



INVESTMENT OBJECTIVE

The investment objective of the portfolio is to provide investors with capital growth by investing predominantly in equities. The portfolio is aimed at the investor who can tolerate high risk, as explained only by volatility, as it will have an equity exposure of between 80% and 100%, both locally and abroad. Income is not a main objective of this portfolio. The Fund may from time to time invest in listed and unlisted derivatives, in order to achieve the Fund's investment objective.

THE KRUGER INVESTMENT COMMITTEE

Hein Kruger:	Chief Investment Officer
Mia Kruger:	Portfolio Manager
Johan Marais:	Investment Committee Member
Charl Bester:	Investment Committee Member
Chris Nel:	Investment Committee Member
Analytics Consulting:	Investment Consultant

ABOUT THE FUND

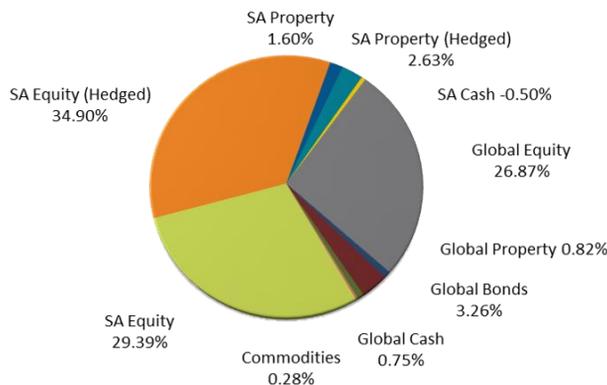
ASISA Classification	South African - Equity - General
Risk Profile	High
Benchmark	FTSE/JSE All Share Index
Equity Exposure	The fund will have an equity exposure always exceeding 80% of the portfolio's net asset value.
Foreign Exposure	Up to 30% of the assets may be invested offshore and an additional 10% in Africa (ex RSA).

UNDERLYING HOLDINGS

Direct Equity (Hedged)	38.42%
Ci Equity Fund	4.90%
Ci Engineered Equity Core Fund	2.67%
Fairtree Equity Prescient Fund	11.50%
36One BCI SA Equity Fund	11.53%
International Equity Fund	21.45%
International Flexible Fund	10.34%
SA Cash	-0.82%
USD Cash	0.01%

Where possible the Investment Manager will invest in portfolios or classes of portfolios that do not charge a performance fee

ASSET ALLOCATION



Please note: Asset allocations are one month lagged.

PORTFOLIO HISTORIC PERFORMANCE*

	1 year	3 years	5 years	10 years
Kruger Ci Equity Fund	5.51%	n/a	n/a	n/a
Benchmark	3.90%	n/a	n/a	n/a
Highest return over 12 rolling months				10.84%
Lowest return over 12 rolling months				-7.46%

*Annualised

PORTFOLIO MANAGER'S COMMENTARY

International:

Markets continued its upward momentum in April on the back of better than expected US first quarter earnings, the US Federal Reserve that continues to lean marginally towards accommodative monetary policy and indications of a positive response by the Chinese economy to recent stimulatory measures. However, after a smooth build-up to what was expected to be a positive outcome for the US/Chinese trade negotiations, the talks unexpectedly derailed at the time of writing resulting in fresh tariff hikes flying to and fro leaving uncertainty and market volatility in its wake. Hopes for a final breakthrough are now pinned on a Trump/Jinping meeting at the G-20 conference towards the end of June. Adding to the uncertainty is the lingering worry about a possible global economic slowdown and the ongoing Brexit saga where little progress seems to be made on the face of it. And then there's concern about the late cycle stage of one of the longest bull markets on record and how and when it's eventually going play out. Recent mainline economic data still confirm a strong US economy, none more important than the employment data for April which continued to build on March's solid gains. The US economy generated 263 000 new non-farm jobs in April compared with an expected gain of 190 000 while the unemployment rate drifted down to 3.6%, the lowest number since 1969. Miraculously the tight labour market still doesn't add to inflation as wage growth softened somewhat compared to the previous month. Against this background and with the first quarter northern hemisphere corporate earnings season having just been completed, overall earnings came in better than the expected. Solid gains were recorded in April albeit at higher levels of volatility – the MSCI All Country +3.00% (+16.47%ytd); the Dow Jones +2.66% (+14.79%ytd); the S&P 500 +4.05% (+18.25%ytd) and the MSCI Emerging Markets Index by +0.75% (8.21%ytd) – all in US dollars.

Local:

The local economy remains in dire straits and apart from a few green shoots, negative data continued to outweigh the positives in April. The recent weak economic data indicate that GDP growth will remain under pressure, at least during the first quarter of 2019. This was confirmed by recent IMF, World Bank and SA Reserve Bank assessments. With the National Election done and dusted, it's now up to President Cyril Ramaphosa to set the country on a new course. A lot is at stake and the focus will mainly be on the quality and size of his new cabinet, to what extent new economic initiatives and structural reforms will impact positively on business and consumer confidence and the firmness with which the wrong doers are being dealt with. Among recent negative economic data were manufacturing and mining output that posted declines in quarter 1, consumer confidence that declined below the long-term average, retail sales growth that slumped to +0.2% in March (year on year) from +1.4% in February and worse than consensus of +0.6% and unemployment that deteriorated further to 27.6% in the first quarter of 2019. Among the positives were SA's trade balance that surprised to the upside in March, the manufacturing PMI that recovered marginally in April but remained below 50 and the SACCI business confidence index that improved to 93.7 index points in April from 91.8 in March. In line with global markets, the SA equity market advanced further in April – the FTSE/ JSE All Share index gained +4.23% (+12.54%ytd). All the Kruger funds recorded solid gains – Equity by +3.55% (11.61%ytd); Balanced FOF by +2.77% (+9.42%ytd); Prudential FOF + 1.74% (+7.20%ytd) and Global FOF by +2.09% (+12.13%ytd). The new Balanced Fund advanced by +2.96 (+8.89%ytd) and the Prudential Fund advanced by +1.96% (+6.79%ytd).

TOP 10 EQUITY EXPOSURES

Naspers	9.58%	Old Mutual	2.43%
Anglo Amercian	4.57%	Sanlam	2.37%
Sasol	4.39%	Nedbank	1.68%
BHP Group	3.63%	Standard Bank	1.53%
CF Richemont	3.37%	Firstrand	1.28%

Please Note: Top 10 equity exposures are one month lagged as disclosed by Portfolio Analytics Consulting (Pty) Ltd



ADDITIONAL INFORMATION

Launch Date	03 July 2017	Total Expense Ratio	Class A: 1.38
Opening NAV Price	1000.00 cents per unit	Transaction Cost	Class A: 0.22
Fund Size	R 175 million	Total Investment Charge	Class A: 1.60
Initial Fee	Class A: 0%	Calculation Period	1 January 2016 to 31 December 2018
Initial Advisory Fee	Maximum 3.00% (Excl. VAT)	Income Declaration Dates	30 June and 31 December
Annual Service Fee	Class A: 0.920% (Excl. VAT)	Last 12 months Distributions (cents per unit)	31/12/2018: (A) 0.00, 30/06/2018: (A) 4.83
Annual Advisory Fee	Maximum 1.00% (Excl. VAT)	Income Reinvestment / Payout Dates	2nd working day in July and January
Transaction cut-off time	14:00	Frequency of pricing	Our daily NAV prices are published on our website and in the national newspaper
Valuation time	17:00		

FAIS Conflict of Interest Disclosure

The annual fees for the A class include a fee up to 0.500% payable to Kruger, a fee up to 0.120% payable to Ci Collective Investments, a fee up to 0.300% payable to Analytics Consulting. All fees stated are exclusive of VAT.

Please note that in most cases where the Financial Services Provider (FSP) is a related party to the portfolio manager, the FSP/distributor may earn additional fees other than those charged by the portfolio manager. It is the FSP's responsibility to disclose such additional fees to the investor.

Characteristics

The fund invests predominantly in equities with the aim to outperform the FTSE/JSE All Share Index over the long term. The fund is suitable for investors who are prepared to accept a high level of volatility in seeking long term growth. Investors in this fund should be willing to accept a higher calculated risk.

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 may invest between 80% and 100% in equity securities, both locally and abroad. The risk refers only to volatility.

RISK DEFINITIONS

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.

This document is not intended to address the personal circumstances of any Financial Services Provider's (FSP's) client nor is it a risk analysis or examination of any client's financial needs. Collective Investment Schemes in Securities ("CIS") are generally medium to long terms 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. The Kruger portfolios are portfolios established and administered by Ci, and Kruger has been appointed to manage and market the portfolios. Kruger is an indirect shareholder of Ci. As an indirect shareholder, Kruger may earn dividends from time to time and participation in any dividends may be linked to the revenue generated by Ci from the Kruger portfolios, and from any other Ci portfolios. Ci retains full legal responsibility for this co-named portfolio. 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.

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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