

# GTC Wealth Accumulator Fund of Funds

## Minimum Disclosure Document



November 2015

### Investment mandate and objective

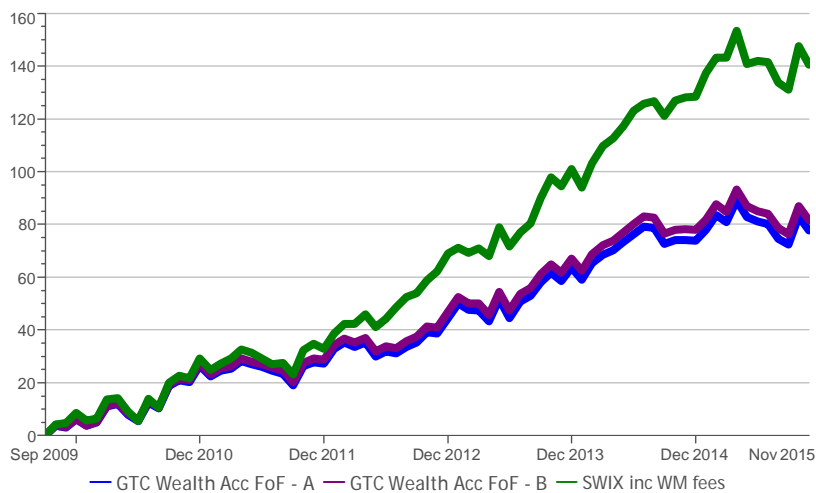
The equity based portfolio incorporates value and core equity investment managers within a multi-manager solution that aims to outperform the FTSE/JSE Shareholders Weighted Index (SWIX) over a three year period. The value bias implies the use of qualitative and quantitative techniques to identify and 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.

**Investment features:** Defensive equity strategy  
Down-weighted resource sector exposure (SWIX benchmark)  
Manager allocations based on risk adjusted investment strategy

### Risk Profile of the Fund

High Risk

### Cumulative performance since inception (%)



### Performance history (%)

|  | 1 Year | 3 Years* | 5 Years* | Since Inception |
|--|--------|----------|----------|-----------------|
| GTC Wealth Accumulator FoF Class A'    | 2.08   | 8.66     | 8.12     | 9.78            |
| GTC Wealth Accumulator FoF Class B'    | 1.94   | 8.85     | 8.45     | 10.16           |
| Benchmark - FTSE/JSE SWIX <sup>2</sup> | 5.43   | 14.06    | 14.61    | 15.29           |

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

<sup>\*</sup>Annualised

<sup>^</sup>Lump sum investment performances quoted.

<sup>^</sup>Income distributions not included in the performance calculation.

<sup>^</sup>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:

|                       |   |
|-----------------------|---|
| Multi manager:        | GTC   |
| Fund classification:  | SA General Equity   |
| Investment managers:  | Coronation, Prudential, GTC, 36One, Prescient and Sanlam. |
| Benchmark:            | AF MM Index Return  |
| Auditors:             | KPMG Inc  |
| Management company:   | GTC Management Company                                    |
| Administrators:       | Global Independent Administrators                         |
| Inception date:       | 1 October 2009  |
| Trustee:              | Societe General   |
| Fund size:            | R129 952 540  |
| Target return:        | AF MM Index Return +3%                                    |
| Income declarations:  | 28 February & 31 August                                   |
| Income distribution:  | First day of following month                              |
| Value distributed:    | March 2015: 0.000<br>September 2015: 0.000                |
| NAV & dealing prices: | Class B: R 1.7452   |
| Valuation:            | Priced a day in arrears                                   |
| Fees:                 | Class A 1.14%<br>Class B 1.14%                            |
| Annual management fee | 1.14%   |
| General expenses      | 0.72%   |

### 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 1.87% (Class A) and 1.78% (Class B)

### Equity performance fees

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

### 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 3.41% (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 | 2.26  | 3.10  | -1.46 | 4.50  | -3.23 | -0.97 | -0.53 | -2.93 | -1.31 | 6.04 | -2.90 |       | 2.07        |
| Class B 2014 | -2.72 | 3.94  | 1.97  | 0.95  | 1.81  | 1.81  | 1.56  | -0.18 | -3.35 | 0.80 | 0.12  | -0.12 | 6.55        |
| 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  | 13.73       |

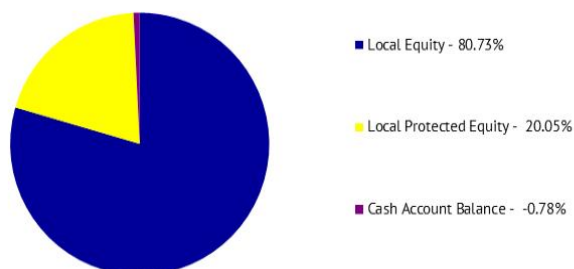
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### Asset class exposure



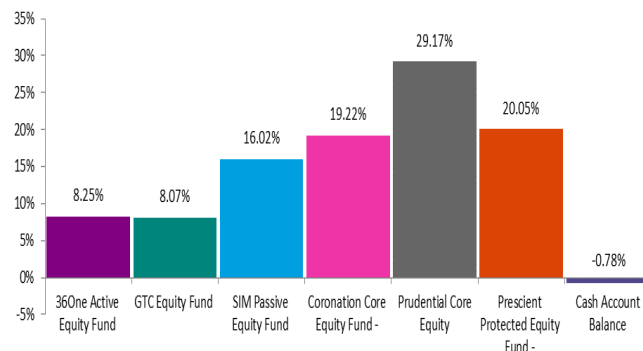
### Top 10 equity holdings (%)

|                                      |       |
|--------------------------------------|-------|
| Naspers Ltd                          | 8.67  |
| British American Tobacco PLC         | 4.53  |
| Sasol Ltd                            | 4.37  |
| Firststrand Ltd                      | 4.06  |
| Standard Bank Group Ltd              | 3.80  |
| Mtn Group Ltd                        | 3.74  |
| Old Mutual Plc                       | 3.67  |
| Woolworths Holdings Ltd              | 2.85  |
| SABMiller Plc                        | 2.76  |
| Steinhoff International Holdings Ltd | 2.67  |
| Total                                | 41.13 |

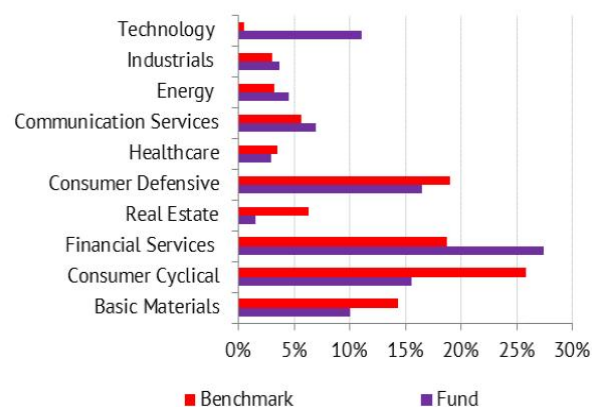
### Risk statistics (%)

|                      |      |
|----------------------|------|
| Tracking Error       | 3.40 |
| Portfolio Volatility | 9.94 |

### Investment manager weighting



### Equity sector breakdown



### Portfolio commentary

Global markets sold off over the quarter on the back of concerns around a Chinese economic slowdown coupled with a potential US rate hike pushing the MSCI World 8.9% lower. Emerging Markets fared worse, with the MSCI EM index falling a whopping 18.5% as commodity faced economies came under immense pressure as their currencies fell dramatically in the risk off environment. Within the developed markets, Japan fell 11.7% as the Yen rallied against the dollar. Europe loss 8.7%, the UK 10% while the US fell 6.7%. Global bonds rose 1.9% as US rate hike decisions was put on hold on the back of a slowing global economy.

Locally the All Share Index fell 2.1% over the quarter, with the Resource sector falling 16.7% in line with global counterparts. Glencore came under tremendous pressure despite a capital restructure with the company losing 30% in a day. Financials fell 1% while Industrials bucked the trend posting a 0.8% gain as rand hedge stocks once again offered respite. The bond market saw a fall in yields in line with global markets, with the All Bond Index closing up 1.4%. Property rallied 6.2%, reversing Q2's losses. 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.

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### Contact Us

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#### Administrators: Global Independent Administrators

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Hurlingham Manor, Sandton  
Tel: 010 594 2124

#### Trustees: Société Générale

160 Jan Smuts Avenue, 2nd floor, Rosebank, Johannesburg, 2096  
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### 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.