5-year periods.

INVESTMENT MANAGER

Nedgroup Investment Advisors (Pty) Ltd is authorised as a Financial Service Provider under the Financial Advisory and Intermediary Services Act (FSP No. 1652).
Fund Manager: Trevor Garvin

ASISA CATEGORY

South African - Multi Asset - Medium Equity

REGULATION 28 COMPLIANT - Yes

FUND SIZE

R1 900 million

INCEPTION DATE

1 May 2004

MINIMUM INVESTMENT

Lump sum: R50,000

NET ASSET VALUE¹

3995.14 cpu

INCOME DISTRIBUTION

March, June, September, December

September 2017 Dividend: 1.92 cpu

September 2017 Interest: 18.12 cpu

June 2017 Dividend: 1.65 cpu

June 2017 Interest: 12.77 cpu

12 Months Total Distribution: 86.84 cpu

Annual distribution yield: 2.26%*

* Distribution yield for the previous twelve months, net of all fees.

FEES

Annual management fee (excluding VAT): 0.75%

Total Expense Ratio 1.85%

Transaction Costs 0.11%

Total Investment Charges³ 1.96%

Investment Approach

This strategy solution is managed in accordance with the Nedbank Private Wealth investment philosophy to achieve the fund objective. We have a depth of investment expertise and apply an active, valuation-driven process to construct diversified multi-asset class strategies. Our portfolios contain a foundation of quality assets. These are complemented by satellite investments that together aim to achieve defined, risk - managed investment outcomes for our clients.

Portfolio Profile

This strategy will seek to balance income and real capital growth objectives through a blended allocation to risky assets and income yielding assets. The asset allocation for this solution is determined by the monthly strategic investment committee, who seek to achieve optimal diversification of the asset classes by making use of proprietary research tools. The portfolio is structured as a fund of funds.

Asset allocation ranges

| ASSET CLASS | RANGE |
|--------------|---------|
| Equity | 40-60% |
| Property | 0-22.5% |
| Bonds | 0-22.5% |
| Alternatives | 0-30% |
| Cash | 0-30% |

ASSET AND MANAGER ALLOCATION

| MANDATE | INVESTMENT HOUSE | WEIGHTS Previous Quarter | WEIGHTS Current |
|--------------------------|---|-----------------------------|--------------------|
| Domestic equity | Nedgroup Investment Advisors, Foord Asset Management, Coronation Fund Managers, and Prudential Portfolio Managers | 38% | 38% |
| Domestic fixed income | Nedgroup Investment Advisors | 11% | 11% |
| Domestic property | Nedgroup Investment Advisors | 7% | 7% |
| Domestic cash | Nedgroup Investment Advisors | 10% | 10% |
| Domestic flexible income | Abax Investments | 5% | 5% |
| Domestic alternative | Foord Asset Management | 8% | 8% |
| Foreign equity | Veritas Asset Management UK, Investec Asset Management and BlackRock Asset Management | 16% | 16% |
| Foreign property | Resolution Capital | 5% | 5% |
| Foreign fixed income | BlackRock Asset Management | 1% | 1% |

* This includes 0.7% in the Nedgroup Investments Core Income ABIL Retention Fund

The above mentioned investment houses are authorised as Financial Service Providers under the Financial Advisory and Intermediary Services Act

Performance²

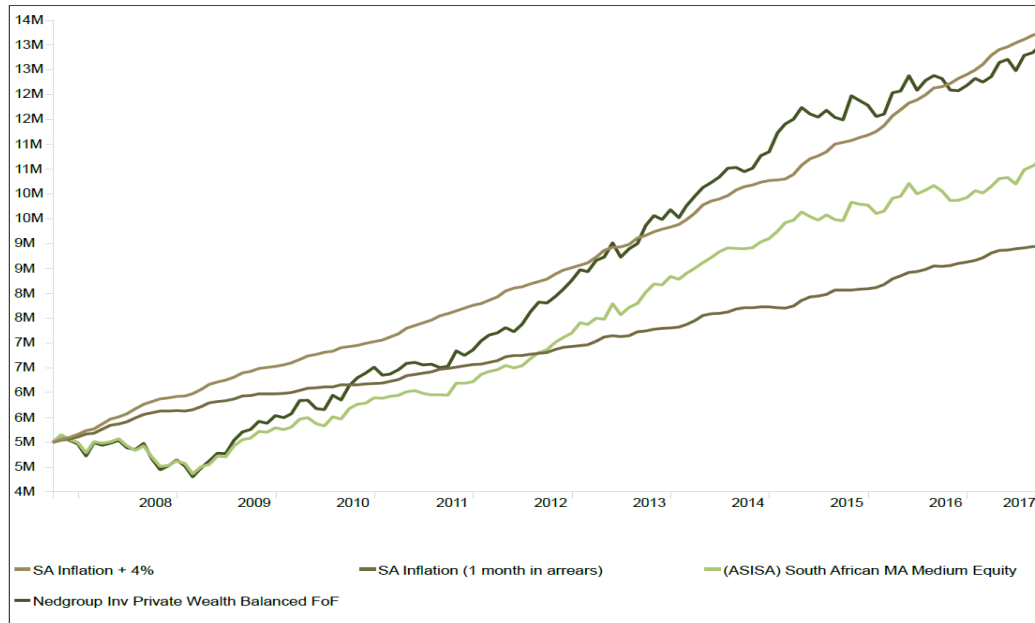
| PERIOD | SOLUTION | INFLATION TARGET |
|---------------------------------------|-------------|------------------|
| 1 year | 5.4 | 9.0 |
| 3 years (annualised) | 7.5 | 9.3 |
| 5 YEARS (ANNUALISED) | 10.7 | 9.8 |
| 7 years (annualised) | 11.3 | 9.7 |
| 10 years (annualised) | 10.0 | 10.2 |
| Since inception (annualised) | 14.6 | 10.0 |
| Lowest 1 year return | -13.8 | - |
| Highest 1 year return | 49.2 | - |
| 10 Year ranking within ASISA category | | 1/32 |

The annualized total return is the average return earned by an investment each year over a given time period.

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SINCE INCEPTION CUMULATIVE PORTFOLIO PERFORMANCE²

The graph shows growth of R5 000 000 invested in the portfolio plotted against the fund's benchmark of inflation + 4% as well as the average of the ASISA South African Multi Asset Medium Equity category.



Source: Morningstar Direct

Mandatory disclosures:

1. Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Daily prices are available on request from your relationship manager.
2. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Data source: © 2015 Morningstar.
3. Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction Costs (TC), expressed as a percentage of the Fund, relates to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investments costs of the Fund. Both the TER and TC of the Fund is calculated on an annualised basis, beginning July 2014 and ending June 2017.

Whilst Nedbank Private Wealth offers you a choice of investment services, the underlying funds forming part of Nedbank Private Wealth strategy solution, are managed by Nedgroup Investments. More specifically, Nedgroup Collective Investments (RF) Proprietary Limited, is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investment Private Wealth unit trust portfolios. It is a member of the Association of Savings & Investment South Africa (ASISA). Contact: Nedgroup Investments, P O Box 1510, Cape Town 8000, info@nedgroupinvestments.co.za, Tel 0860 123 263 (RSA only). The Standard Bank of South Africa Limited is the registered trustee. Contact: Standard Bank, P O Box 54, Cape Town 8000, Trustee-compliance@standardbank.co.za, 021 401 2002.

Unit trusts are generally medium to long term investments. The value of your investment may go down as well as up. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. A fund of funds may only invest in other unit trust funds, that levy their own charges, which could result in a higher fee structure. A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact your relationship manager.

Contact

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