

Performance and risk statistics¹

	Fund	Benchmark	Outperformance
1 year	8.1%	10.8%	-2.7%
2 years	8.9%	10.1%	-1.2%
3 years	10.0%	12.5%	-2.5%
Since inception	7.7%	7.9%	-0.2%

All performances annualised

	Fund	Benchmark
Annualised monthly volatility	4.8%	7.6%
Annualised monthly tracking error	3.3%	n/a
Information ratio*	0.1	n/a
Sharpe ratio	-0.2	n/a
Maximum gain [#]	4.9%	8.5%
Maximum drawdown [#]	-2.1%	-2.9%
Positive months	68.0%	64.0%
Beta vs benchmark	0.6	1.0

* Information ratio = $\frac{\text{outperformance}}{\text{tracking error}}$ # Maximum % increase/decline over any period

Cumulative performance since inception



Portfolio manager Gavin Wood

Fund mandate South African bonds

Fund objective To outperform the benchmark over time. The fund offers exposure to the South African bond market and invests in a range of government, parastatal and corporate bonds. The fund is actively managed and performance is achieved by identifying investment opportunities across the interest rate spectrum. The bulk of performance is expected to be achieved via duration management with credit management also contributing.

Vehicle Pooled

Benchmark BESA All Bond Index

Launch date 1 May 2007

Fund size R38.8 million

Minimum No minimum

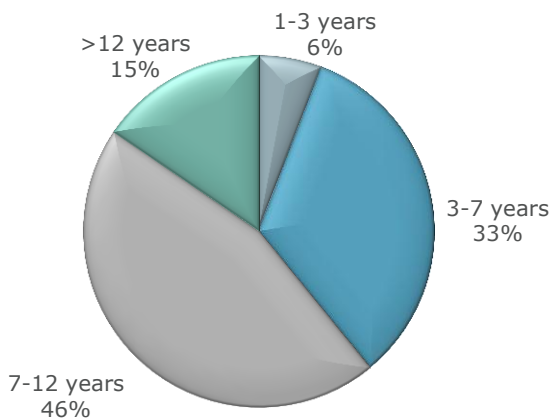
Commentary

The bond market delivered a strong performance during the quarter as foreign demand for local bonds continued to support the sector. The ALBI ended the quarter up 3.9%, outperforming both equities (down 0.6%) and cash (up 1.4%). Yields drifted lower across most of the bond curve with longer dated maturities outperforming.

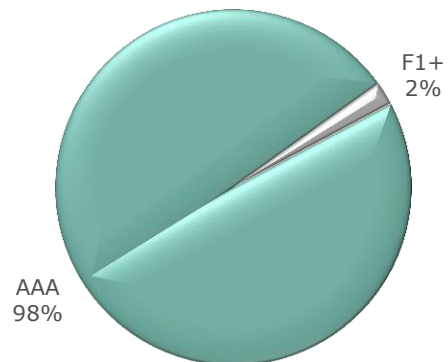
Falling rates and a short duration position in the fund saw the Kagiso Bond Fund marginally underperform its benchmark (All Bond Index) over the quarter. We continue to prefer the middle of the yield curve and are underweight the shorter (1-3 year segment) and longer end (12+ years segment) of the curve which we believe looks fairly valued.

Unconventional thinking. Superior performance

Term exposure



Credit exposure



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¹ Fund returns are sourced from Kagiso Asset Management, and benchmark returns from I-Net. Fund performance figures are gross of management fees, net of all applicable withholding and gross of SA Capital Gains Tax. Calculation is based on a lump sum investment, with income re-invested.