

Ci Engineered Equity Core Fund

March 2018

Portfolio Manager

This Fund is managed by **Portfolio Analytics Consulting**, who utilise the following Asset Managers:

Sanlam Investment Managers (SIM) is one of South Africa's largest and most adaptable investment management companies, having been in existence for almost a century.

SIM offers diversified market exposure without compromising performance, while still providing transparency through their index based products. SIM is authorised under the Financial Advisory and Intermediary Services Act, 2002 (act 37 of 2002) as a financial services provider, FSP number 579.

Investment Objective

The Ci Engineered Equity Core Fund is an institutional general equity portfolio.

The investment objective of the portfolio is to provide investors with capital growth in the medium to long term through passive investment strategies which will include securities and instruments which will mirror various indices in order to capture value and/or momentum in the portfolio from time to time, depending on market conditions.

The Fund aims to achieve its investment objective by investing in equity securities, non-equity securities, assets in liquid form and listed and unlisted financial instruments, both locally and abroad.

A portion of the portfolio may from time to time invest in instruments that track the FTSE/JSE Dividend + Index or any other index that represents value investments and the remaining portion of the portfolio may from time to time invest in instrument that mirror indices that provide for momentum investments. The combination of these securities will enable the Manager to track the performance of the value and/or momentum indices, depending on market conditions from time to time.

Top 10 Equity Holdings

1. Naspers	6. Woolworths
2. Standard Bank	7. Truworths
3. Mr Price	8. Capitec Bank
4. Sanlam	9. RMB
5. AVI	10. Clicks

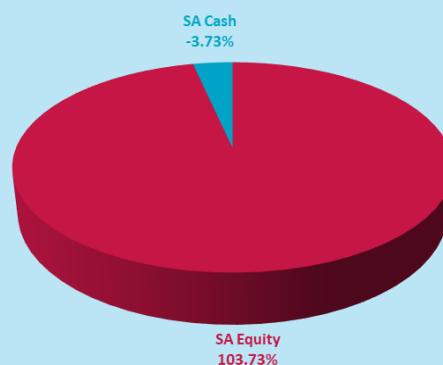
Annualised Performance

	1 year	3 year	5 year	Since Inception
Ci Engineered Equity Core Fund	19.24%	4.80%	n/a	4.92%
Benchmark	9.60%	5.05%	n/a	5.67%
Lowest 1 year rolling return				-12.36%
Highest 1 year rolling return				28.16%

Information Disclosure

ASISA Classification	South African – Equity – General
Risk Profile	High
Benchmark	FTSE/JSE All Share Index
Equity Exposure	The Fund will have equity exposure of at least 80% at all times
Foreign Exposure	Up to 30% of the assets may be invested offshore and an additional 10% invested in Africa, ex RSA
Launch Date	02 February 2015
Opening NAV Price	100.00 cents per unit
Fund Size	R 177 Million
Initial Fee	Class A: 0%
Initial Advisory Fee	Maximum 3.42% (Incl VAT)
Annual Service Fee	Class A: 0.285% (Incl VAT)
Annual Advisory Fee	Maximum 1.14% (Incl VAT)
Total Expense Ratio	0.39%
Transaction Cost	0.42%
Total Investment Charge	0.81%
Calculation Period	Inception - 31 December 2017
Income Declaration Dates	30 June & 31 December
Previous 12 months distributions (cents per unit)	31/12/2017: (A) 1.54 30/06/2017: (A) 1.53
Income Reinvestment / Payout Dates	2nd working day in July and January
Transaction cut-off Time	14:00
Valuation time	15:00
Frequency of pricing	Our daily NAV prices are published on our website and in the national newspaper

Asset Allocation



This document is a Minimum Disclosure Document (MDD) which contains key information about this portfolio. This MDD will be updated on a monthly basis. Source: Figures quoted are from Morningstar, for the period ending March 2018 for a lump sum, using NAV-NAV prices with income distributions reinvested. CPI for all urban areas sourced from I-Net Bridge.

Published date: 24/04/2018

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Characteristics

This is a general equity portfolio which means that the portfolio will invest in selected shares across all industry groups as well as across the range of large, mid and smaller cap shares with the aim of producing a risk/return profile that is comparable with the risk/return profile of the overall JSE equities market. The portfolio will have an equity exposure of between 80% and 100% at all times.

This portfolio may, at the discretion of the portfolio manager, invest up to 30% of the assets outside of South Africa plus an additional 10% of the assets in Africa excluding South Africa.

Risk Reward profile: High

Typically, the lower the risk, the lower the potential return and the higher the risk, the higher the potential return. There is no guarantee that returns will be higher when investing in a portfolio with a higher risk profile.

The risk profile for this portfolio is rated as high, as it invests between 80% and 100% in equity securities, both locally and abroad.

Risks

Market Risk

Equity markets are volatile and the price of equities fluctuate based on a number of factors such as changes in the economic climate, general movements in interest rates and the political and social environment which will also affect the value of the securities held in the unit trust, thereby affecting the overall value of the unit trust.

Currency Risk / Foreign Exchange Risk

This risk is associated with investments that are denominated in foreign currencies. When the foreign currencies fluctuate against the South African Rand, the investments face currency gains or losses.

Concentration Risk

Unit Trusts pool the assets of many investors and use the proceeds to buy a portfolio of securities. There are regulations in place which limit the amount that a unit trust may invest in securities, thereby spreading the risk across securities, asset classes and companies.

Liquidity Risk

This relates to the ability of the unit trust to trade out of a security held in the portfolio at or near to its fair value. This may impact on liquidity and in the case of foreign securities, the repatriation of funds.

Credit Risk

Credit risk is where an issuer of a non-equity security may not be able to make interest payments or repay the capital. This will impact the value of the unit trust.

Inflation Risk

The risk of potential loss in the purchasing power of your investment due to a general increase of consumer prices.

Political Risk

The risk that investment returns could suffer as a result of a country's political changes or instability in the country. Instability could come from changes in the country's government, policy makers or military.

Tax Risk

This risk relates to any change to tax laws or to the interpretation of existing tax laws which has an impact on the manner in which unit trusts are taxed.

Compliance Risk

This refers to the risk of not complying with the legislation, regulations, prescribed investment limits and internal policies and procedures by the manager or the portfolio manager.

Collective Investment Schemes in Securities ("CIS") are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to this portfolio and are subject to different fees and charges. A schedule of fees and charges is available on request from Ci. Ci does not provide any guarantee either with respect to the capital or the return of the portfolio. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. International Investments may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. The portfolio may be closed from time to time in order to manage it more efficiently in accordance with its mandate. Additional information on the portfolio may be obtained, free of charge, directly from Ci. Ci is an affiliate member of the Association for Savings & Investment SA (ASISA).

Total Expense Ratio (TER): The above TER % has been annualised and indicates the percentage of the value of the portfolio which was incurred as expenses relating to the administration of the portfolio over the rolling 3 year period or since fund inception, on an annualised basis. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER's cannot be regarded as an indication of future TER's.

Transaction Cost (TC): The above TC % has been annualised and indicates the percentage of the value of the portfolio which was incurred as costs relating to the buying and selling of the assets underlying the portfolio. Transaction Costs are a necessary cost in administering the portfolio and impacts portfolio returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of portfolio, investment decisions of the investment manager and the TER.

Total Investment Charge is the TER plus TC which indicates the percentage of the value of the portfolio which was incurred as costs relating to the investment of the portfolio. The TER and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product. Calculations are based on actual data where possible and best estimates where actual data is not available.

Performance quoted is for lump sum investment with income distributions, prior to deduction of applicable taxes, included. NAV to NAV figures have been used. The annualised return is the return of the performance period re-scaled to a period of one year. Performance is calculated for the portfolio and individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax.

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