

GTC Fixed Income Fund

Minimum Disclosure Document

30 September 2018



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.

Risk profile of the fund

Low risk

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. Taquanta Asset Management is our preferred investment manager mandated to achieve the above investment objectives.

Performance (%)

	Since Inception	5 Years*	3 Years*	1 Year	6 Month	3 Months
GTC Fixed Income Fund Class B	7.47	7.39	7.96	8.10	3.91	1.95
ALBI 1-3 yr	6.38	5.66	6.36	5.34	1.37	1.48
Cash - (STEFI CALL)	5.15	4.65	5.16	5.11	2.50	1.27
Cash - (STEFI)	5.68	5.24	5.78	5.74	2.85	1.44

*Annualised

Other points to note with regards to performance reported above:- The figures refer to the average yearly return of an investment over a given time period. Returns for periods less than one year are not annualised.- Lump sum investment performances quoted.- 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.

Performance history (%)

Fund highest & lowest annual returns*	Portfolio: Class B	ALBI 1-3 yr	Cash - (STEFI CALL)	Cash - (STEFI)
Highest	13.34	15.54	9.74	10.15
Lowest	3.21	1.21	3.22	3.62

*Performance measured over rolling 12 months

Fund facts:

Multi manager:	GTC
Fund classification:	SA - Multi Asset - Income
Investment managers:	Taquanta
Benchmark:	Alexander Forbes MM Index
Management company:	GTC Management Company
Inception date:	July 2007
Trustee:	Societe General
Fund size:	R886 223 864
Target return:	Better of SteFI Call Rate and ALBI 1-3years
Income declaration:	28 February, 31 May, 31 Aug, 30 Nov
Income distribution:	Third day of the following month
Value distributed:	Nov 2017: 2.1385 Feb 2018: 1.9747 May 2018: 2.0980 Aug 2018: 2.0493
Current NAV & Dealing prices:	Class B: R 1.0594

Total investment charges (%)

as at 28 September 2018

Total Expense Ratio (TER)	0.90
Weighted TER portion of underlying	0.00
Performance Fee	0.00
Transaction Costs (TC)	0.00
Total Investment Charges (TIC)	0.90

Total Investment Charges are quarterly in arrears.

TER: Expenses relating to the administration of the Financial Product. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not be necessarily an accurate indication of future TERs.

TC: Costs relating to the buying and selling of the assets underlying the Financial Product.

TIC: Transaction costs are a necessary cost in administering the Financial Product returns. It should be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

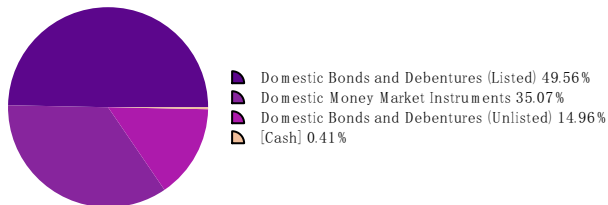
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Asset class exposure



Asset class exposure for the quarter (%)

Asset Class	July	August	September
Domestic Bonds and Debentures (Listed)	47.74	46.01	49.56
Domestic Money Market Instruments	33.94	33.41	35.07
Domestic Bonds and Debentures (Unlisted)	17.39	20.14	14.96
[Cash]	0.94	0.45	0.41

Risk statistics (%): 5 years rolling

Tracking error	1.37
Annualized standard deviation	1.35

NAV values

	July	August	September
Fund Units	897,760,352.30	889,263,272.10	836,075,182.90
Fund NAV	R958,827,948.50	R956,179,478.10	R886,223,863.80
Class NAV [B]	R108,028,700.60	R110,340,495.80	R115,962,642.30

Mandate compliance

The fund remains within the reporting regime as at the date of this report.

Exposure by years to maturity

0 - 1yrs	26.97
1 - 3yrs	35.49
3 - 7yrs	29.84
7 - 12yrs	2.29
>12yrs	1.05
Total	100.00

Top 10 fixed income holdings (% of fund)

NEDBANK (non putable) FRN 14082019	6.88
FirstRand Bank Ltd NCD 15/07/2022	6.31
Standard Bank NCD 18/07/2022	6.31
FirstRand NCD 22/09/2021	4.59
Absa NCD 11/09/2019	3.44
Land Bank PN 16/08/2023	3.44
Nedbank Capital (pty) Ltd. Frn 07-jan-2021	3.44
Standard Bank of South Africa Stepped Note 18/01/2	3.44
South African National Roads Agency Ltd. Frn 19-...	3.34
Absa Bank Ltd NCD 11/04/2019	2.98
Total	44.17

Portfolio commentary

Global bond markets as measured by the Citigroup WGBI was down 1.62% with the US Fed hiking rates by 0.25% at its September meeting with a further hike anticipated in December. A further 3 hikes are anticipated in 2019 as the US embarks on its policy of 'normalising rates'.

The STEFI cash composite returned 1.76% over the quarter while the Rand closed at 14.15 to the US Dollar.

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Disclaimer

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MDD Issue date: 16th working day of every month