

Ampersand Momentum CPI Plus 6 FoF

Monthly Feedback – 31 March 2015

Portfolio Objective

The portfolio aims to beat inflation by six percent over a three-year rolling period. The portfolio will be managed to achieve growth and will comply with the Prudential Investment Guidelines at all times.

Investable Universe of Portfolio

In order to achieve this objective, the assets normally included in the portfolio will consist of assets in liquid form and participatory interests of portfolios of collective investment schemes or other similar schemes in equity, bond, money or property markets, registered in South Africa, or portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the manager and trustee of a sufficient standard to provide investor protection at least equivalent to that in South Africa. The portfolio may invest in multi-asset class portfolios and is not limited to certain asset classes. The manager will be permitted to invest on behalf of the portfolio in offshore investments as permitted by legislation. The portfolio will aim to achieve a minimum of 60% and a maximum of 75% in equity exposure.

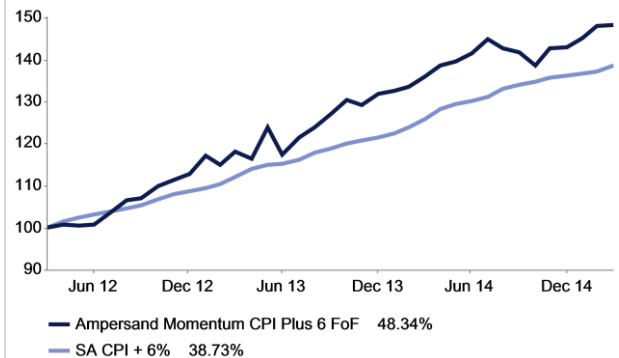
Portfolio Manager

Tom Barlow

Portfolio Comments

Markets have been fraught with volatility this month. Global equity and bond markets gained in rand terms, given the 4% weakening of the rand to the US dollar (MSCI AC World Index +2.4% and Global Bonds +3.1%), although in US dollar terms, global markets were negative. Employment in the US continues to see solid improvement, sparking the US Fed to alter their language pertaining to how "patient" they will be on keeping interest rates at historical lows. Rates are expected to start increasing later this year, albeit more gradually. The European Central Bank launched their €60 billion a month QE (asset purchase) programme in March. This coupled with the strong US jobs data led to a massive strengthening of the US dollar to the euro and subsequently weakened the rand to levels not seen since 2001. The SA Reserve Bank kept interest rates on hold in March but warned that rates could rise over coming months, depending on when the US starts hiking. Although local inflation has declined to a level of 3.9% y/y on the back of a plummeting oil price, the SARB revised their inflation forecast up and believe that the current inflation rate is likely to be the low point. The All Share Index lost -1.3% in March, driven down by a massive knock in Resources (-8.9%). Industrials lost -1.7% while Financials bucked the trend gaining +2.9%. Bonds lost -0.5%. SA Listed Property continued to impress, returning 2.6%. We remain cautiously optimistic and continue to prefer growth-orientated assets, especially SA listed property and offshore equities as conditions continue to favour risky assets. We do however remain well diversified as downside risks remain a growing concern after a 6 year bull market.

Investment Performance

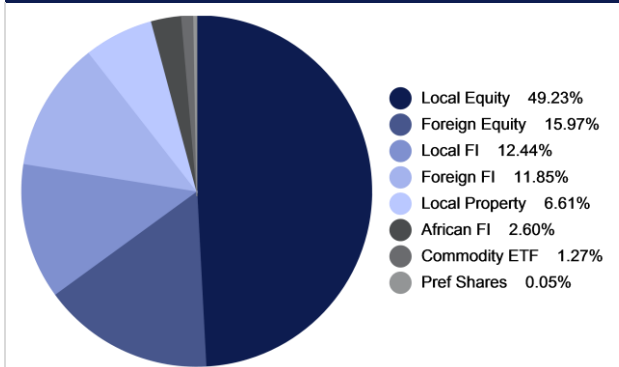


Portfolio Data

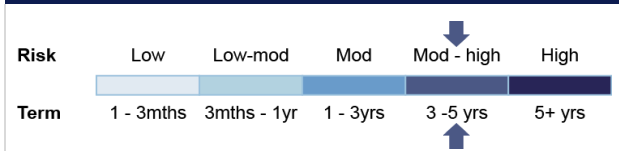
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|---|--------------------------------------|
| ASISA Classification | SA - Multi Asset - High Equity |
| Portfolio Benchmark | CPI + 6% (after fees) |
| Type of Portfolio | Retail |
| Portfolio Size | R 440.74 million |
| Launch Date | 12 May 2008 |
| Minimum Investment | Lump Sum R 10,000 Monthly R 1,000 |
| Initial Management Fee (Class A) | 0.00% (incl. VAT) |
| Annual Management Fee (Class A) | 0.798% p.a. (incl. VAT) |
| Total Expense Ratio* (Class A) | 1.87% |

* 01 January 2014 to 31 December 2014

Asset Allocation



Risk Classification



| Distribution to Investors (CPU) | | | | |
|--|-----------------|-----------------|--------------|----------------|
| | Dividend | Interest | Total | Yield % |
| Jun`13 | 0.579 | 0.601 | 1.180 | 0.957 |
| Dec`13 | 0.206 | 0.654 | 0.860 | 0.678 |
| Jun`14 | 0.359 | 0.603 | 0.962 | 0.679 |
| Dec`14 | 0.407 | 0.222 | 0.629 | 0.416 |

*Distribution takes place **Semi-annually** : June, December*

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