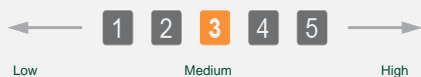


### ASSET ALLOCATION RANGE

#### RISK RATING



#### Risk reward profile

Equity and property investments are volatile by nature and subject to potential capital loss. For credit and income instruments, while unlikely, capital loss may also occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.

#### GENERAL INFORMATION

##### ASISA category

Worldwide Multi Asset Flexible

##### Benchmark

Inflation + 5% over rolling 3 years

##### Investment manager

Aylett & Co. (Pty) Ltd is authorised as a Financial Services Provider under the Financial Advisory and Intermediary Services Act (FSP No. 20513).

##### Inception date

03 October 2005

##### Appropriate term

Minimum 3 - 5 years

##### Market value

R 1,012 Million

##### Income distributions

Frequency: Annually

December 2016: 0.24 cpu

Previous 12 months: 0.24 cpu

##### Fees and charges (excluding VAT)

Initial fees	0.00%
Annual management fee	1.50%

Total expense ratio	2.00%
Transaction costs	0.07%

<b>Total investment charges<sup>2</sup></b>	<b>2.07%</b>
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#### Please Note:

Differences may exist due to rounding

#### CONTACT

Client Services Centre  
Tel: 0860 123 263  
Fax 0861 119 733

Website: [www.nedgroupinvestments.co.za](http://www.nedgroupinvestments.co.za)  
Email [info@nedgroupinvestments.co.za](mailto:info@nedgroupinvestments.co.za)

#### Minimum Disclosure Document

## Portfolio profile

The portfolio is suitable for investors looking for a balanced exposure to both domestic and international assets, with maximum capital appreciation as their primary goal. This portfolio will typically display lower volatility than a general equity portfolio.

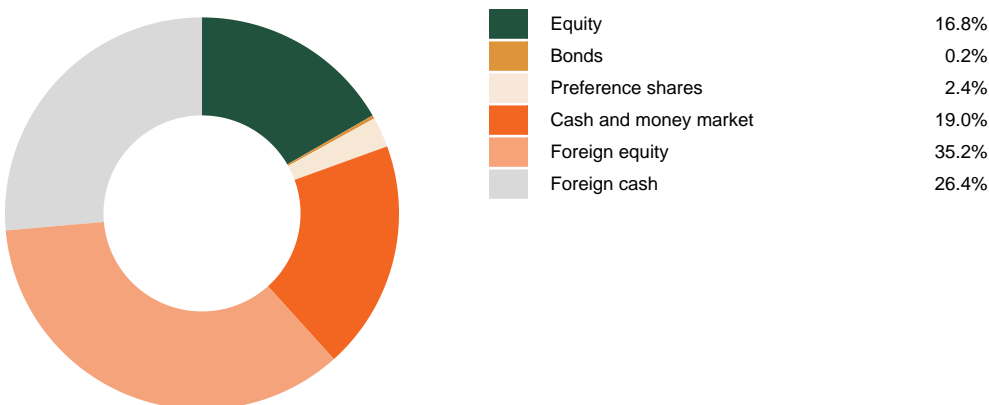
## Performance<sup>1</sup>

Period	Portfolio	Benchmark
1 year pa	3.2%	12.1%
3 Years pa	8.9%	11.1%
5 Years pa	16.8%	11.0%
7 Years pa	14.2%	10.7%
10 Years pa	10.6%	11.6%
Lowest 1 year return	-16.9%	
Highest 1 year return	47.7%	

## Risk

Period	Portfolio	ALSI
Volatility [5 years]	11.0%	10.4%

## Portfolio structure



## Top 10 holdings

Share	Percentage
Berkshire Hathaway - B	7.5
Transaction Capital Ltd	6.0
International Business Machines	4.0
Bank of New York Mellon	2.7
RECM & Calibre Ltd Pref Share	2.4
Walmart Stores	2.4
Loews	2.0
Pargesa Holding S.A	1.8
Royal Bafokeng Platinum Ltd	1.7
Melco International Development	1.7
<b>Total</b>	<b>32.1</b>

<sup>1</sup> The annualized total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Due to the delayed release of inflation data, relevant benchmarks will lag by one month.  
Data source: © Morningstar Inc. All rights reserved.

<sup>2</sup> Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs. Inclusive in the TER of the fund, a performance fee of 0.21% of the net asset value of the Fund was recovered. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact fund returns. It should not be considered in isolation as returns may be impacted by other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund. Both the TER and TC of the Fund are calculated on an annualised basis, beginning 01/10/2013 and ending 30/09/2016

## ASSET ALLOCATION RANGE

### Investment Manager Commentary

#### Aylett & Co

As unaccustomed as we are to worrying about macro factors, the extraordinary events of the past 12 months give us cause to question what we do and don't know. Here is what we do know:

- There is a new, purposefully unpredictable US president in the Oval Office.
- The UK intends to withdraw from the EU.
- Europe looks increasingly unstable and the Chinese economy is settling into a slower rate of growth.
- We also know that every day, the amount of money managed passively via algorithm grows.

Here is what we don't know:

- We have absolutely no idea what the new US president will do (and if his first three weeks in office are anything to go by, the forecast risk is enormous).
- We don't know when or how the UK will actually leave the EU and what the long-term effects of Brexit will be on the UK and the world.
- We don't know what becomes of a weakening Europe and if it does break apart, how that will happen.
- We don't know what effect the passive/ ETF/ algorithmic investor will have on equity markets.

One cannot help feeling that the markets in the foreseeable future are going to be a real test for stock pickers and that many of the traditional investment styles are going to be tested. Hedge fund managers will become less popular and the US stock market may perhaps not receive the rewards it thinks it will get from a Trump presidency.

We do not know how all this will play out, but it seems to us that having cash on the side-lines may not be a bad strategy. Only time will tell.

#### Who we are

Nedgroup Collective Investments (RF) Proprietary Limited, is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investments unit trust funds. It is a member of the Association of Savings & Investment South Africa (ASISA).

#### Our trustee

The Standard Bank of South Africa Limited is the registered trustee. Contact details: Standard Bank, Po Box 54, Cape Town 8000, [Trustee-compliance@standardbank.co.za](mailto:Trustee-compliance@standardbank.co.za), Tel 021 401 2002.

#### Performance

Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

#### Pricing

Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

#### Fees

Certain Nedgroup Investments unit trust funds apply a performance fee. For the Nedgroup Investments Flexible Income Fund and Nedgroup Investments Stable Fund, it is calculated daily as a percentage (the sharing rate) of total positive performance, with the high watermark principle applying. For the Nedgroup Investments Bravata World Wide Flexible Fund it is calculated monthly as a percentage (the sharing rate) of outperformance relative to the fund's benchmark,

with the high watermark principle applying. All performance fees are capped per fund over a rolling 12-month period. A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments.

#### Disclaimer

Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact Nedgroup Investments.

#### Nedgroup Investments contact details

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For further information on the fund please visit: [www.nedgroupinvestments.co.za](http://www.nedgroupinvestments.co.za)

#### Our offices are located at

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PO Box 1510, Cape Town, 8000

#### Date of issue

13 February 2017