

# GTC Fixed Income Minimum Disclosure Document

September 2015



## Investment mandate and objective

The primary investment objective of the Fund is to generate real positive returns over time through the active management of a combination of money market, bond and income generating instruments. The strategy and investment mandate of the fund has a focus on income generation, with downside protection of capital.

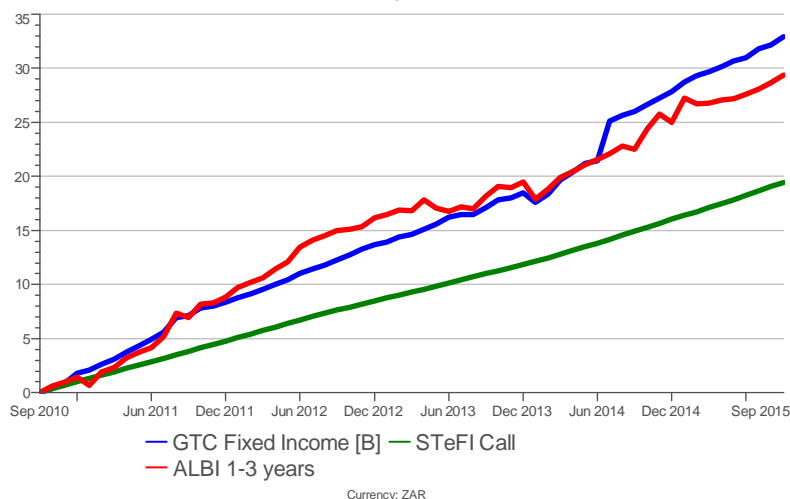
## Investment features:

The Fund will primarily invest in a range of fixed income securities including instruments guaranteed by the Republic of South Africa, gilts, semi-gilts, loan stock, preference shares, debentures, debenture stock, debenture bonds, unsecured notes, financially sound listed property investments, participatory interest in collective investment schemes and any other instruments guaranteed by the Republic of South Africa which are considered consistent with the fund's primary objective.

## Risk Profile of the Fund

Low Risk

## 5 Year cumulative performance history (%)



## Performance history (%)

	1 Year	2 Years*	3 Years*	4 Years*	5 Years*
GTC Fixed Income Class A'	5.56	6.35	5.49	5.21	5.50
GTC Fixed Income Class B'	5.52	6.55	5.79	5.54	5.86
SteFI Call Rate'	3.95	3.74	3.53	3.57	3.62
ALBI 1-3 year'	5.60	4.63	4.00	4.88	5.28

\*Stated performance is after fees have been deducted

\*Annualised

^Lump sum investment performances quoted.

^Income distributions not included in the performance calculation.

^Performance is calculated for the portfolio; individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax.

## Fund Facts

Investment Managers:	Taquanta
Fund Classification:	SA - Multi Asset - Income
Benchmark:	Better of STeFI Call rate and ALBI 1-3 year measured over a 3 year rolling period.
Trustee:	Societe General
Auditors:	KPMG Inc
Management Company:	GTC Management Company
Administrators:	Global Independant Administrators
Target Return:	Better of STeFI Call rate and ALBI 1-3 year measured over a 3 year rolling period.
Inception Date:	July 2007
Fund Size:	R776 902 959
Income declarations:	28 Feb, 31 May, 31 Aug, 30 Nov
Income distribution:	First day of following month
Value Distributed:	Dec Mar 15 Jun 15 Sept 15
Class B	1.40 1.6375 1.3734 1.5503
NAV & dealing prices:	Class B: R 1.0563
Valuation:	Priced a day in arrears

## Fund Base Fee

Base fees were 1.38% (Class B)

## Total Expense Ratio (TER)

A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. The total operating expenses are expressed as a percentage of the average value of the portfolio. Included in the TER is the proportion of costs that are incurred by the performance component, fee at target, trading costs (including brokerage, VAT, STT, STRATE and insider trading levy) and other expenses. These are disclosed separately as percentages of the net asset value. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The Total TER was therefore 2.24% (Class B).  
\* as at June 2015

## Performance performance history (%)

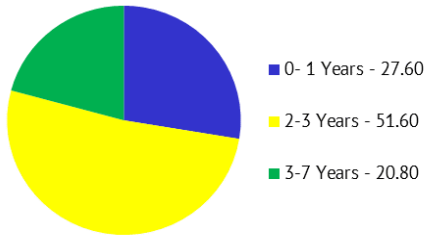
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Cummulative
Class B 2015	0.65	0.49	0.28	0.33	0.43	0.22	0.61	0.30	0.59				3.98
Class B2014	-0.77	0.63	1.11	0.58	0.72	0.16	3.00	0.45	0.26	0.52	0.45	0.50	7.89
Class B 2013	0.23	0.38	0.21	0.42	0.42	0.56	0.22	0.01	0.53	0.62	0.16	0.41	4.26

\*\*The stated performance is after fees have been deducted

# GTC Fixed Income Minimum Disclosure Document

September 2015

## Asset class exposure



## Portfolio commentary

The local bond market saw a fall in yields, particularly at the short end of the curve, with the All Bond Index closing up 1.4%. Inflation linked bonds rose 0.9%. Inflation for August came in at 4.6% below market expectation, easing from the 5% increase in July. The South African Reserve Bank MPC maintained key interest rates at their meeting citing a global slowdown and domestic inflation moderating. Expectations are that inflation will remain within the inflation targeted range, breaching in Q1 2016.

The SA Rand fell to its lowest levels breaching 21 to GB Pound and 14 to the US Dollar as global markets were spooked by a slowdown in China leading to a sell off in all EM currencies. Over the quarter the Rand closed down 12% against the US Dollar.

# GTC Fixed Income Minimum Disclosure Document

September 2015



## Contact Us

### Managers: GTC

GTC @Grant Thornton, The Wanderers Office Park, 52 Corlett Drive, Illovo  
Telephone: (010) 597 6800  
E-mail: [info@gtc.co.za](mailto:info@gtc.co.za), web: [www.gtc.co.za](http://www.gtc.co.za)

### Administrators: Global Independent Administrators

1st Floor, Suite 7, Building B, Hurlingham Office Park, 59 Woodlands Avenue,  
Hurlingham Manor, Sandton  
Tel: 010 594 2124

### Trustees: Société Générale

160 Jan Smuts Avenue, 2nd floor, Rosebank, Johannesburg, 2096  
Tel: 011 448 8800

## Disclaimer

This is a minimum disclosure document. GTC Management Company is a member of ASISA. Collective Investment Schemes in Securities are generally medium to long term investments. The value of participatory interests may go down as well as up and the manager does not provide any guarantee either with respect to the capital or the return of a portfolio. CIS's are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to these portfolios and are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the manager. The manager has a right to close portfolios to new investors in order to manage them more efficiently in accordance with their mandates. Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. The manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Past performance is not indicative of future performance. Performance is calculated for the portfolio as well as that of the individual investor. Performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The investment performance is for illustrative purposes only. Dealing prices are calculated on a net asset value and auditor's fees, bank charges and trustee fees are levied against the portfolios. GTC does not provide any guarantee either with respect to the capital or the return of a portfolio. Risk profile of the fund ranges from low risk to high risk with a low risk potentially associated with lower rewards and a high risk with potentially higher rewards. Fund of funds are portfolios that invest in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the fund of funds. GTC does not provide any guarantee either with respect to the capital or the return of a portfolio. Risk profile of the fund ranges from low risk to high risk with a low risk potentially associated with lower rewards and a high risk with potentially higher rewards. GTC's portfolios are valued daily at approximately 15h00. Instructions must reach Silica before 14h00 to ensure same-day valuation. One can also obtain additional information on GTC products on the GTC website and all price related queries or information is readily available on request. GTC is an Authorised Financial Services Provider. FSP731.