

## Investment mandate and objective

The equity based portfolio incorporates deep value and core equity investment managers within a multi-manager solution that aims to outperform the FTSE/JSE Shareholders Weighted Index (SWIX) over a three year period. The value bias implies the use of qualitative and quantitative techniques to identify and invest into good quality companies trading at discounted prices. This combination of investment managers integrates risk management strategies to provide consistent returns with reduced volatility during all market conditions.

## Investment features:

- Value equity strategy
- Down-weighted resource sector exposure (SWIX benchmark)
- Manager allocations based on risk adjusted investment strategy

## Risk profile of the fund

**High risk**

## Fund facts

Multi manager:	GTC
Investment manager:	Coronation & Prudential
Inception date:	1 October 2009
Classification:	South African General Equity Fund
Fund size:	<b>R 126 923 602</b>
Benchmark:	FTSE/JSE Shareholder Weighted Index
Trustee:	ABSA Bank
Auditors:	KPMG Inc
Administrators:	Global Independent Administrators
Management company:	GTC Management Company
Income declarations:	28 February & 31 August
Income distribution:	First day of following month
Minimum initial investment:	R20 000
Initial fees:	0-5% excl VAT
NAV & dealing prices:	Class A Class B R 1.7446 R 1.7829
Valuation:	Priced a day in arrears

## Fees

	Class A	Class B
Annual management fee	1.14%	1.14%
General expenses	1.26%	0.60%

## Performance fees

Performance fees are absolute return based, which implies that performance fees are only accrued on positive performances above an adjusted cash benchmark.

## Fund Base Fee

Base fees were 2.39% (Class A) and 1.74% (Class B)

## Equity performance fees

Absolute based performance fee – 20 % of outperformance of Alexander Forbes MM +3% (Capped at 2%).

Performance fees of 3.36% (Class A) and 3.20% (Class B) were levied on the fund due to outperformance of the benchmark.

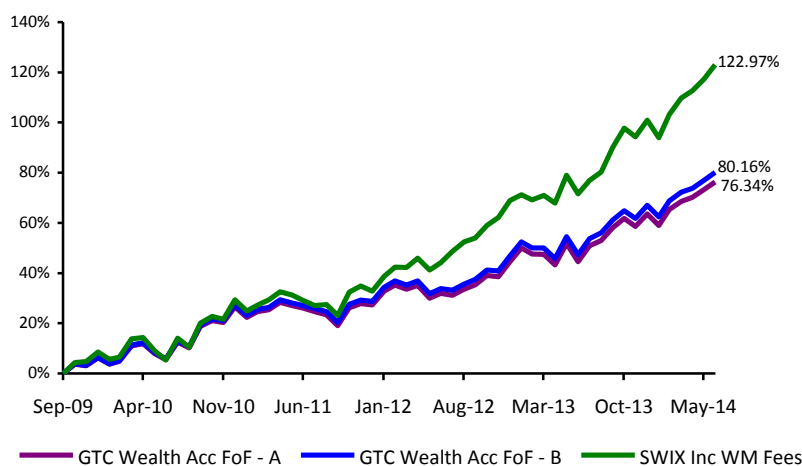
## Total expense ratio (TER)

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 5.76% (Class A) and 4.94% (Class B).

TERs shown include VAT

\*as at March 2014

## Since inception cumulative performance history (%)



## Performance history (%)

	1 Year*	2 Year*	3Year*	Since Inception
Wealth Accumulator FoF Class A <sup>1</sup>	21.98	15.62	11.86	12.68
Wealth Accumulator FoF Class B <sup>1</sup>	22.97	16.04	11.33	13.19
Benchmark – FTSE/JSE SWIX <sup>1</sup>	29.95	24.38	19.98	18.39

<sup>1</sup> The stated performance is after fees have been deducted

\*Annualised

## Fund performance history (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Cumulative
Class B 2014	-2.72	3.94	1.97	0.95	1.81	1.81							<b>7.89</b>
Class B 2013	3.82	-1.58	0.01	-2.82	5.94	-4.61	4.34	1.46	3.28	2.33	-1.87	3.21	<b>13.73</b>
Class B 2012	4.39	1.82	-1.14	1.21	-3.71	1.49	-0.49	1.88	1.35	2.77	-0.33	4.26	<b>14.05</b>
Class B 2011	-3.23	1.92	0.63	2.37	-0.97	-0.74	-0.98	-0.99	-3.44	6.00	1.32	-0.36	<b>1.17</b>
Class B 2010 <sup>1</sup>	-2.37	1.20	5.95	0.81	-3.48	-2.25	6.67	-1.97	7.75	1.95	-0.49	5.13	<b>19.66</b>
Class B 2009 <sup>1</sup>									3.79	-0.62	3.11		<b>6.35</b>

<sup>1</sup> The stated performance is after fees have been deducted

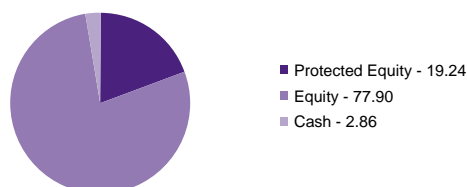
Disclaimer: GTC Management Company is a member of ASISA. Collective Investment Schemes in Securities are generally medium to long term investments. The value of participatory interests may go down as well as up. Past performance is not necessarily an indication of future performance. CIS are traded at 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 Company. 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. Performance numbers calculated on a NAV to NAV basis and do not take initial fees into account. Income is re-invested on the re-investment date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Dealing prices are calculated on a net asset value and auditor's fees, bank charges and trustee fees are levied against the portfolios. An Authorised Financial Services Provider. FSP731.

# GTC Management Company

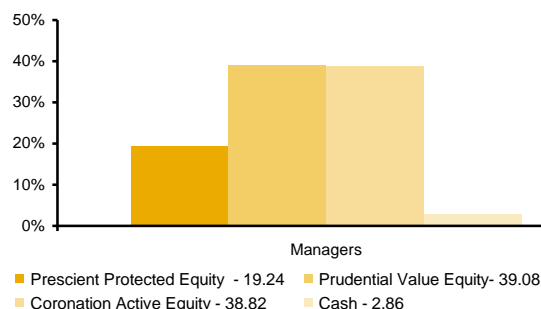
## Wealth Accumulator Fund of Funds

June 2014

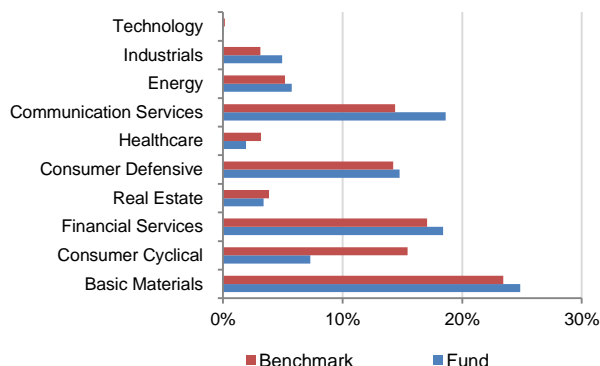
### Asset class exposure (%)



### Investment manager weighting (%)



### Equity industry breakdown (%)



### Top 10 equity holdings (%)

	% of Equity
MTN GROUP LTD	7.37
BRITISH AMERICAN TOBACCO PLC	6.51
NASPERS LTD -N-	5.72
ANGLO AMERICAN PLC	5.63
STANDARD BANK GROUP LTD	4.40
SASOL LTD	4.32
MONDI PLC	2.85
FIRSTRAND LTD	2.40
BHP BILLITON PLC	2.28
OLD MUTUAL PLC	1.95
<b>TOTAL</b>	<b>44.34</b>

### Fund statistics (%)

Tracking Error	3.46
Portfolio Volatility (equity portion only)	10.03

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#### Portfolio comment to follow

Global equity markets continued their upward trend over the quarter with the MSCI World posting 1.7 % (USD) mainly on the back of strong US (2.1% USD) and Japanese (5.2% USD) gains with Europe flat (-0.1% USD). EM markets also benefitted from the risk on environment, posting 2.0% (USD) while global fixed income markets returned 0.4% (USD) in June. Investors chose to focus on positive job data from the US despite Q1 GDP contraction due to inclement weather.

Locally, the JSE benefitted from the rising tide posting 7.2% (ZAR). Industrials led the charge posting 9.1% with financials (7.8%) and resources (2.9%) also rising. The protracted AMCU strike as well as a decline in commodity prices weighed heavy on the resource sector.

With the termination of the RE:CM mandate, we have reduced the deep value bias and introduced a protected equity strategy with Prescient. Currently the Prescient strategy has an effective 75% equity exposure.