



Benchmark Retirement Fund

Quarterly Investment Report: As at 30 June 2017

Table of Contents



1.	Introduction	3
2.	Market Overview	4
3.	Performance Comparison	6
4.	Glossary	19
5.	Appendix A: Replacement Ratios	21
6.	Fund fact sheets	22



This document has been compiled with the aim of providing members of the Benchmark Retirement Fund with an overview of the investment options offered to enable them to make informed decisions regarding the investment of their retirement assets.

The following portfolios are offered to members:

Investment Portfolio	Risk Categorisation	Asset Manager's Explicit Performance Objective (Before Fees)	Return Expectations derived from Historical Experience (Before Fees)
Investec Managed Namibia Fund	Moderate	None	CPI+5% to 6%
Old Mutual Namibia Profile Pinnacle Fund	Moderate	None	CPI+5% to 6%
Allan Gray Namibia Balanced Fund	Moderate	None	CPI+5% to 6%
EMH Prescient Absolute Balanced Fund***	Moderate	CPI+5%	CPI+5% to 6%
NAM Coronation Balanced Plus Fund	Moderate	None	CPI+5% to 6%
Prudential Namibia Balanced Fund	Moderate	None	CPI+5% to 6%
Standard Bank Namibia Managed Fund	Moderate	None	CPI+5% to 6%
Benchmark Default Portfolio*	Moderate-Low	-	CPI+4% to 5%
NAM Coronation Capital Plus Fund	Moderate-Low	CPI+4% (1 year)	CPI+4%
Prudential Namibia Inflation Plus Fund	Moderate-Low	CPI+4%	CPI+4%
Sanlam Namibia Inflation Linked Fund	Moderate-Low	CPI+4%	CPI+4%
NAM Coronation Balanced Defensive Fund	Moderate-Low	IJG Money Market + 3%	CPI+2% to 3%
Sanlam Namibia Active Fund	Low	1-3 year ALBI	CPI+1% to 2%
Money Market Fund**	Capital Preservation	7 day Repo Rate	CPI to CPI + 1%

*The Benchmark Portfolio is a combination of Allan Gray Namibia Balanced Fund and Prudential Namibia Inflation Plus Fund.

** The Money Market Fund is managed by Capricorn Asset Management.

***EMH Closed with immediate effect for new investors.

Investment Returns

In order to achieve an adequate salary replacement ratio it is imperative that members achieve a real investment return, i.e. a return in excess of price inflation. Refer to Annexure A for an indication of the relationship between investment returns and the salary replacement ratio.

While a real investment return should ideally be set as the explicit performance objective of an investment portfolio, a number of investment portfolios that are suitable for retirement funds, do not have an explicit performance objective related to inflation. The member will therefore have to consider the historic performance experience of an investment portfolio in relation to inflation as a proxy of potential returns in order to link a specific investment portfolio to the salary replacement ratio. It must be noted that the historic performance experience is not guaranteed to be achieved in future. While each investment portfolio will have an internal benchmark as stated by the Investment Manager in the portfolio mandate, that benchmark may not be an explicit real investment return.

Risk

The risk rating of an investment portfolio gives an indication of how volatile investment returns may be and therefore is also an indication of the risk that the investment return per the investment mandate may not be achieved. The risk categories have the following meaning:

- **Aggressive risk portfolios:** Short term negative returns are possible with this type of portfolio. Exposure to equities (shares) is normally maximised for these types of portfolios in order to achieve the return objective. Maximisation of equity exposure however takes place within the prudential investment guidelines laid down by the Pension Funds Act. Investment returns can be very volatile.
- **Moderate risk portfolios:** This type of portfolio will have large exposure to growth assets (shares and property) at times and as such short term negative returns are possible. Investment returns can be volatile.
- **Moderate-low risk portfolios:** This type of portfolio also has exposure to growth assets (shares and property) but typically at lower levels than the moderate risk portfolios. They aim to have minimal negative returns and therefore have a lower risk profile than the moderate risk portfolios. Investment returns can still be volatile.
- **Low risk portfolios:** This type of portfolio should have minimal negative returns over a rolling 12-month period.
- **Capital preservation portfolios:** There should be no risk of capital loss on a monthly basis.

Investment return and risk are correlated; while the correlation cannot be defined in absolute terms, it is generally accepted that an investor would require compensation in the form of investment returns in return for the investment risk taken.

Political chaos dominated the month of June. In South Africa, the fractures within the ANC started to threaten economic stability. In the UK, Prime Minister Theresa May cost the Conservative Party a parliamentary majority by calling a snap election intended to strengthen her position, and in the US, President Donald Trump was implicated in trying to influence an investigation into the ties between his campaign and Russia.

The US Federal Reserve raised interest rates to range between 1.00% and 1.25%, despite mixed signals on unemployment and inflation. The unemployment rate fell to a 16-year low of 4.3% in May, but inflation continued to slow down to 1.9%. Similarly, the Eurozone's economy grew faster than previously estimated in the first quarter at 1.9%, with even the weaker economies such as Greece, Finland, Portugal and Italy experiencing pick-ups. Chinese stock markets rallied after the MSCI included China in its emerging markets index, and fell again after the bank regulator ordered a sweeping check on borrowing by some of the country's top companies. The majority of global stock markets remained in a positive territory with strong inflows into emerging markets continuing.

Namibia, unlike its neighbour, managed to affirm an investment grade credit rating from both Moody's and Fitch during the quarter, the only country in sub-Saharan Africa to do so. This reflects a solid fiscal stance and indicates that Namibia is somewhat shielding itself from the happenings in South Africa, but with concerns of rising government debt, the outlook of these ratings was changed from stable to negative.

The weak economic growth of 0.2% recorded in 2016 which placed Namibia into a technical recession, has continued into 2017, with four quarters of negative growth. The decreased government and private construction is a major factor, which wasn't helped by the large decrease in investment in the mining sector.

Like many other emerging markets, inflation slowed and came in at 6.3% year-on-year in May, down from a yearly peak of 8.2% in January. Namibian inflation is now in line with its long-term average, with help from improving climate conditions which eased food inflation.

The NSX Local Index ended the quarter positively with 0.4%, with a year to date figure of 6.1%.

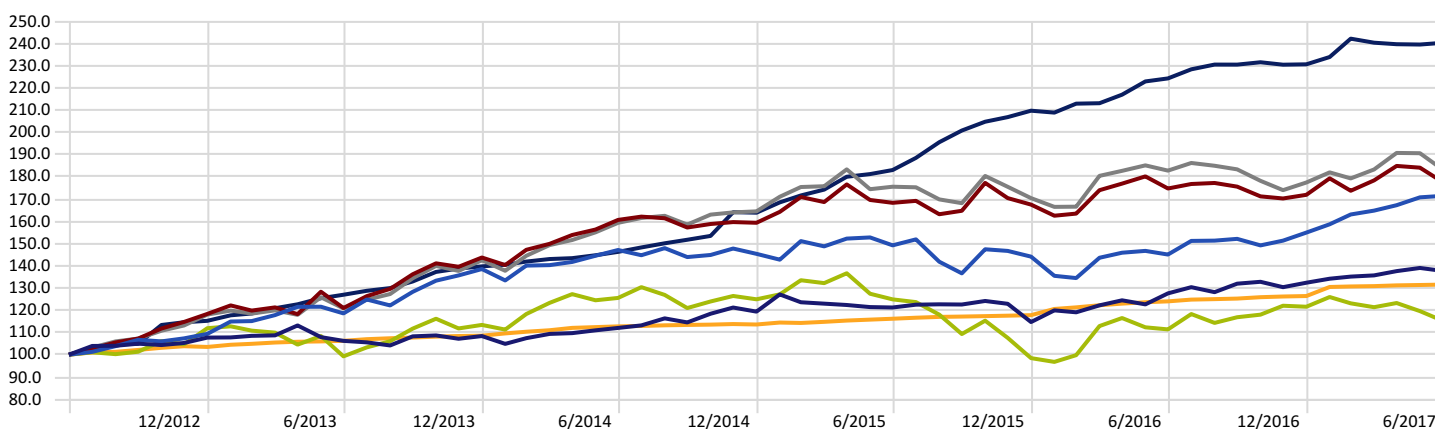
The Bank of Namibia kept the repo rate unchanged at 7% as well as the prime lending rate at 10.75%.

Key Indicators as at 30/6/2017

N\$/US\$	N\$13.02/\$
N\$/E	N\$16.91/E
N\$/€	N\$14.90/€
NAM Inflation rate	7.00%
NAM Prime Interest rate	10.50%
Oil Price	US\$47.42
Gold Price	US\$1246.40

Cumulative Growth for Selected Indices

Time Period: 7/1/2012 to 6/30/2017



Beassa ALBI TR ZAR	MSCI World NR USD	FTSE/JSE All Share TR ZAR
FTSE/JSE All Share SWIX TR ZAR	FTSE NSX Local PR NAD	FTSE NSX Overall PR NAD
NAM CPI		

Trailing Returns for Selected Indices

	Q2 2017	YTD	3 Years	5 Years	10 Years
Beassa ALBI TR ZAR	1.5	4.0	7.1	6.6	8.3
FTSE/JSE All Share TR ZAR	-0.4	3.4	3.4	12.2	9.3
FTSE/JSE All Share SWIX TR ZAR	0.0	3.3	4.8	12.9	10.3
MSCI ACWI All Cap PR USD	1.3	5.6	10.3	19.3	—
FTSE NSX Local PR NAD	0.0	4.2	18.0	19.2	18.4
FTSE NSX Overall PR NAD	-5.0	-5.2	-2.8	2.9	0.8
NAM CPI	0.5	4.1	5.3	5.6	6.2

Periodic Table

Best	FTSE NSX Local 18.7	FTSE NSX Over All 38.8	JSE SA Listed Property 29.6	FTSE NSX Local 28.1	JSE SA Indus- trials 40.7	MSCI World All Cap 54.2	JSE Financial 15 27.8	MSCI World All Cap 30.5	JSE SA Re- sources 34.2	JSE SA Indus- trials 9.0
	Beassa ALBI 17.0	JSE SA Re- sources 35.4	JSE SA Indus- trials 27.4	MSCI World All Cap 12.1	JSE Financial 15 37.8	JSE SA Indus- trials 35.0	JSE SA Listed Property 26.6	FTSE NSX Local 28.0	FTSE NSX Over All 23.5	MSCI World All Cap 4.8
	STeFI 3 Month 11.7	FTSE/JSE All Share TR ZAR 32.1	FTSE/JSE All Share TR ZAR 19.0	JSE SA Indus- trials 9.2	JSE SA Listed Property 35.9	FTSE/JSE All Share TR ZAR 21.4	FTSE NSX Local 17.3	JSE SA Indus- trials 15.3	Beassa ALBI 15.4	FTSE NSX Local 4.2
	JSE SA Listed Property -4.5	JSE SA Indus- trials 30.5	Beassa ALBI 15.0	JSE SA Listed Property 8.9	FTSE/JSE All Share TR ZAR 26.7	FTSE NSX Local 21.3	JSE SA Indus- trials 16.8	JSE SA Listed Property 8.0	JSE SA Listed Property 10.2	Beassa ALBI 4.0
	JSE SA Indus- trials -16.1	JSE Financial 15 27.5	JSE Financial 15 14.8	Beassa ALBI 8.9	FTSE NSX Local 23.7	JSE Financial 15 19.8	MSCI World All Cap 13.2	STeFI 3 Month 6.1	FTSE NSX Local 9.9	STeFI 3 Month 3.6
	MSCI World All Cap -21.9	JSE SA Listed Property 14.1	FTSE NSX Over All 12.3	JSE Financial 15 6.6	MSCI World All Cap 19.3	JSE SA Listed Property 8.4	FTSE/JSE All Share TR ZAR 10.9	FTSE/JSE All Share TR ZAR 5.1	STeFI 3 Month 7.0	FTSE/JSE All Share TR ZAR 3.4
	FTSE/JSE All Share TR ZAR -23.2	STeFI 3 Month 8.6	JSE SA Re- sources 12.3	STeFI 3 Month 5.5	FTSE NSX Over All 17.4	STeFI 3 Month 5.0	FTSE NSX Over All 10.2	JSE Financial 15 1.1	JSE Financial 15 3.6	JSE SA Listed Property 2.3
	JSE Financial 15 -25.7	MSCI World All Cap 2.7	FTSE NSX Local 11.6	FTSE/JSE All Share TR ZAR 2.6	Beassa ALBI 15.9	JSE SA Re- sources 1.4	Beassa ALBI 10.1	Beassa ALBI -3.9	FTSE/JSE All Share TR ZAR 2.6	JSE Financial 15 -1.7
	JSE SA Re- sources -28.3	Beassa ALBI -1.0	STeFI 3 Month 6.6	FTSE NSX Over All -3.3	STeFI 3 Month 5.3	FTSE NSX Over All 1.3	STeFI 3 Month 5.7	FTSE NSX Over All -21.2	MSCI World All Cap -6.4	JSE SA Re- sources -4.6
Worst	FTSE NSX Over All -40.1	FTSE NSX Local -2.0	MSCI World All Cap 0.2	JSE SA Re- sources -6.5	JSE SA Re- sources 3.1	Beassa ALBI 0.6	JSE SA Re- sources -14.7	JSE SA Re- sources -37.0	JSE SA Indus- trials -6.6	FTSE NSX Over All -5.2
	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD

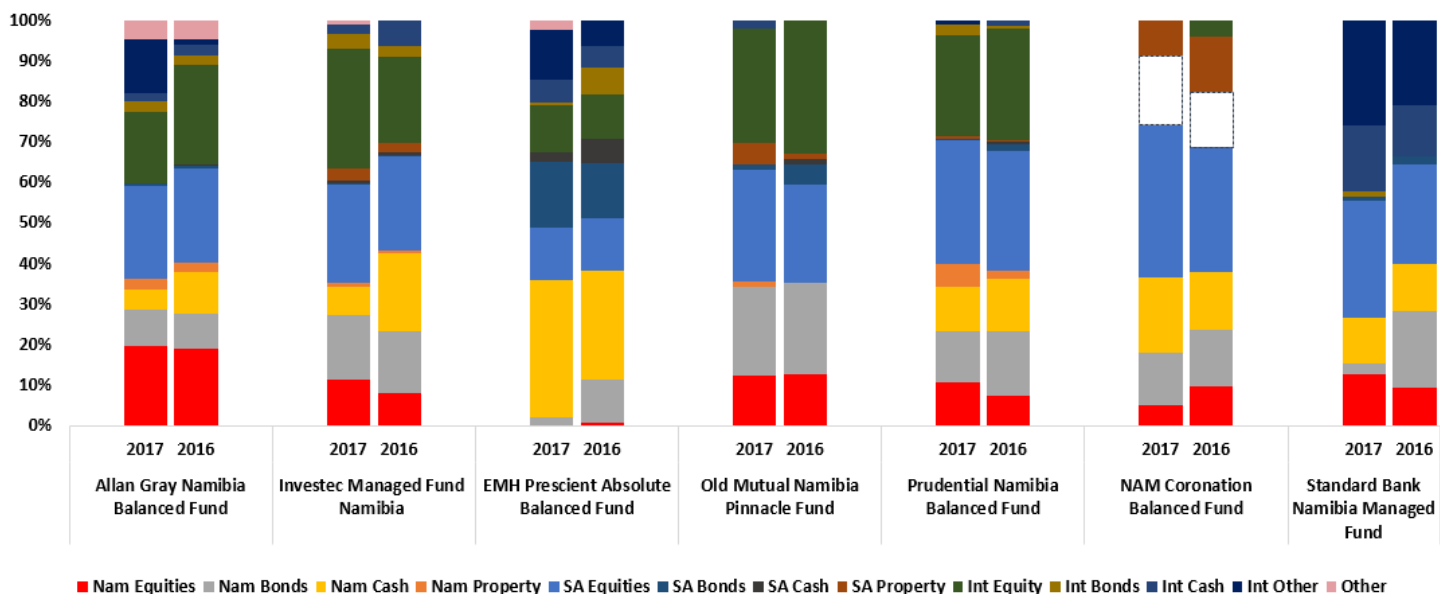
Asset Class Trailing Returns

	Q2 2017	YTD	3 Years	5 Years
Beassa ALBI TR ZAR	1.5	4.0	7.1	6.6
STeFI 3 Month NCD ZAR	1.8	3.6	6.6	6.0
MSCI ACWI All Cap PR USD	1.3	5.6	10.3	19.3
FTSE/JSE SA Listed Property TR ZAR	0.9	2.3	13.2	13.8
FTSE/JSE SA Industrials TR ZAR	2.2	9.0	7.6	18.1
FTSE/JSE Financial 15 TR ZAR	0.3	-1.7	4.2	13.0
FTSE/JSE All Share TR ZAR	-0.4	3.4	3.4	12.2
FTSE/JSE Resources 10 TR ZAR	-6.1	-4.3	-16.2	-5.4
FTSE NSX Local PR NAD	0.0	4.2	18.0	19.2
FTSE NSX Overall PR NAD	-5.0	-5.2	-2.8	2.9

Performance Comparison

Moderate Portfolios

Asset Allocation as at 30 June 2017 as compared to 30 June 2016



Notes 30 June 2017

1. Allan Gray: International represents Africa and Foreign ex-Africa
2. Allan Gray: International Other represents Property, Hedged Equity & Commodities (13.3%)
3. Allan Gray: Other represents SA and Namibia Commodities
4. Allan Gray: International Equity represents Net Equity (17.6%)
5. Standard Bank Managed: International Other represents Unit Trusts and Property
6. EMH Prescient: International Other represents Collective Investments and Other represents Forwards, Swaps and Derivatives
7. NAM Coronation Balanced Plus: Other represents Commodities and Preference Shares and International Other represents Commodities and Property.
8. NAM Coronation uses derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offsetting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.
9. Prudential : International Other represents Property
10. Investec: Other represents South African derivatives.

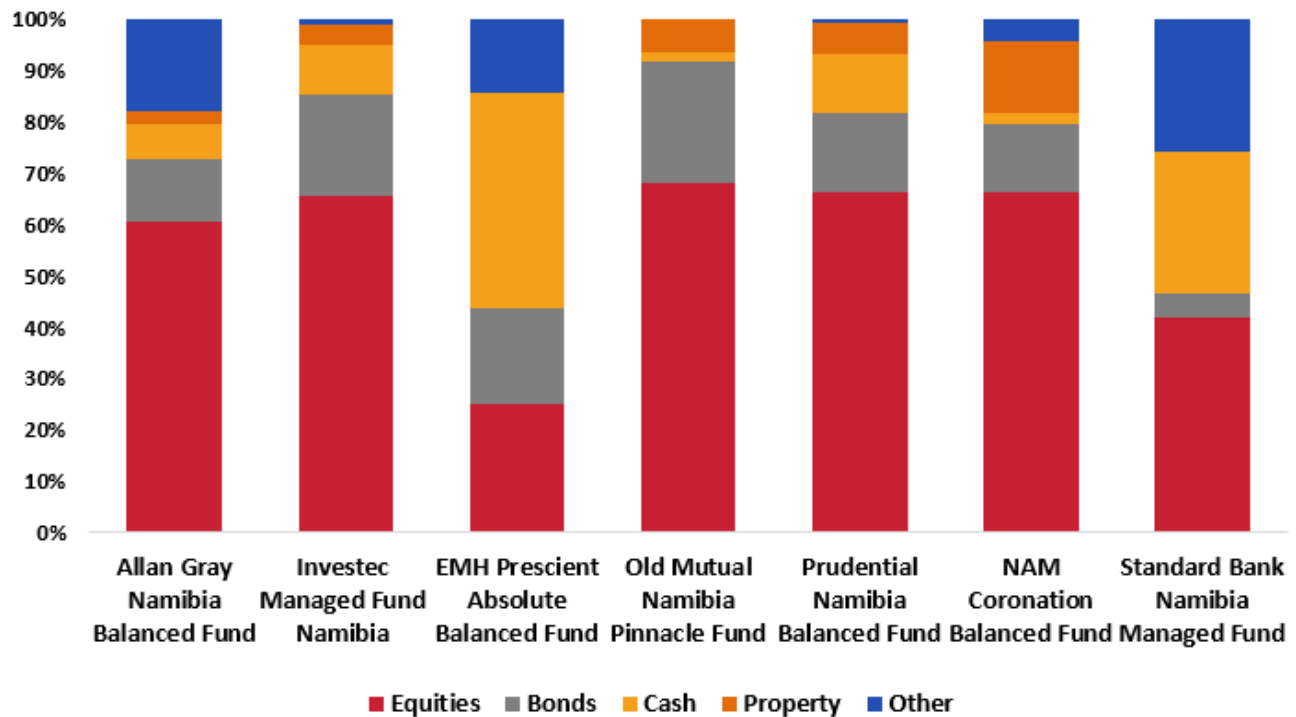
Notes 30 June 2016:

1. Allan Gray: International represents both Africa and Foreign ex-Africa
2. Allan Gray: International Other represents Property
3. Allan Gray :Other represents SA & Namibia Commodities
4. Allan Gray: International Equity represents Net Equity (13.8%) & Hedged Equity(10.8%)
5. Standard Bank Managed: International Other represents Unit Trusts and Property
6. EMH Prescient: International Other represents Collective Investments and Other represents Forwards, Swaps and Derivatives
7. NAM Coronation Balanced Plus: Other represents Commodities and International Other represents Commodities and Property.
8. Standard Bank, Prudential and NAM Coronation use derivatives to gain additional exposure to certain assets beyond 100%.
9. Thus the cash allocation has an offsetting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.

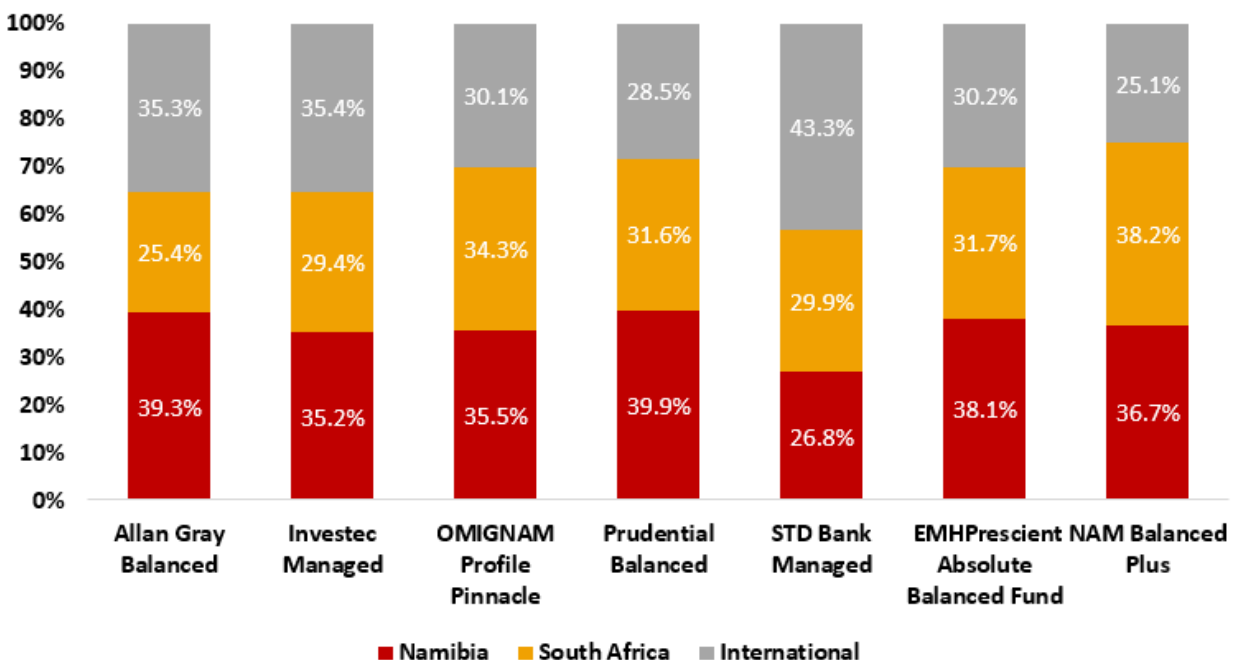
Performance Comparison

Moderate Portfolios

Asset Allocation as at 30 June 2017



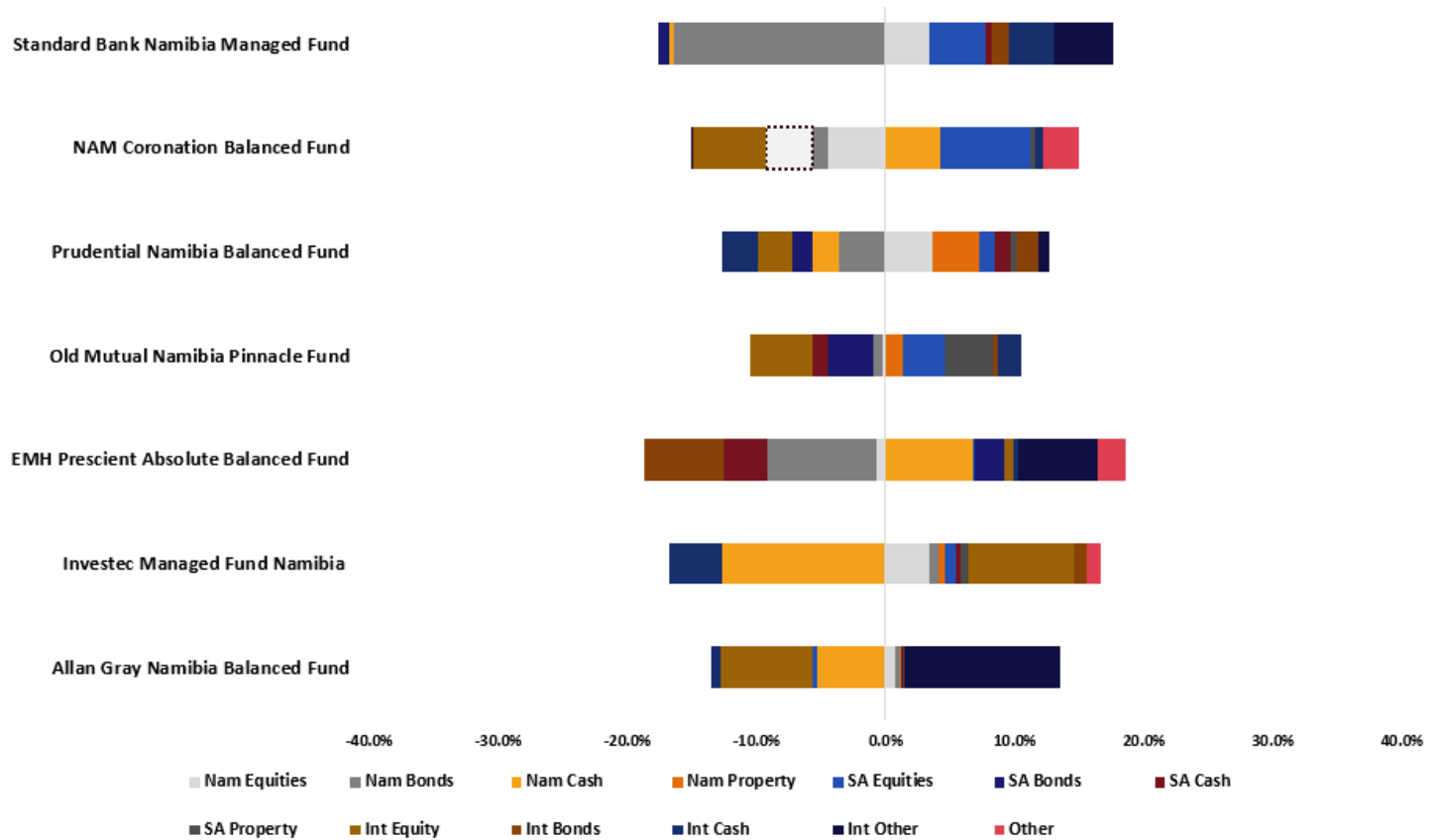
Geographical Split:



Performance Comparison

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **30 June 2017**. In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.

Change in Asset Allocation



The graph illustrates that most managers decreased Namibian cash with the exception of NAM and EMH Prescient, as well as Old Mutual who holds zero of this asset. The majority decreased their international equity exposure in favour of SA equities, or kept their holdings of these assets relatively stable over the year. Allan Gray had the largest increase in international assets, mainly contributed from the net equity component. NAM increased their derivative exposure thus resulting in an increased negative cash holding. Standard Bank made the largest decrease in Namibian bonds and increased all equity holdings. EMH made the most changes, whereas Old Mutual made the fewest changes over the year.



Performance Comparison

Moderate Portfolios

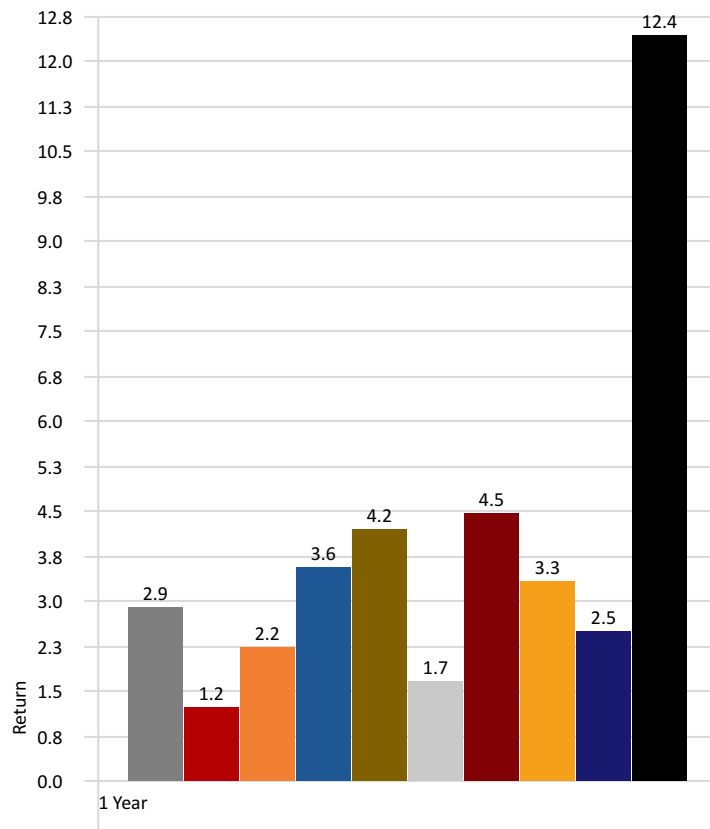
Trailing Returns

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	2.9	8.6	13.9	11.4
EMH Prescient Absolute Balanced Fund	1.2	3.1	6.4	—
NAM Coronation Balanced Plus Fund	2.2	6.0	12.9	9.3
Investec Namibian Managed Fund	3.6	8.3	13.7	11.0
Old Mutual Namibia Profile Pinnacle Fund	4.2	7.9	13.0	10.1
Standard Bank Namibia Managed Fund	1.7	5.7	10.8	10.6
Prudential Namibian Global Balanced	4.5	6.8	11.8	—
FTSE/JSE All Share TR ZAR	1.7	3.4	12.2	9.3
NMG SA Moderate Benchmark	2.5	6.5	11.8	9.8
NMG NAM Moderate Benchmark	3.3	8.7	12.0	11.4
NAM CPI + 6%	12.4	11.6	12.0	12.6

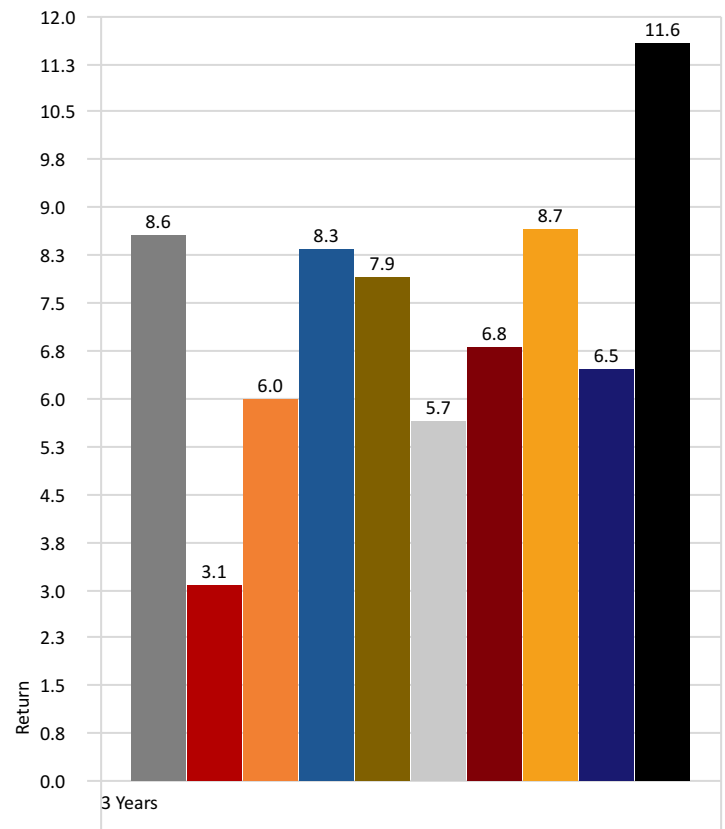
Performance Comparison

Moderate Portfolios

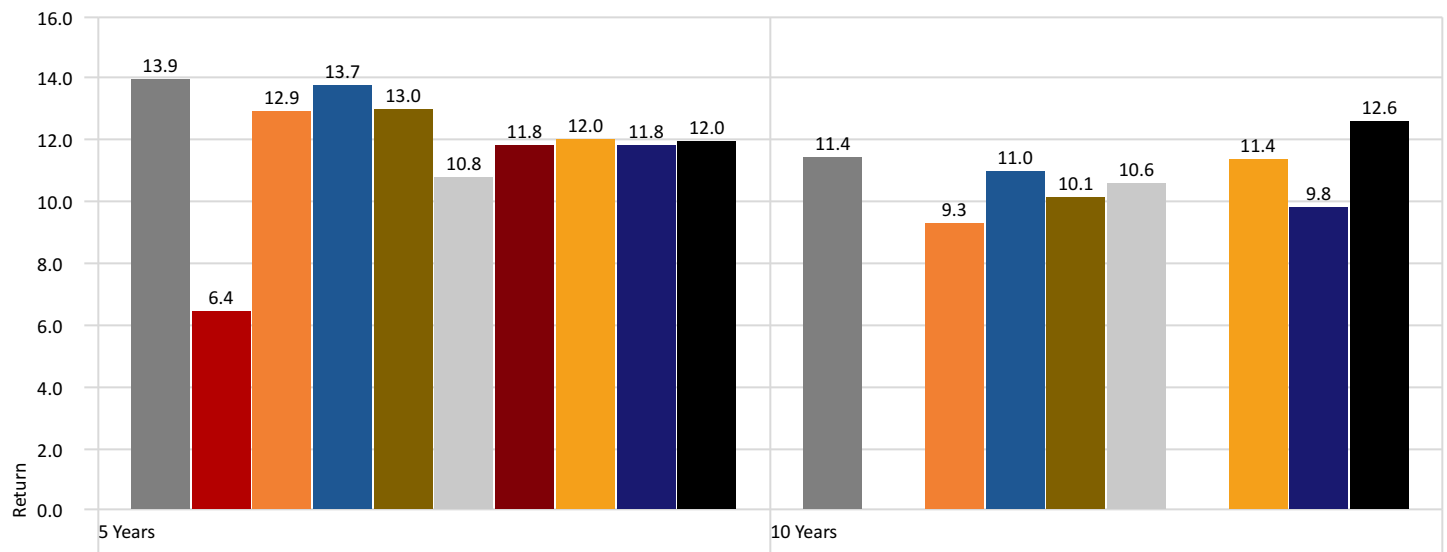
1 year performance for the period ended 30 June 2017



3 years performance for the period ending 30 June 2017



5 & 10 years performance for the period ending 30 June 2017



■ Allan Gray Namibia Balanced Fund
 ■ Investec Namibian Managed Fund
 ■ Prudential Namibian Global Balanced
 ■ NAM CPI + 6%

■ EMH Prescient Absolute Balanced Fund
 ■ Old Mutual Namibia Profile Pinnacle Fund
 ■ NMG NAM Moderate Benchmark

■ NAM Coronation Balanced Plus Fund
 ■ Standard Bank Namibia Managed Fund
 ■ NMG SA Moderate Benchmark

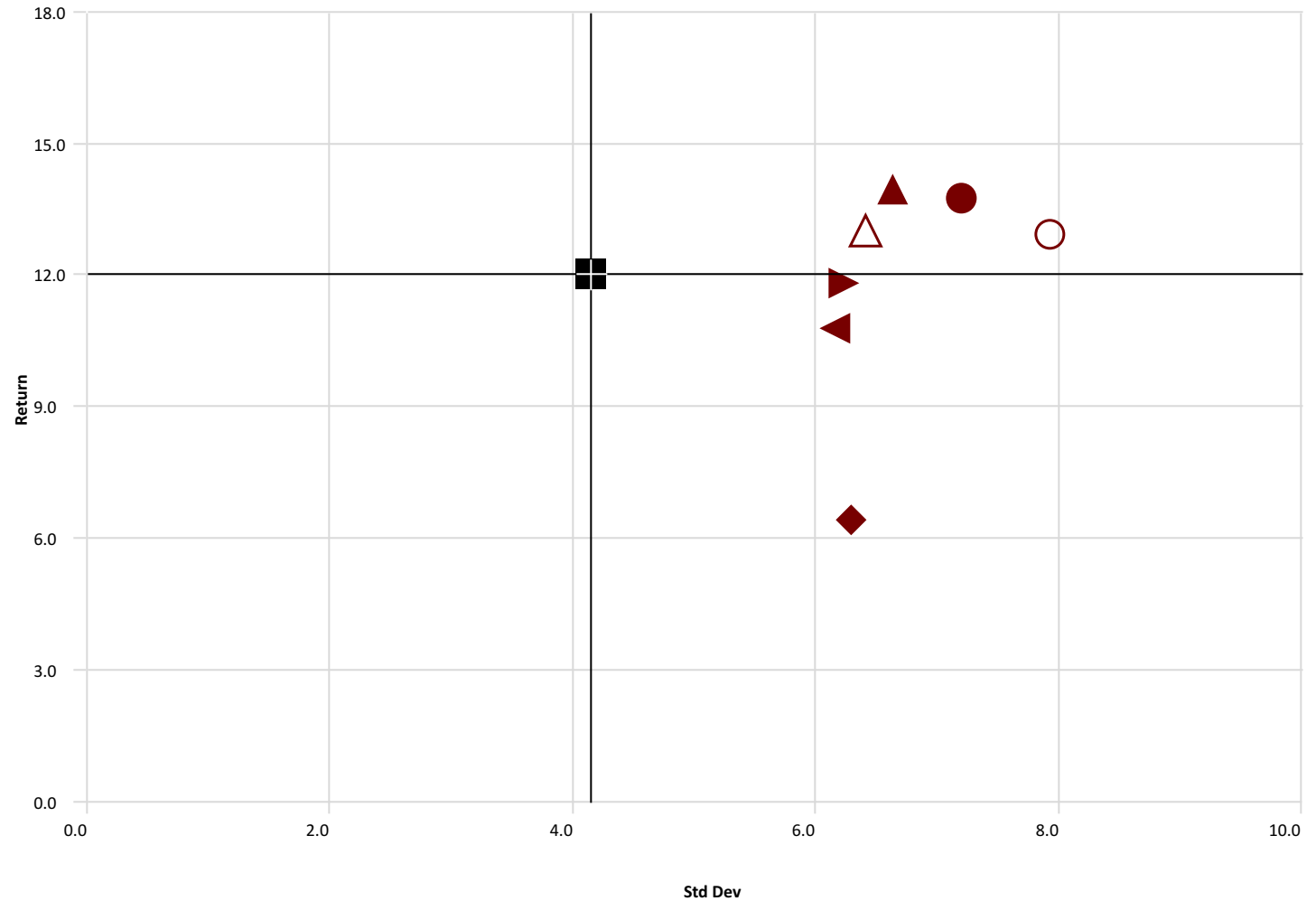
Performance Comparison

Moderate Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate portfolios for a 3 year period. These returns are **gross** of all investment charges.

Risk-Reward

Time Period: 7/1/2012 to 6/30/2017



▲ Allan Gray Namibia Balanced Fund

◆ EMH Prescient Absolute Balanced Fund

○ NAM Coronation Balanced Plus Fund

● Investec Namibian Managed Fund

△ Old Mutual Namibia Profile Pinnacle Fund

◀ Standard Bank Namibia Managed Fund

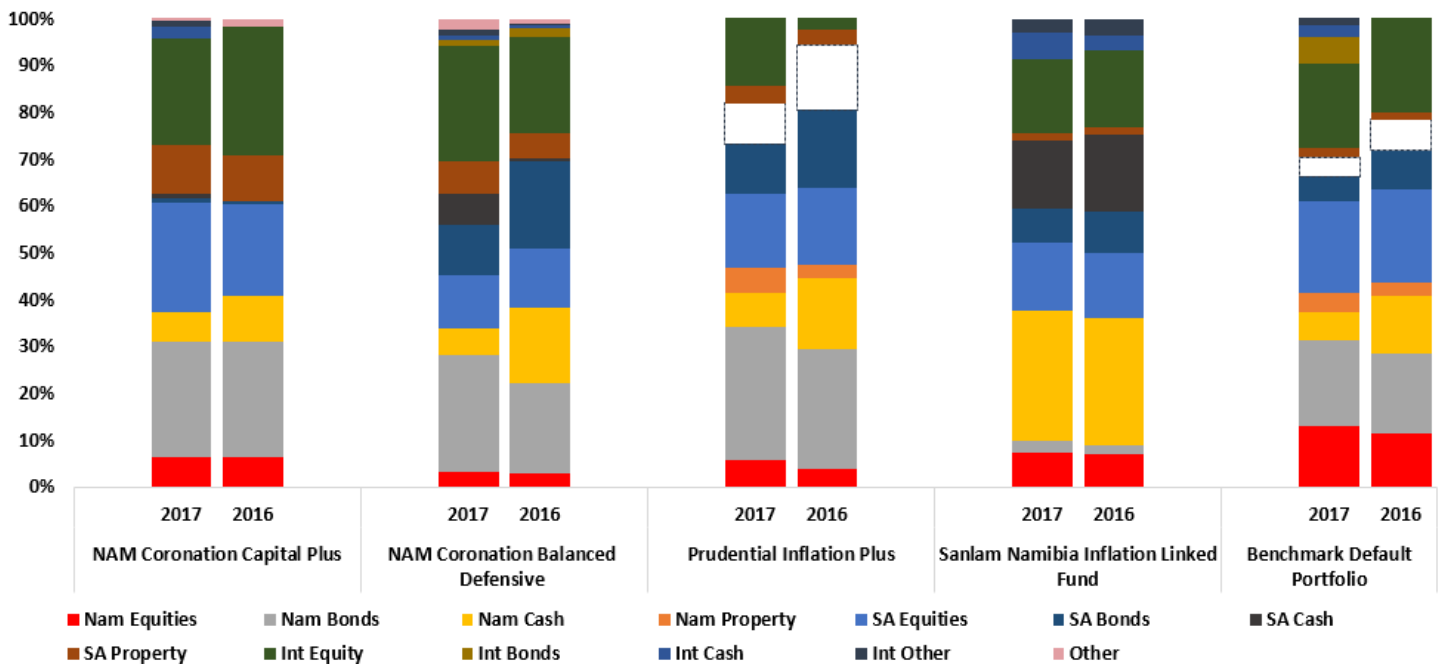
▶ Prudential Namibian Global Balanced

■ NMG NAM Moderate Benchmark

Performance Comparison

Moderate-Low Portfolios

Asset Allocation as at 30 June 2017 as compared to 30 June 2016



Notes 30 June 2017:

1. NAM Coronation Capital Plus: Other represents Commodities & Preference shares
2. NAM Coronation Capital Plus: International Other represents Commodities
3. NAM Coronation Balanced Defensive: Other represents Commodities & International Other represents Property & Commodities
4. Sanlam Namibia Inflation Linked: International Other represents Property
5. Default: Other represents Commodities & International Other represents Property
6. NAM Coronation Capital Plus and Prudential's SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure
7. Prudential Inflation Plus: International Other represents Property

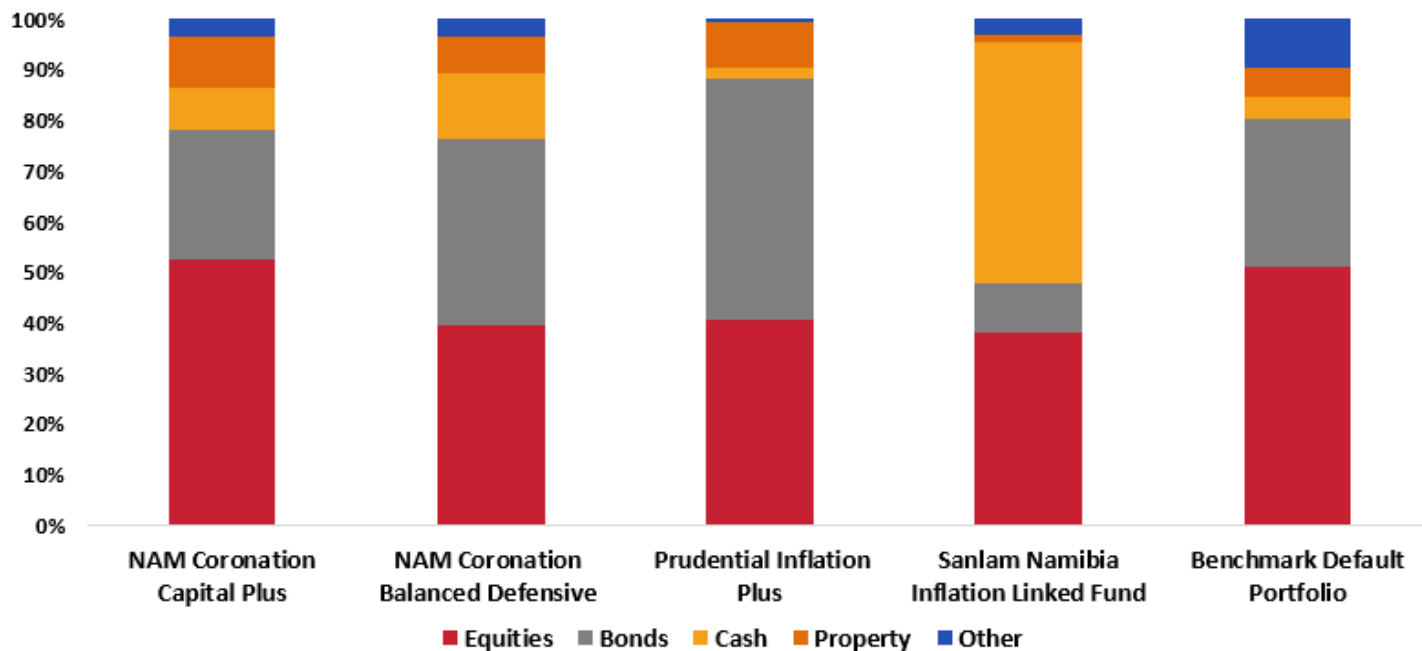
Notes 30 June 2016:

1. NAM Coronation Capital Plus: Other represents Commodities
2. NAM Coronation Balanced Defensive: Other represents Commodities & International Other represents Property
3. Sanlam Namibia Inflation Linked: International Other represents Property
4. Default: Other represents Commodities & International Other represents Property
5. Prudential's SA Cash position includes an off-set or "Notional Cash value" for all derivative effective exposure

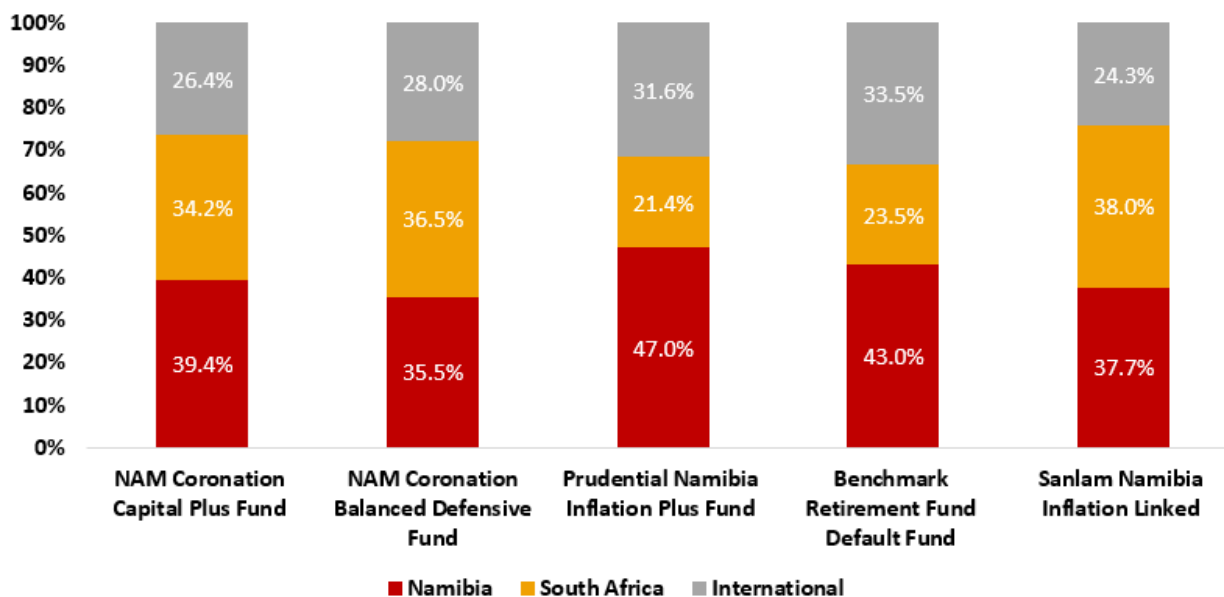
Performance Comparison

Moderate-Low Portfolios

Asset Allocation as at 30 June 2017



Geographical Split:

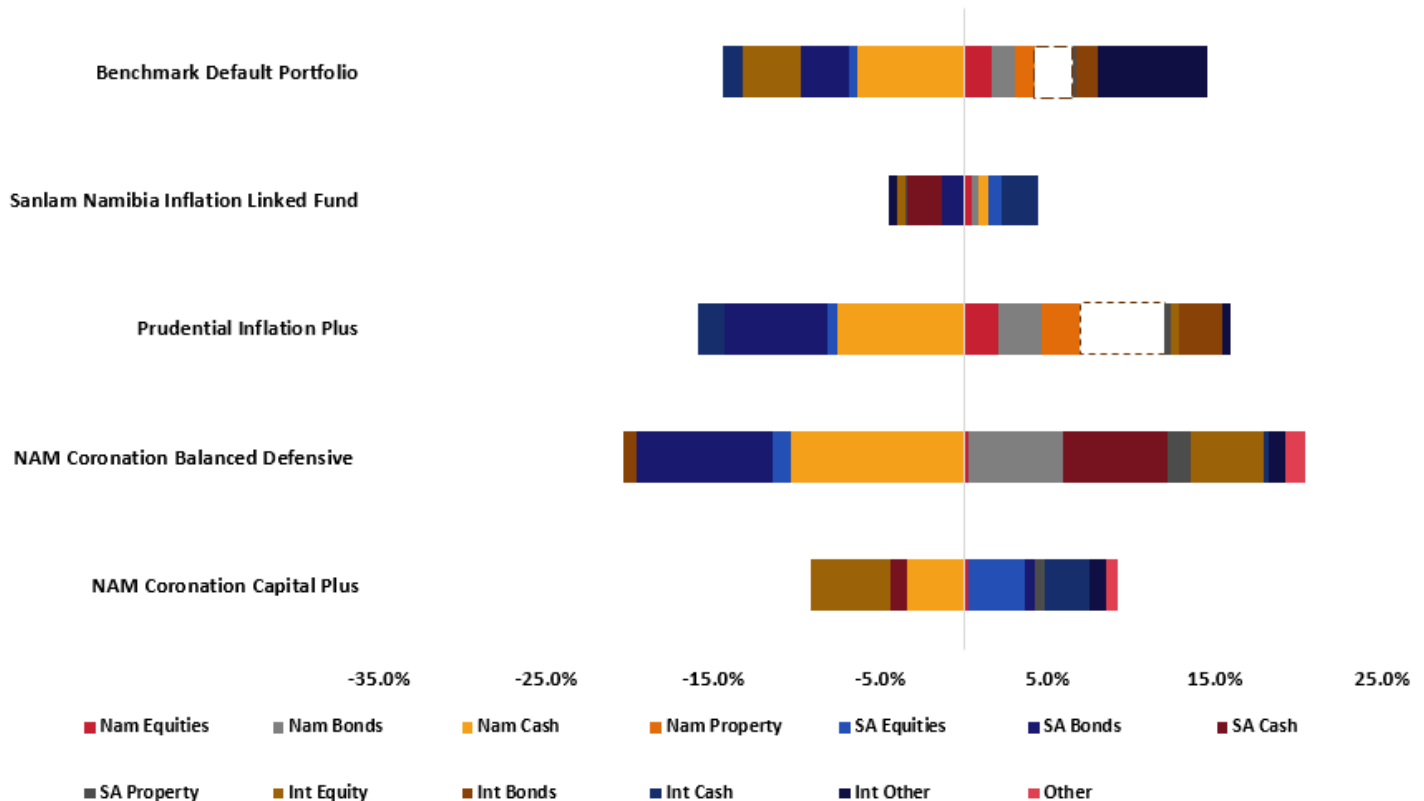


Performance Comparison

Moderate-Low Portfolios

Change in Asset Allocation

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **30 June 2017**. In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



The graph illustrates that all managers increased Namibian bonds, and those that held Namibian property increased their exposure too. Sanlam made the least changes to their asset allocation over the year, while the most were made by the NAM Balanced Defensive portfolio. Prudential followed with the second most changes, who decreased their notional cash position. Although slight, NAM Capital Plus was the only fund to increase its exposure to SA bonds and increase its SA equity exposure whereby most other managers decreased their exposure. The Default portfolio's largest change was a decrease in Namibian cash in favour of SA cash and an increase in net equity owed to Allan Gray.

Performance Comparison

Moderate-Low Portfolios

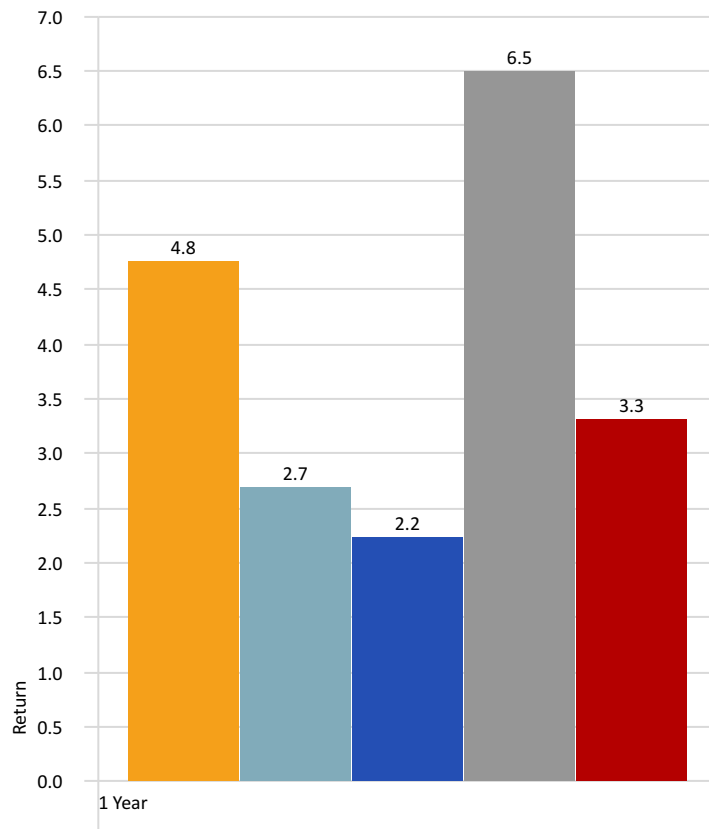
Trailing Returns

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	4.8	7.1	10.8	—
NAM Coronation Capital Plus Fund	2.7	5.1	10.3	—
Prudential Namibia Inflation Plus Fund	2.2	6.9	10.9	9.6
Sanlam Namibia Inflation Linked Fund	6.5	8.2	10.5	9.7
Benchmark Retirement Fund Default Portfolio	3.3	8.5	13.3	10.8
NAM CPI	6.1	5.3	5.6	6.2

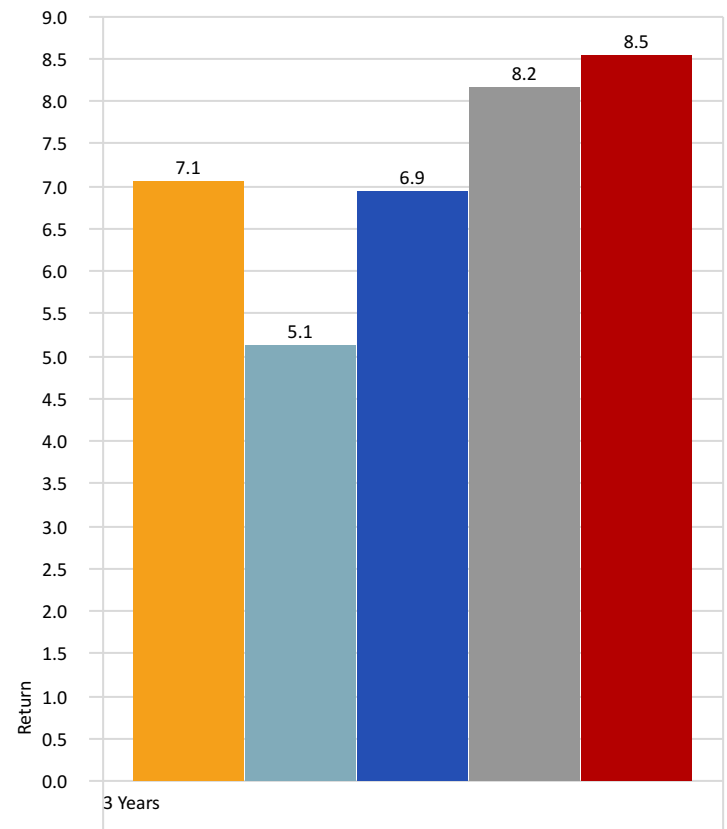
Performance Comparison

Moderate-Low Portfolios

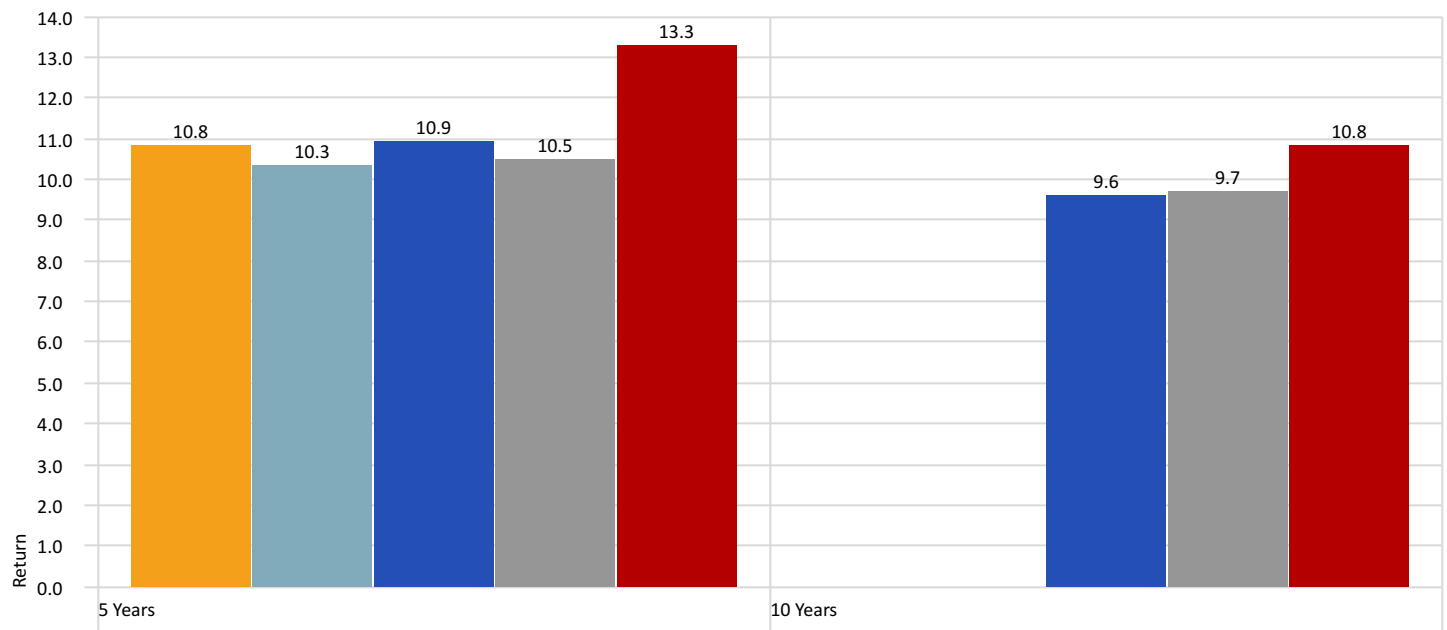
1 year performance for the period ended 30 June 2017



3 years performance for the period ended 30 June 2017



5 & 10 years performance for the period ended 30 June 2017



NAM Coronation Balanced Defensive Fund

NAM Coronation Capital Plus Fund

Prudential Namibia Inflation Plus Fund

Sanlam Namibia Inflation Linked Fund

Benchmark Retirement Fund Default Portfolio

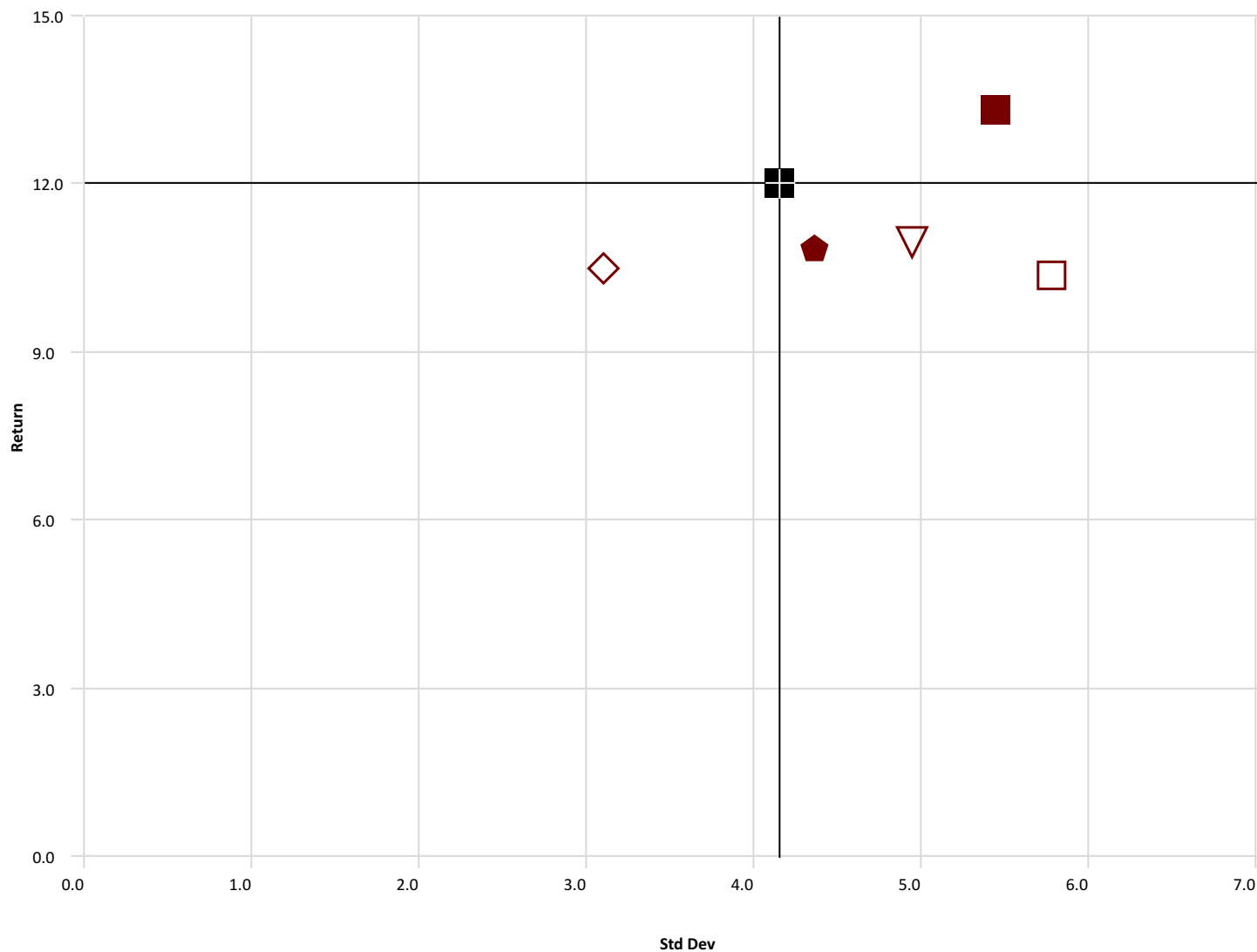
Performance Comparison

Moderate-Low Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate low portfolios for a 3 year period. These returns are **gross** of all investment charges.

Risk-Reward

Time Period: 7/1/2012 to 6/30/2017



◆ NAM Coronation Balanced Defensive Fund

□ NAM Coronation Capital Plus Fund

▽ Prudential Namibia Inflation Plus Fund

◇ Sanlam Namibia Inflation Linked Fund

■ Benchmark Retirement Fund Default Portfolio

■ NMG NAM Moderate Benchmark

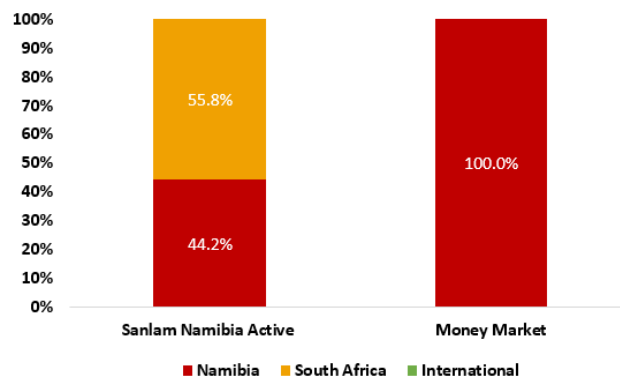
Performance Comparison

Low Risk and Capital Preservation Portfolios

Sanlam Namibia Active	30-Jun-17	30-Jun-16	Change
Nam Equities	0.0%	0.0%	0.0%
Nam Bonds	3.0%	2.2%	0.8%
Nam Cash	41.2%	36.8%	4.4%
Nam Property	0.0%	0.0%	0.0%
SA Equities	0.6%	0.6%	0.0%
SA Bonds	11.9%	14.3%	-2.4%
SA Cash	42.0%	45.0%	-3.0%
SA Property	1.3%	1.1%	0.2%
Offshore	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%
Total	100.0%	100.0%	

The total Namibian exposure is 41.2% for the Sanlam Namibia Active Fund. The Money Market Fund is managed by Capricorn Asset Management and is mainly invested in Namibian & South African cash investments.

Geographical Split:



Trailing Returns

	1 Year	3 Years	5 Years	10 Years
Sanlam Namibia Active Fund	7.9	8.2	7.9	—
NAM CPI	6.1	5.3	5.6	6.2
Beassa 1-3 Yr TR ZAR	8.5	7.5	6.5	8.0
NAM CPI + 1%	7.1	6.3	6.7	7.3
NAM CPI + 2%	8.2	7.4	7.7	8.4

Trailing Returns

	1 Year	3 Years	5 Years	10 Years
Money Market	8.0	7.1	6.4	7.4
IJG Money Market GR NAD	8.2	7.1	6.5	—
NAM CPI + 1%	7.1	6.3	6.7	7.3



Glossary

Asset Allocation: The weighting of assets in an investment portfolio amongst different asset classes (shares, bonds, property, cash, and international investments).

BEASSA All Bond Index (ALBI): Bond Exchange Actuarial Society of South Africa Index.

Balanced Fund: An investment portfolio that spreads its holdings over a range of asset classes, which typically include shares, fixed interest, property, international securities, and cash.

Benchmark: An index or other market measurement that is used by a fund manager as a yardstick to assess the risk and performance of a portfolio; for example, the All Share Index is a commonly used benchmark for Domestic Equity portfolios.

Bottom-up Analysis: A form of security analysis that begins with forecasting returns for individual companies, then moves to industries and, finally, the economy as a whole.

Capital Preservation Portfolio: Portfolios that provide investors with a 100% Capital Guarantee (i.e. initial investments + contributions + percentage of bonuses received).

FTSE/JSE All Share Index (ALSI): A “basket” of shares representing all the shares on the JSE. This index is used as a measurement to indicate price movements in the market.

Growth Style: Growth style managers identify companies with above average earnings growth, which they believe will be reflected by the price in future. These shares usually have a higher P/E ratio as the price is higher due to earnings being generated at a fast pace.

Growth at a Reasonable Price: An investment style in which the manager selects shares where the company is growing profits, but the share price is not over-priced relative to that growth or shares of which the P/E ratio is below that of the index.

Inflation (CPI): The consumer price index represents the increase in the price of a “basket” of basic goods and services e.g. food, petrol. It provides an indication as to how fast prices are increasing in the economy.

Institutional Investor: An organisation whose primary purpose in investment markets is to invest its own assets or those that it holds in trust for others. Institutional investors include fund managers, life companies, retirement funds, banks, etc.

JP Morgan Global Bond Index: An index which can be used to measure global bond market movements. Countries’ bonds across the globe form part of the index, each carrying a certain weight in the index.

Market Value Adjustment: A term used with smooth bonus products. All disinvestments which are not for benefit payment (ie switches, terminations) will be paid out at the lower of book or market value. Genuine benefit payments are defined to be payments iro resignation, death and retirement.

Median: The middle value that exceeds half of the values in the sample and which is exceeded by the other half. For example, if five items cost R20, R80, R100, R300, and R500 respectively, the median value would be R100, whereas the mean would be R200.

MSCI World Equity Index: An index which can be used to measure global market movements. Countries across the globe form part of the index, each carrying a certain weight in the index.

Glossary

NSX Index: A “basket” of shares representing all the shares on the Namibian Stock Exchange. This index is used as a measurement to indicate price movements in the market.

Price Earnings Ratio: A stock's market price divided by its current or estimated future earnings per share. The PE ratio is used by the investing public as a measure of the attractiveness of a particular share versus all other shares. The lower the ratio relative to the average of the share market, the lower the market's profit growth expectations.

Prudential Unit Trust: A unit trust which complies with Regulation 28 of the Pension Fund Act.

Regulation 28: The regulation in the Pension Fund Act providing guidelines for the investments of retirement funds.

Strategic Asset Allocation: The composition of an asset mix within a portfolio, constructed with the aim of meeting the long-term objectives of a fund, rather than being based on short-term views of relative performance of the various asset classes. Usually a benchmark is derived in this fashion.

STeFI: Short Term Fixed Interest Index. An index used to measure performance for short term (cash) investments.

Top Decile: A statistical measure dividing a sample into ten numerically equal groups. Thus, ‘top decile’ means the top 10% of a given sample.

Top-Down Analysis: A form of security analysis that begins with forecasting broad macroeconomic trends, then assessing the impact on industries and, finally, on individual companies.

Tactical Asset Allocation: A process by which the asset allocation of a fund is changed on a short-term basis to take advantage of perceived differences in relative values of the various asset classes. TAA can also be described as the variation of asset allocation around the strategic asset allocation.

Upper Quartile: A statistical measure dividing a sample into four numerically equal groups. Thus, 'upper quartile' means the top 25% of a given sample.

Value Style: Asset managers who have a value style identify shares which trade below intrinsic value in the belief that the share price will return to its intrinsic value. These securities usually have low prices relative to book value or earnings.

Volatility: A measure used to define risk which refers to the degree of fluctuation of returns over a specified period (normally short-term). The higher the volatility, the higher the fluctuation of returns which is associated with greater uncertainty of expected returns. This scenario is defined as being high risk.

Appendix A: Replacement Ratios

The following table represents some salary replacement ratios:

Assumed NET Contributions towards retirement i.e. AFTER all costs for risk and administration etc. (as % of pensionable salary)					
Assumed Investment Return for 30 years before retirement (after fees)	8%	10%	12%	14%	16%
CPI + 5%	47%	59%	70%	82%	94%
CPI + 4%	39%	49%	59%	69%	79%
CPI + 3%	33%	42%	50%	58%	67%
CPI + 2%	28%	35%	42%	50%	57%

The Trustees consider an appropriate post retirement income to be 60% of pre-retirement pensionable income after 30 years of service (assuming that 2% accumulates for each year of service). This ratio is defined as the salary replacement ratio. The above table shows a range of ratios for various net retirement funding contribution rates in relation to real investment returns, assuming retirement at age 60. Other assumptions are:

Pre-retirement:

- **Real rate of return before retirement is dependent on the investment portfolio chosen;**
- Salaries are assumed to increase in line with price inflation. In order to assess the impact of a salary increase of 1.0% per annum above inflation, one needs to look at a 1.0% per annum lower real return (e.g. if the targeted real rate of return on the selected investment portfolio is CPI + 4% then one needs to look at the results of CPI + 3% in the above table to see the salary replacement ratio if salaries increase 1.0% per annum above price inflation);
- No break in service or 100% preservation of accumulated fund credit where there is a change of employer;
- Full fund credit available on retirement (one-third and two-thirds) is used to generate the pension;
- Effect of tax is not taken into account.

Post retirement

- Single life with-profit annuity is purchased at age 60 years;
- Allowance for future pension increases is approximately 2/3rds of price inflation.



Benchmark Retirement Fund

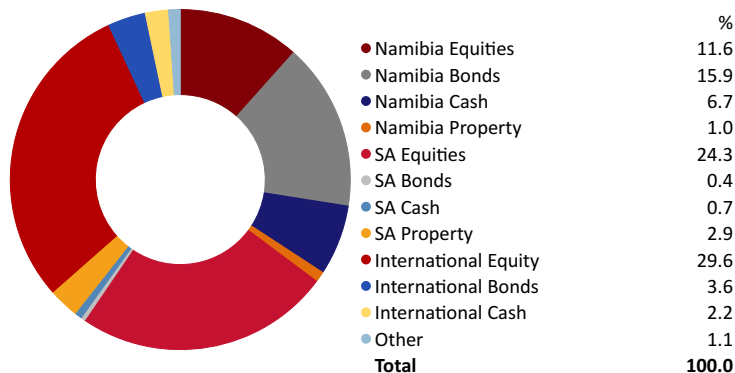
Fund Fact Sheets : As at 30 June 2017

Investec Managed Namibia Fund

Fund Information

Fund Size N\$ 2.1b
 Risk Profile Moderate
 Benchmark NMG Average Moderate Fund

Asset Allocation



Portfolio Description

The Investec Managed Fund is a market-linked balanced portfolio which aims to achieve stable returns over the longer term by investing in all asset classes. This portfolio represents Investec's best investment view.

Inception: May-97

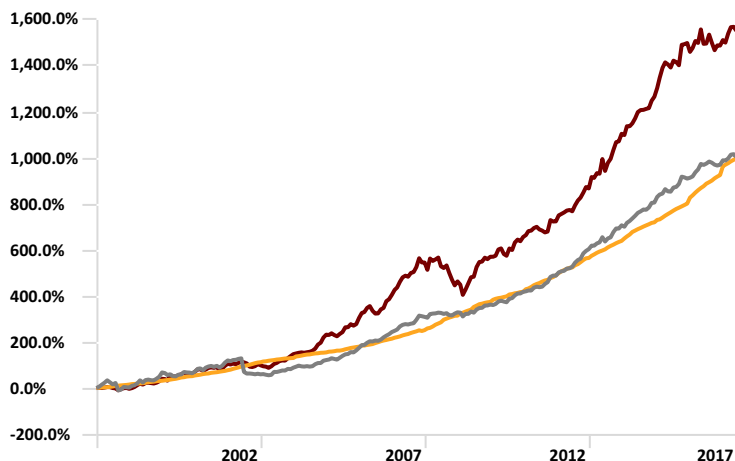
CIO: John McNab, Mimi Ferrini

Portfolio Manager: James Hatuikulipi and Chris Freund

Fees: 0.75% p.a. on average month end market value

Cumulative Manager Performance

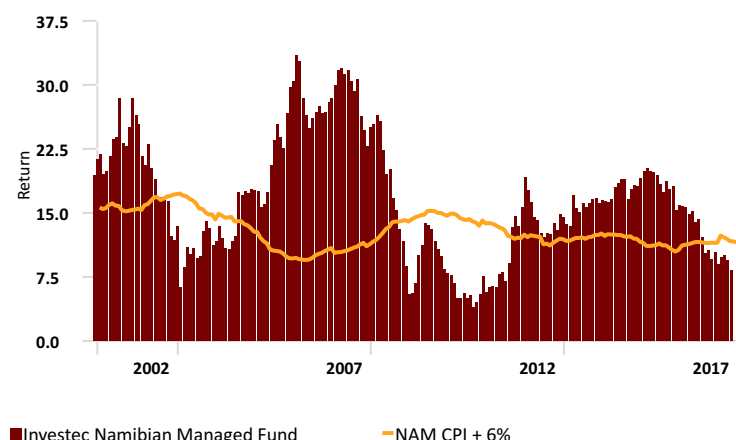
Time Period: 1/1/1998 to 6/30/2017



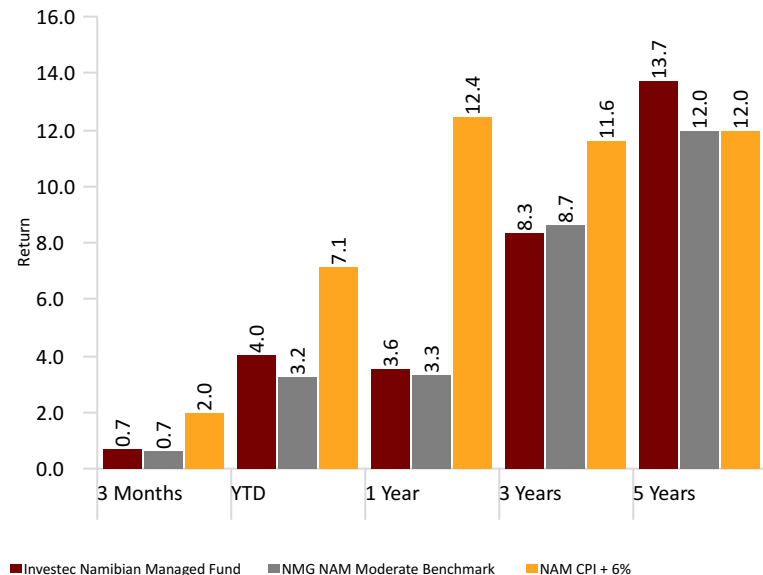
Rolling Returns as per the Fund's IPS

Time Period: 1/1/1998 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

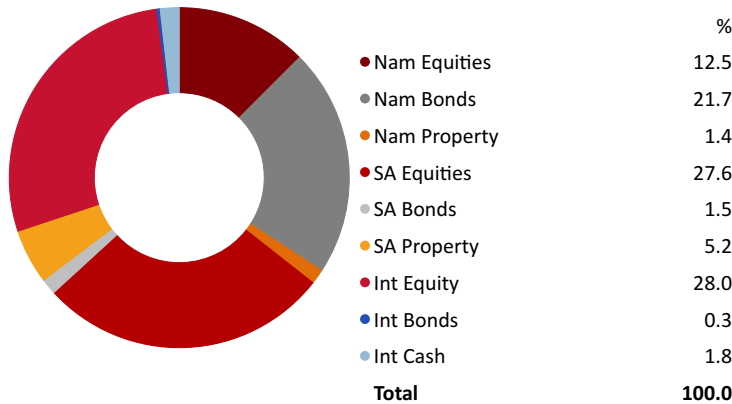
1. Naspers	5.0
2. British American Tobacco	2.5
3. Richemont	2.4
4. Mondi	1.9
5. FNB Namibia	1.7
6. Sasol	1.6
7. Old Mutual	1.5
8. Investec	1.4
9. Tongaat	1.2
10. Barloworld	1.2

Old Mutual Namibia Profile Pinnacle Fund

Fund Information

Fund Size N\$ 276m
 Risk Profile Moderate
 Benchmark NMG Average Moderate Fund

Asset Allocation



Portfolio Description

The Old Mutual Namibia Profile Pinnacle Portfolio is a market-linked balanced portfolio which places emphasis on asset allocation across all asset classes. OMIGNAM has closed the OMIGNAM Balanced Fund and replaced it with OMIGNAM Profile Pinnacle. This mandate is now OMIGNAM's best investment view for a moderate balanced mandate. The portfolio aims to achieve consistent real returns over the longer term. Fund returns below include OMIGNAM Profile Balanced for the period 01 March 1998 until 01 September 2013. Fund returns after 01 September 2013 are those of OMIGNAM Profile Pinnacle.

Inception: Apr-98

CIO: Peter Brooke

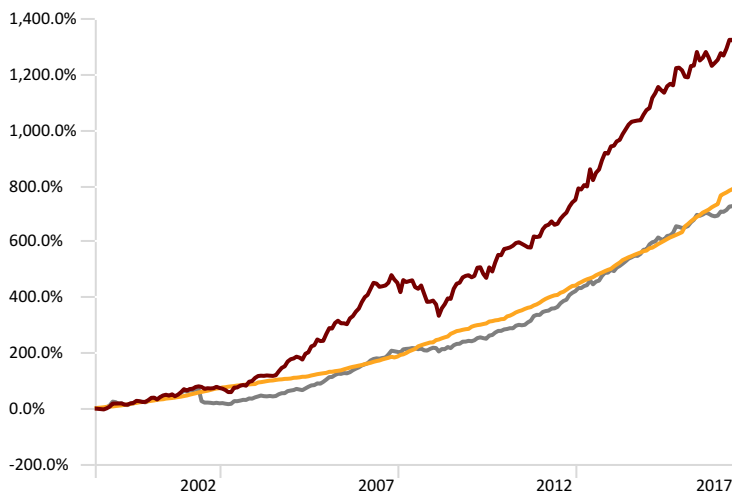
Portfolio Manager

Peter Brooke and Tyrone van Wyk

Fees: 0.55% p.a. domestic assets and 0.80% p.a. on international assets.

Cumulative Manager Performance

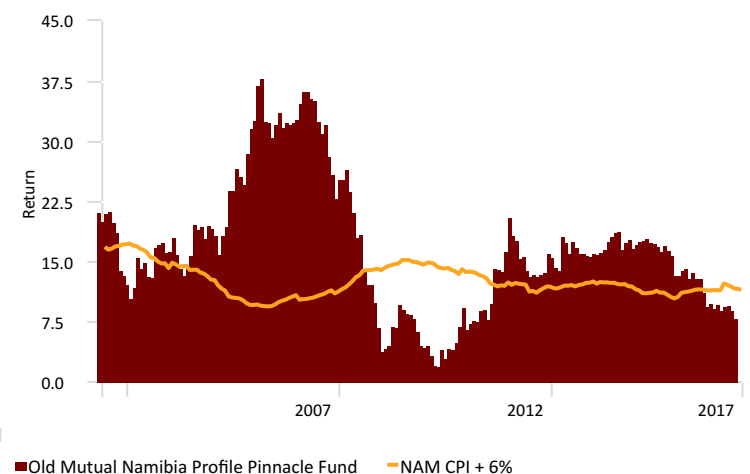
Time Period: 7/1/1999 to 6/30/2017



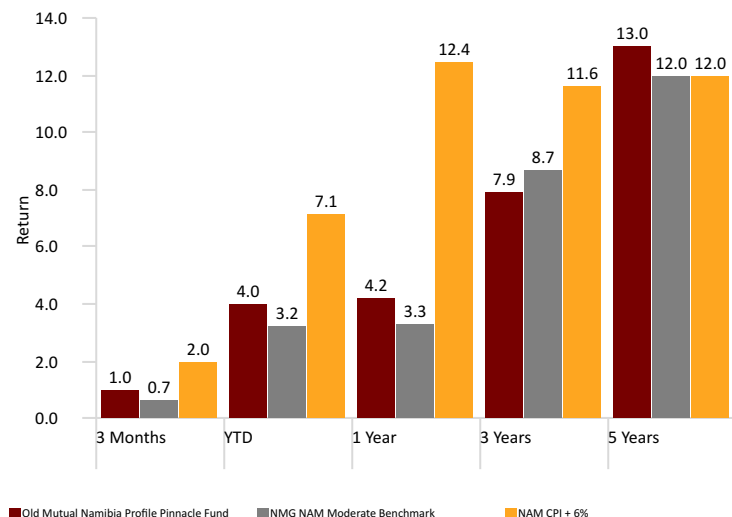
Rolling Returns

Time Period: 7/1/1999 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

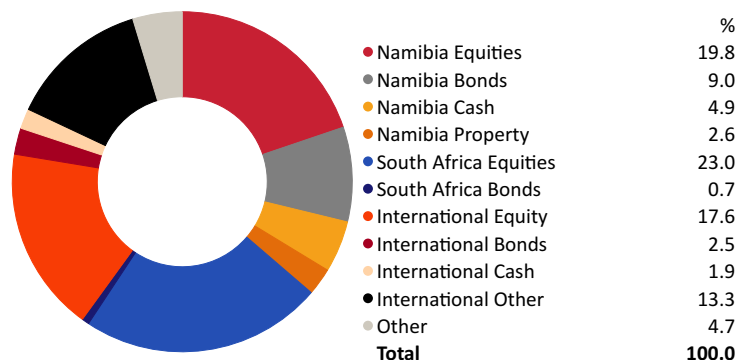
1.	Naspers	11.9
2.	Anglo-American Namibia	6.9
3.	Sasol	5.3
4.	British American Tobacco	5.3
5.	Standard Bank Namibia	5.2
6.	Sanlam Namibia	4.7
7.	Remgro	3.8
8.	Barclays	3.7
9.	FirstRand Namibia	3.2
10.	Steinhoff	3.1

Allan Gray Namibia Balanced Fund

Fund Information

Fund Size N\$4 140 m
Risk Profile Moderate
Benchmark NMG Average Moderate Fund

Asset Allocation



Portfolio Description:

The Allan Gray Namibia Balanced Fund is a market-linked balanced portfolio which represents Allan Gray's best investment view for balanced mandates.

Inception: Aug-1999

CIO: Andrew Lapping

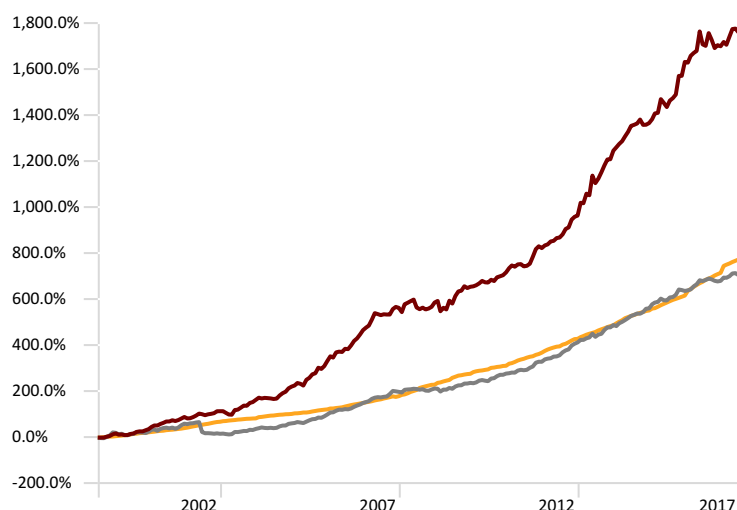
Portfolio Manager

Ian Liddle, Duncan Artus, Andrew Lapping, Simon Raubenheimer, Birte Schneider

Fees: 0.6% p.a. on domestic assets and between 1% and 2.5% p.a. on international assets (performance dependent)

Cumulative Manager Performance

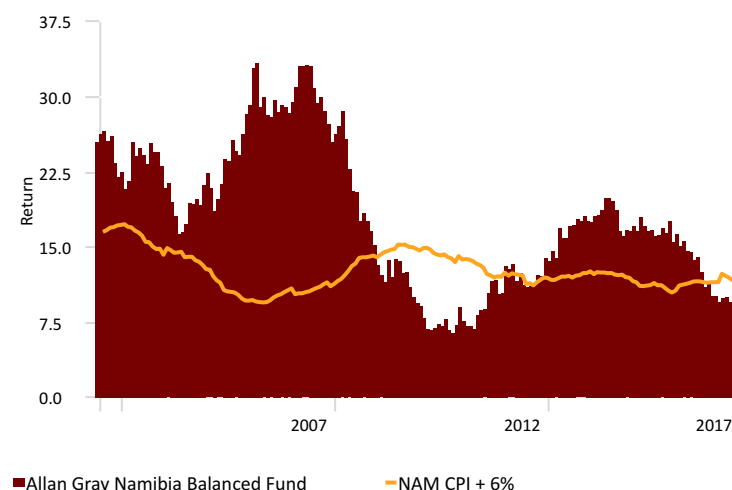
Time Period: 8/1/1999 to 6/30/2017



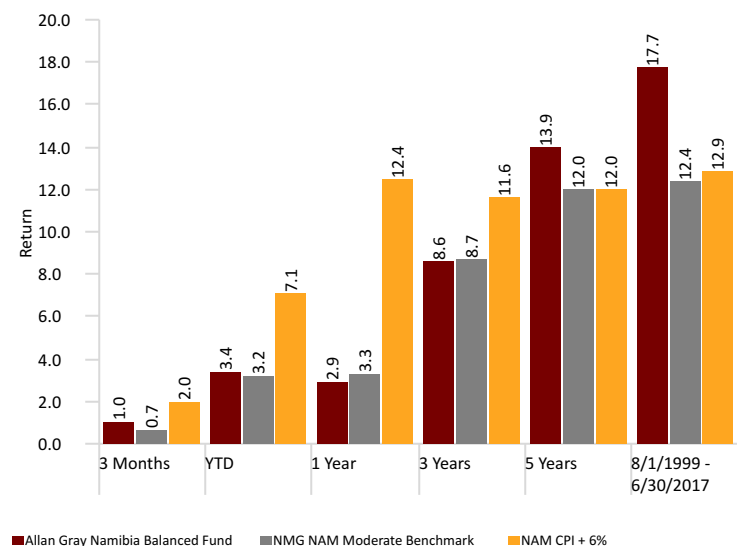
Rolling Returns

Time Period: 8/1/1999 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

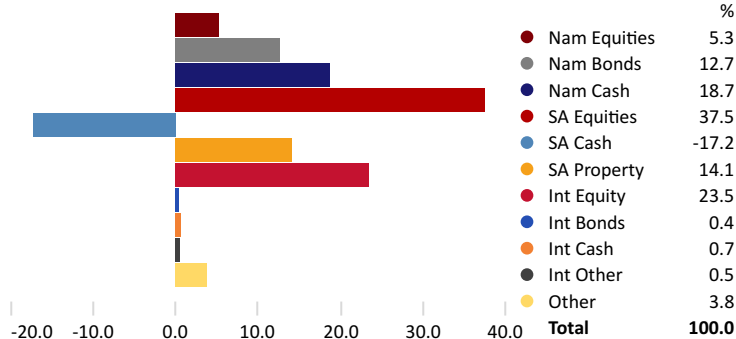
1.	FNB Namibia Holdings	5.7
2.	British American Tobacco	4.3
3.	Sasol	4.2
4.	Naspers	4.2
5.	Namibia Breweries	3
6.	Stimulus	2.6
7.	Old Mutual Namibia	2.6
8.	Standard Bank Namibia	2.4
9.	Remgro	2.1
10.	Oryx Properties	1.7

NAM Coronation Balanced Plus Fund

Fund Information

Fund Size N\$ 718m
Risk Profile Moderate
Benchmark NMG Average Moderate Fund

Asset Allocation



Portfolio Description

The NAM Coronation Balanced Plus Fund is a fully managed investment solution diversified across asset classes and sectors.

Inception: Apr-2011

CIO: Eino Emvula

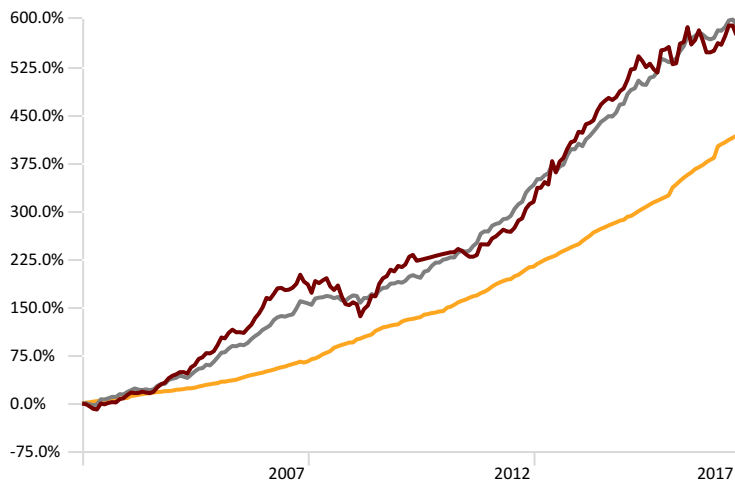
Portfolio Manager

Eino Emvula, Karl Leinberger

Fees: 0.85% p.a. on average month end market value

Cumulative Manager Performance

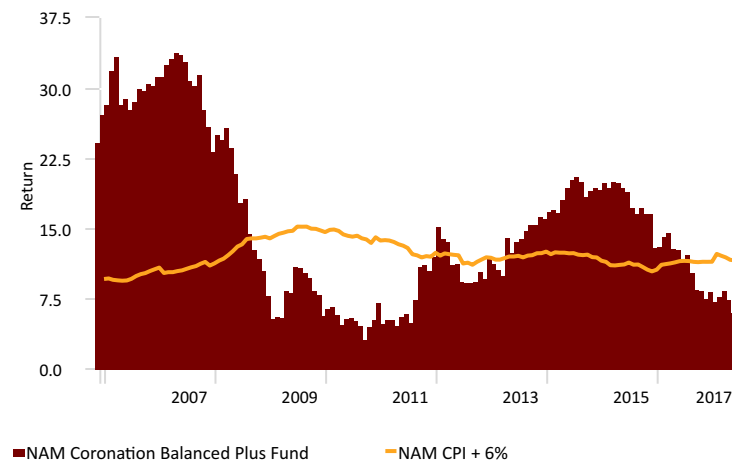
Time Period: 1/1/2003 to 6/30/2017



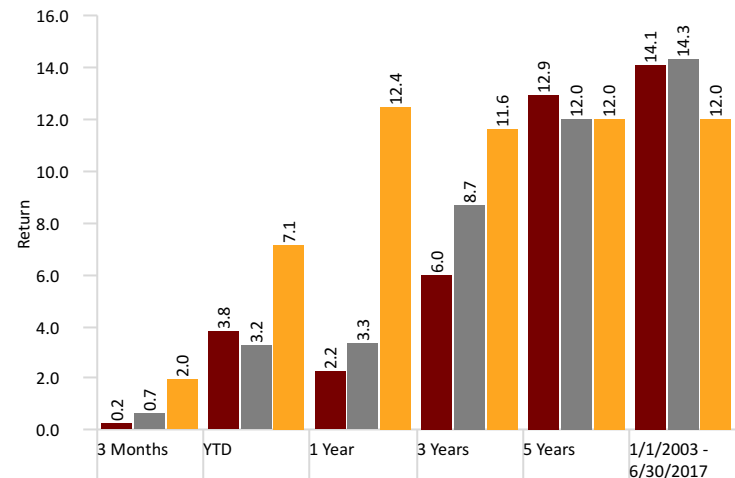
Rolling Returns

Time Period: 1/1/2003 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

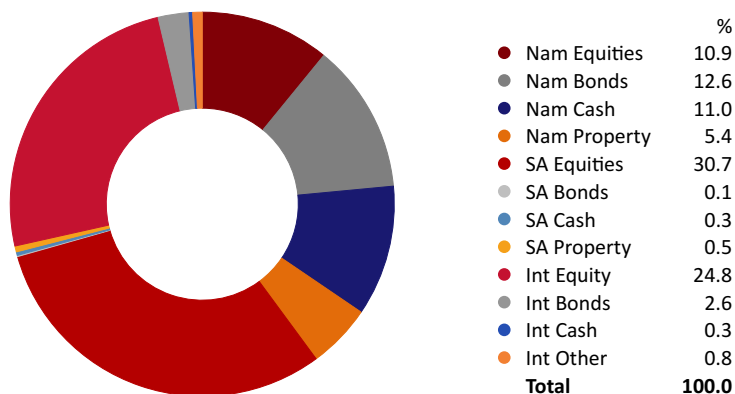
1.	Coronation Global Opportunities Equity Fund	16.3
2.	Naspers	5.3
3.	Coronation Global Emerging Markets Fund	4.8
4.	Fortress Income Fund	3.3
5.	Redefine Income Fund	2.3
6.	Coronation African Frontiers Fund	2.3
7.	British American Tobacco	2.1
8.	MTN Group	2.0
9.	Steinhoff	2.0
10.	INTU Properties	1.9

Prudential Namibia Balanced Fund

Fund Information

Fund Size	N\$ 256 mn
Risk Profile	Moderate
Benchmark	NMG Average Moderate Fund

Asset Allocation



Portfolio Description

The Prudential Namibia Balanced portfolio is a market-linked balanced portfolio which aims to achieve consistent growth of capital and income by maintaining a superior stock selection across all industries relative to the benchmark and across all asset classes. The portfolio represents Prudential's best investment view.

Inception: Aug-08

CIO: David Knee

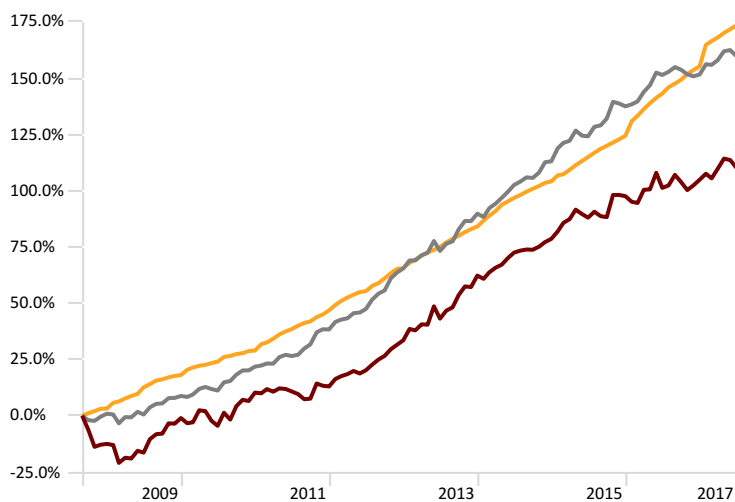
Portfolio Manager

Craig Butters, Duncan Schwulst and Michael Moyle

Fees: 0.75% p.a. on average month end market value

Cumulative Manager Performance

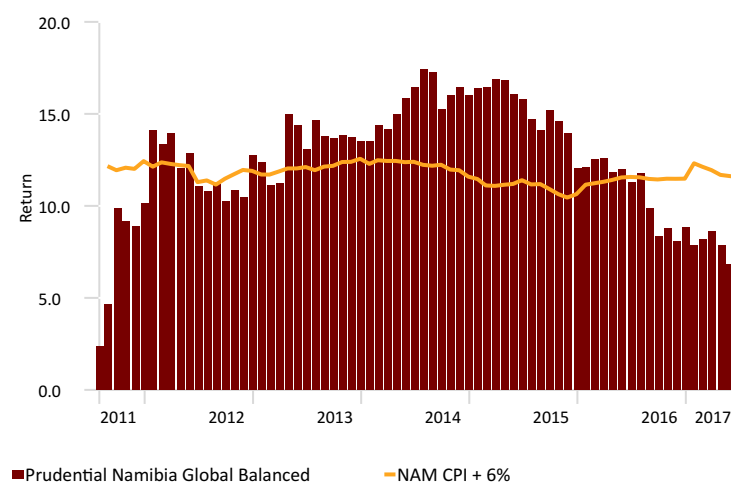
Time Period: 9/1/2008 to 6/30/2017



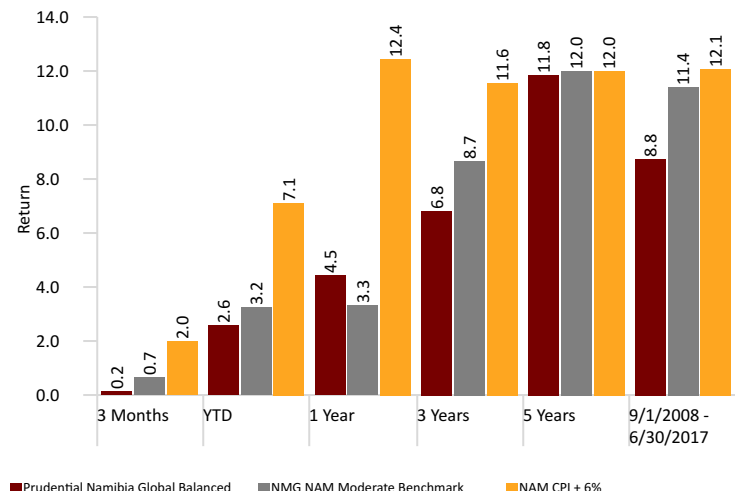
Rolling Returns

Time Period: 9/1/2008 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

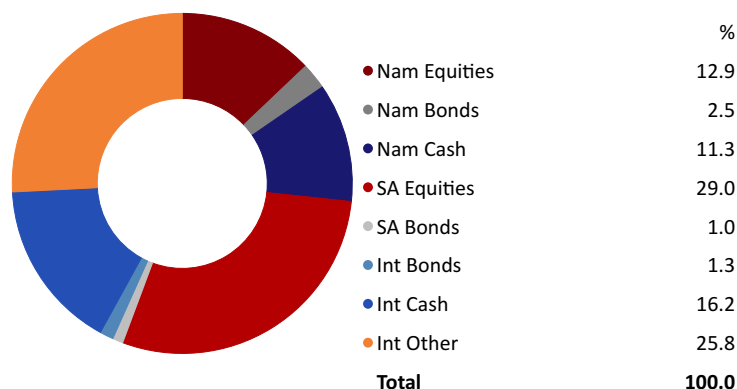
1. Prudential Worldwide Managed Fund	28.3
2. Prudential Namibian Money Market Fund	8.1
3. Vukile Property Fund	5.0
4. Naspers	4.7
5. British American Tobacco	3.0
6. Namibian Government TB 9.45% 201017	2.9
7. Standard Bank Namibia	2.3
8. Namibian Government Bond 9.80% 151040	2.3
9. MTN Group	2.2
10. FirtRand Namibia	2.1

Standard Bank Namibia Managed

Fund Information

Fund Size	N\$ 237mn
Risk Profile	Moderate
Benchmark	NMG Average Moderate Fund

Asset Allocation



Portfolio Description

The Standard Bank Namibia Managed Fund is a market-linked balanced portfolio which invests in all asset classes. The fund includes the combined investment views of STANLIB (SA&NAM). The portfolio aims to achieve capital growth over the longer-term.

Inception: Apr-98

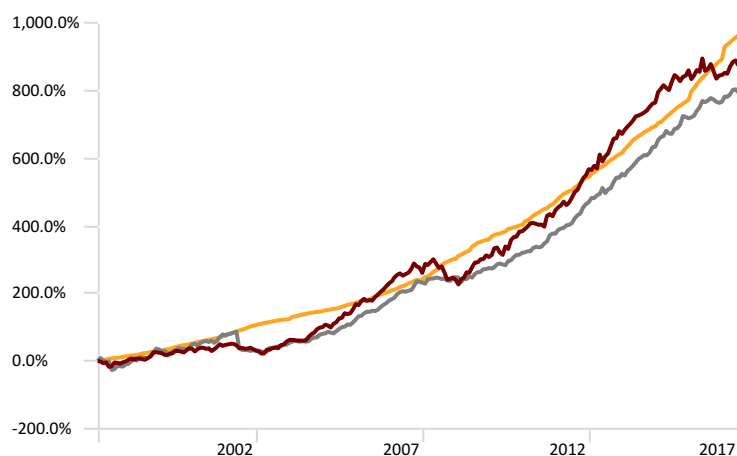
CIO: Taimi Shejvali

Portfolio Manager: TBA

Fees: 0.50% p.a. on average month end market value

Cumulative Manager Performance

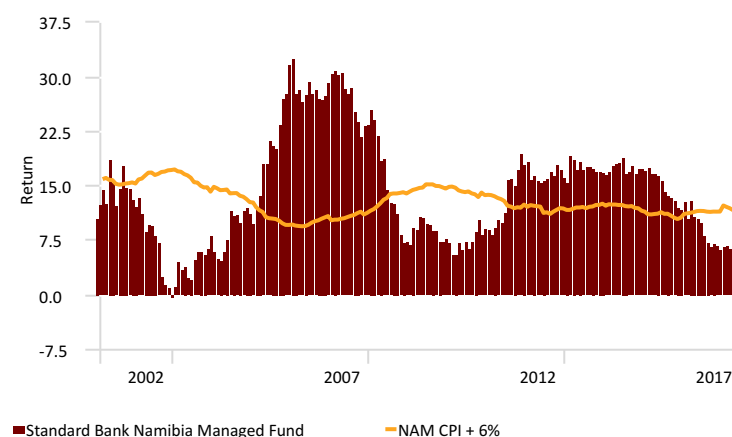
Time Period: 4/1/1998 to 6/30/2017



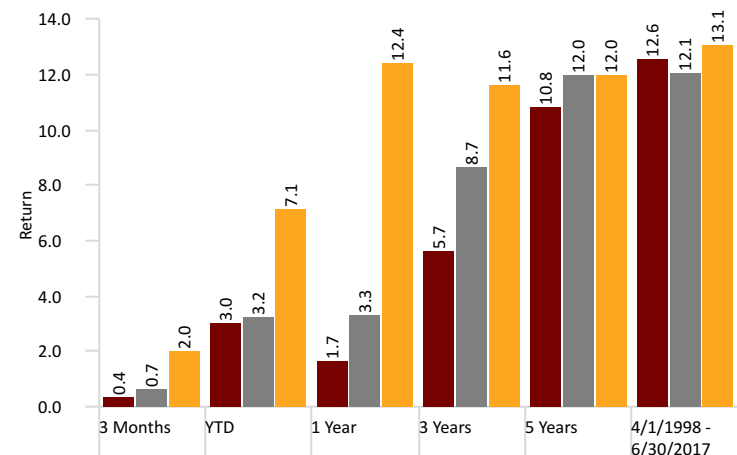
Rolling Returns

Time Period: 4/1/1998 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

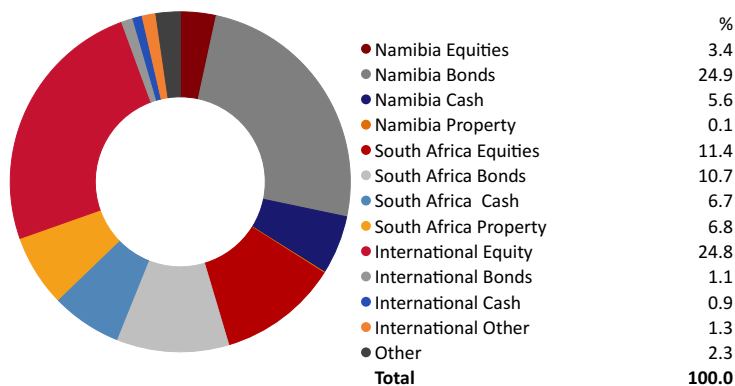
1.	British American Tobacco	11.9
2.	Steinhoff	7.4
3.	Sasol	7.2
4.	Stanlib Inst Property B3	6.9
5.	Aspen Pharmacare	5.7
6.	Sappi	4.9
7.	Naspers Ltd	3.8
8.	MTN Group	3.7
9.	Anglo American	3.6
10.	Barclays Africa	3.0

NAM Coronation Balanced Defensive Fund

Fund Information

Fund Size	N\$ 346m
Risk Profile	Moderate-Low
Benchmark	Cash + 3%

Asset Allocation



Portfolio Description

The NAM Coronation Balanced Defensive Fund is suitable for members with a lower risk tolerance. It is an actively managed, moderate-low risk fund with exposure to all asset classes. The NAM Balanced Defensive Fund aims to provide a reasonable level of income whilst seeking to preserve capital in real terms.

Inception: Nov-07

CIO: Eino Emvula

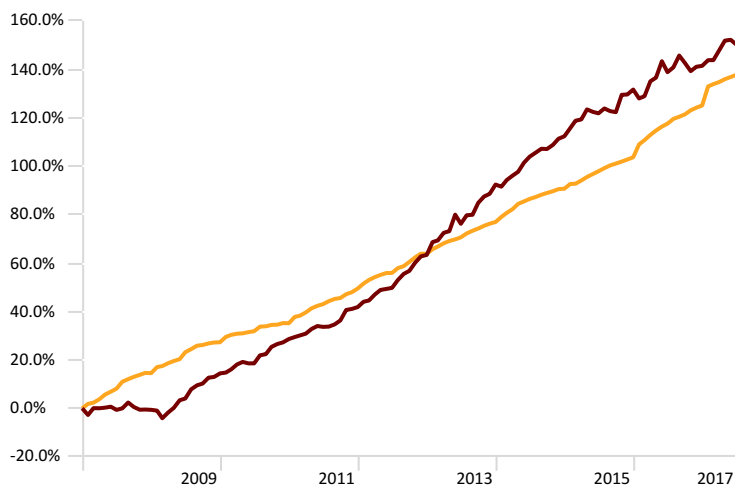
Portfolio Manager

Charles de Kock & Duane Cable & Eino Emvula

Fees: 0.85 % p.a. on average month end market value

Cumulative Manager Performance

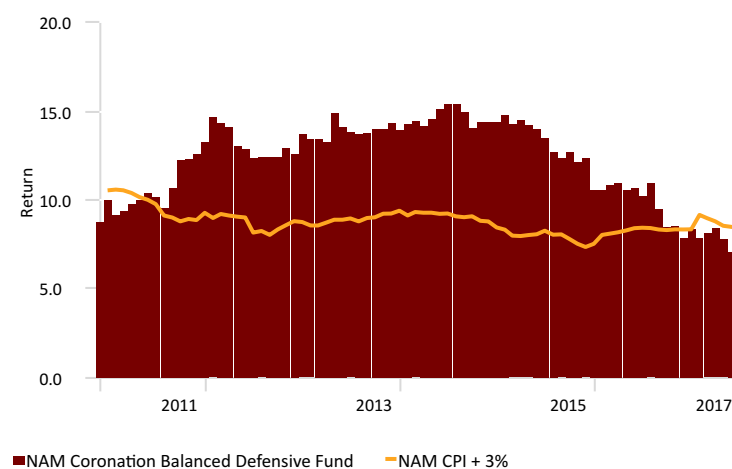
Time Period: 1/1/2008 to 6/30/2017



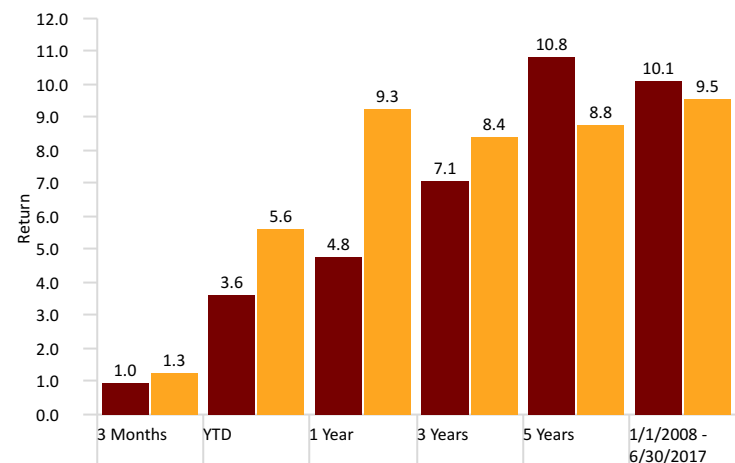
Rolling Returns

Time Period: 1/1/2008 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

1.	Coronation Global Capital Plus Fund	15.1
2.	Coronation Global Opportunities Equity Fund	8.5
3.	Naspers	2.0
4.	Coronation Global Emerging Markets Fund	1.2
5.	Growthpoint Properties Ltd	1.0
6.	HAMMERSON	0.9
7.	Capital & Counties Properties	0.8
8.	Atterbury Investment Holdings	0.8
9.	Anheuser-Busch Inbev SA/NV	0.8
10.	British American Tobacco	0.8

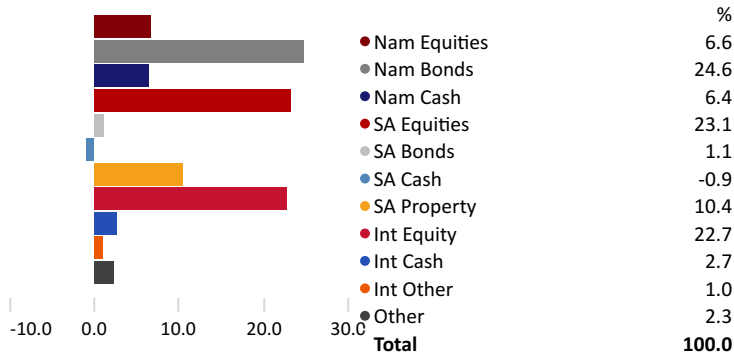
■ NAM Coronation Balanced Defensive Fund ■ NAM CPI + 3%

NAM Coronation Capital Plus Fund

Fund Information

Fund Size	N\$288m
Risk Profile	Moderate-Low
Benchmark	NAM CPI + 4%

Asset Allocation



Portfolio Description

The NAM Coronation Capital Plus Class A Fund (previously Absolute Fund) is suitable for members with a lower risk tolerance. It is an actively managed, moderate-low risk fund with exposure to all asset classes. The fund aims to achieve consistent positive real returns with a primary focus on offering downside protection and preserving capital in real terms over any rolling 12 month period.

Inception: Nov-07

CIO: Eino Emvula

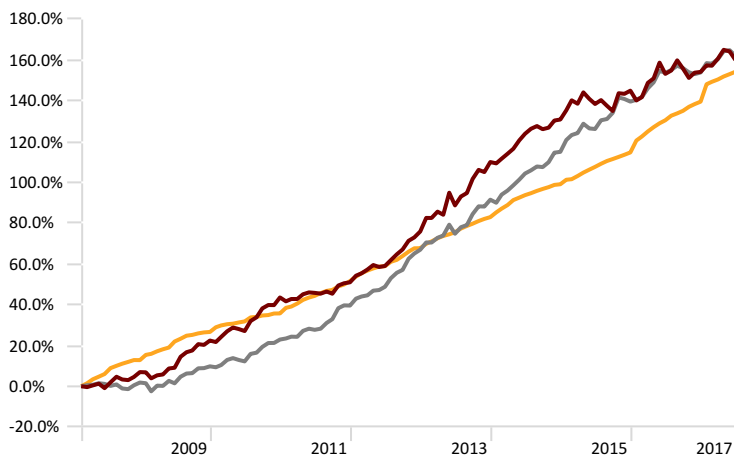
Portfolio Manager

Charles de Kock & Duane Cable & Eino Emvula

Fees: 0.95 % p.a.

Cumulative Manager Performance

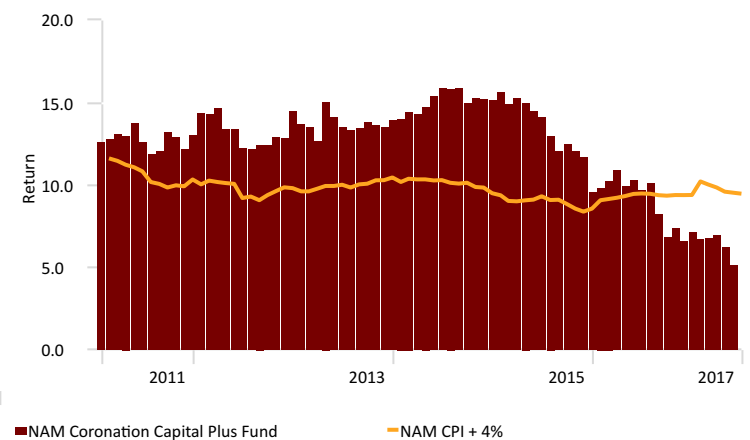
Time Period: 3/1/2008 to 6/30/2017



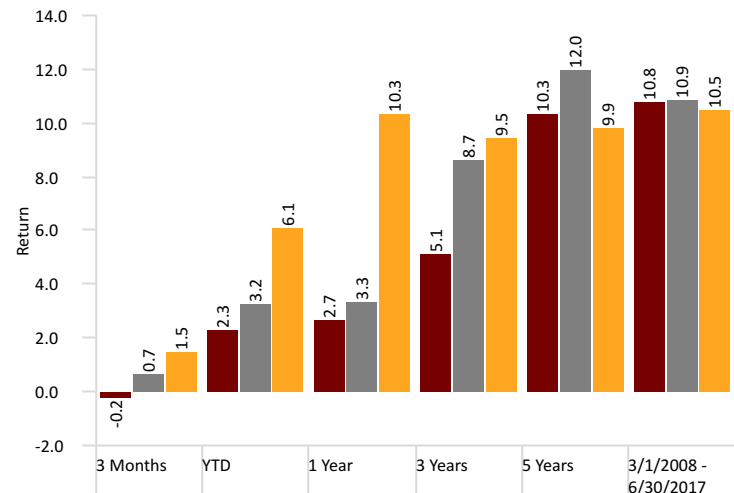
Rolling Returns

Time Period: 3/1/2008 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

1.	Coronation Global Capital Plus Fund	12.6
2.	Coronation Global Equity FoF	9.0
3.	Naspers	3.3
4.	Mondi Ltd	1.4
5.	Standard Bank of SA	1.3
6.	MTN Group	1.3
7.	Steinhoff	1.3
8.	British American Tobacco	1.2
9.	Capital & Counties Properties	1.2
10.	Fortress Income Fund	1.2

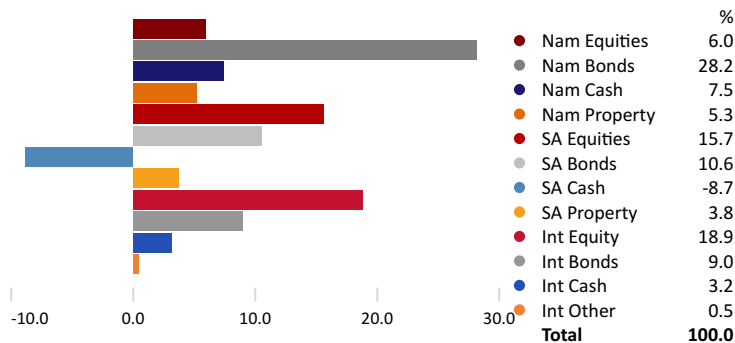
■ NAM Coronation Capital Plus Fund ■ NMG NAM Moderate Benchmark ■ NAM CPI + 4%

Prudential Namibia Inflation Plus Fund

Fund Information

Fund Size	N\$1.8bn
Risk Profile	Moderate-Low
Benchmark	NAM CPI + 4%

Asset Allocation



Portfolio Description

The Prudential Namibia Inflation Plus Fund is a conservative market linked portfolio which aims to produce stable real returns. The fund invests predominantly in inflation linked bonds and other interest bearing securities and equities.

Inception: Sep-99

CIO: David Knee

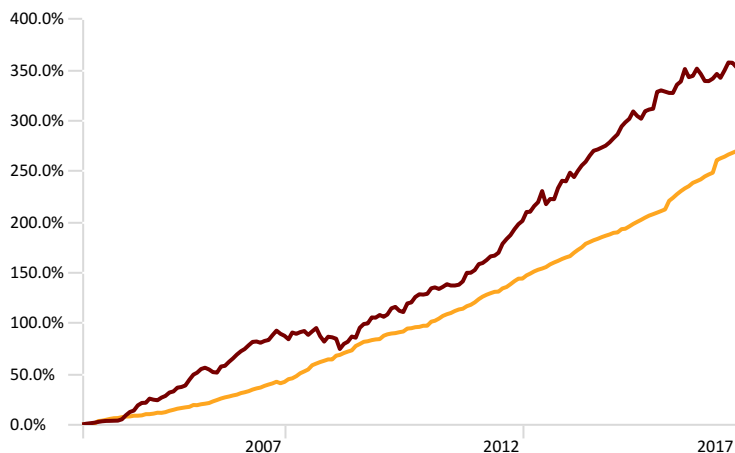
Portfolio Manager

Craig Butters, Duncan Schwulst and Michael Moyle

Fees: 0.6% p.a. on average month end market value

Cumulative Manager Performance

Time Period: 10/1/2003 to 6/30/2017

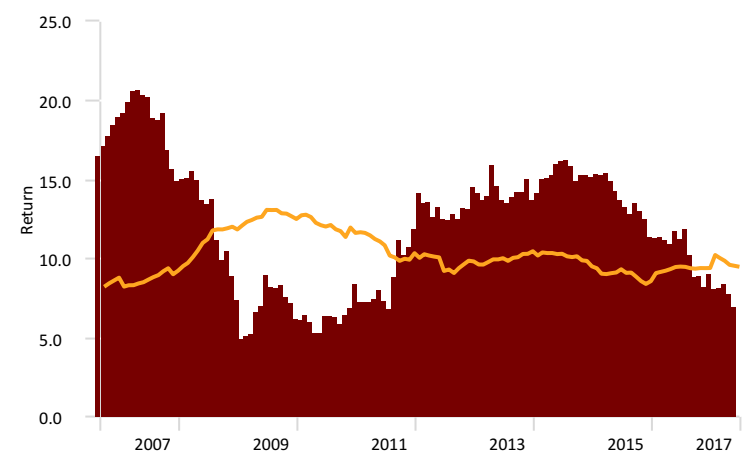


■ Prudential Namibia Inflation Plus Fund ■ NAM CPI + 4%

Rolling Returns

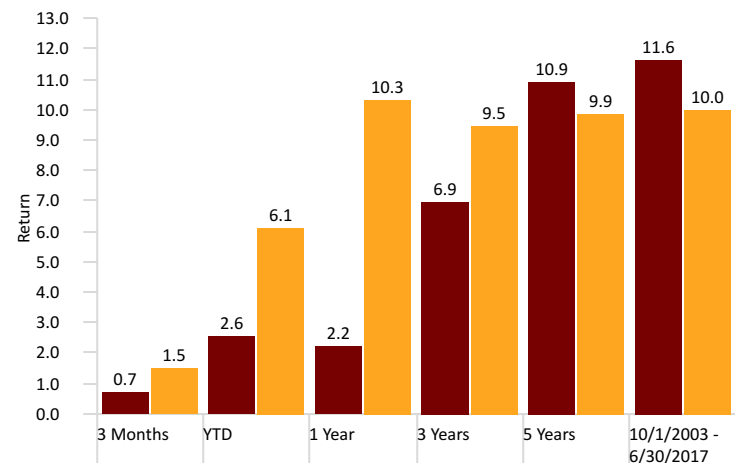
Time Period: 10/1/2003 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



■ Prudential Namibia Inflation Plus Fund ■ NAM CPI + 4%

Manager vs Benchmark: Return



■ Prudential Namibia Inflation Plus Fund ■ NAM CPI + 4%

Top 10 Holdings

1.	Prudential Worldwide Real Return Fund	31.1
2.	Prudential Namibian Money Market Fund	7.5
3.	Republic of Namibia ILB 3.80% 150725 (GI25)	4.4
4.	Vukile Property	4.1
5.	Namibian Government Bond 9.80% 151040	2.9
6.	Namibian Government Bond 8.00% 150130	2.9
7.	Naspers Ltd	2.4
8.	Namibian Government Bond 8.00% 150127	2.3
9.	Republic of Namibia ILB 3.55% 151022 (GI22)	2.3
10.	Namibian Government Bond 9.50% 150737	2.1

Sanlam Namibia Inflation Linked Fund

Fund Information

Fund Size	N\$ 2 665m
Risk Profile	Moderate-Low
Benchmark	NAM CPI + 4%

Portfolio Description

The fund invests in a flexible combination of investments in the equity, bond and money markets, both locally and abroad, aiming for positive real returns (comprising capital and income growth) over the medium to longer term.

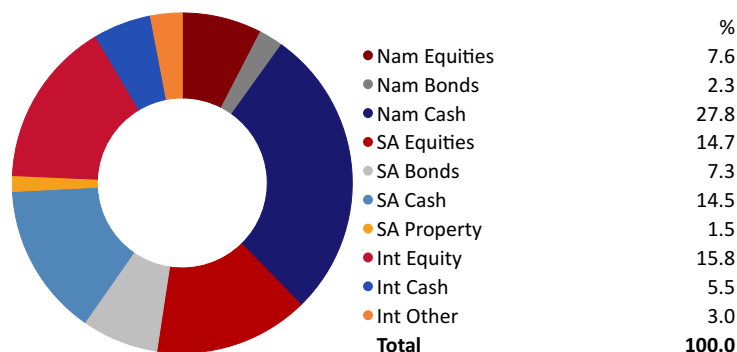
Inception: Feb-04

Portfolio Manager

Natasha Narsingh

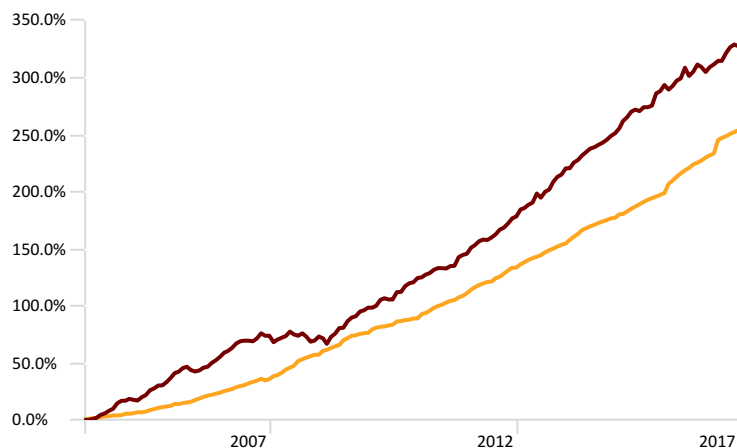
Fees: 0.75% per annum

Asset Allocation



Cumulative Manager Performance

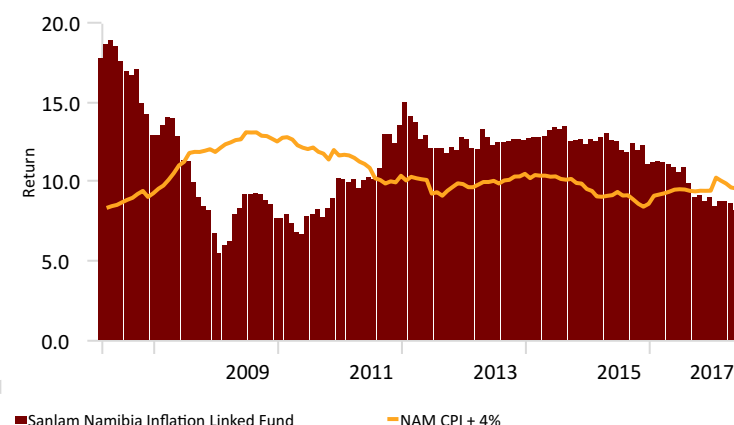
Time Period: 4/1/2004 to 6/30/2017



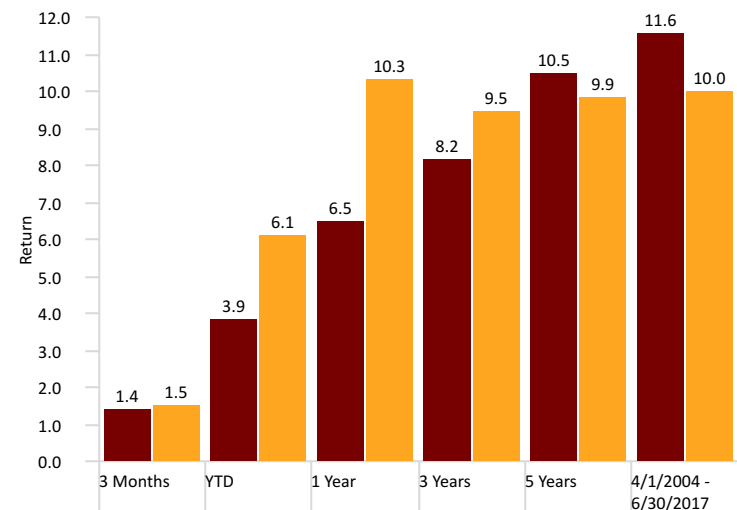
Rolling Returns

Time Period: 4/1/2004 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

1.	Sanlam World Equity Tracker Fund Class I USD	7.9
2.	Sanlam Namibia General Equity Fund	3.9
3.	Sim Namibia Floating Rate Fund Class B2 (D)	3.9
4.	Naspers	3.7
5.	Sanlam Europe (ex UK) Equity Tracker Fund Class I	2.3
6.	Sanlam World Equity	2.1
7.	Sanlam Emerging MarketEquity Tracker Fund Class I	1.6
8.	Standard Bank Namibia F/R 24052021	1.5
9.	Sanlam Unv Global Prop Fund Class C	1.3
10.	SIM Property Fund	1.3

Sanlam Namibia Inflation Linked Fund NAM CPI + 4%

Benchmark Retirement Fund Default Portfolio

Fund Information

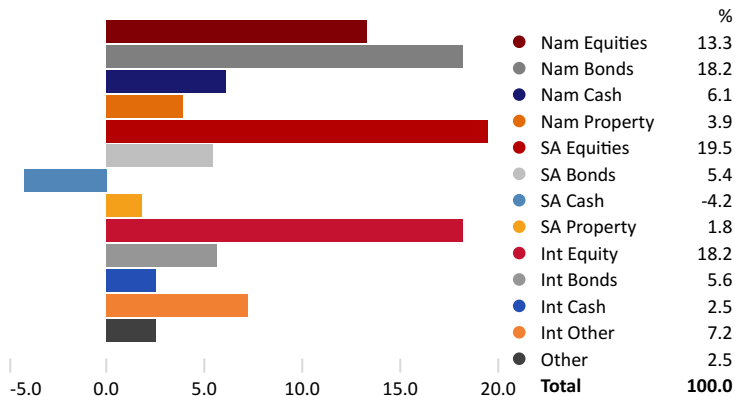
Fund Size	N\$ 688.8m
Risk Profile	Moderate-Low
Benchmark	NAM CPI + 5%

Portfolio Description

The Default Portfolio has the following objectives:

- To reduce volatility of returns
- To achieve a real return of 4% (net of fees) over a rolling 3 year period
- To reduce risk of large negative returns over rolling 12 months
- To reduce risk by spreading assets between more than one investment manager

Asset Allocation

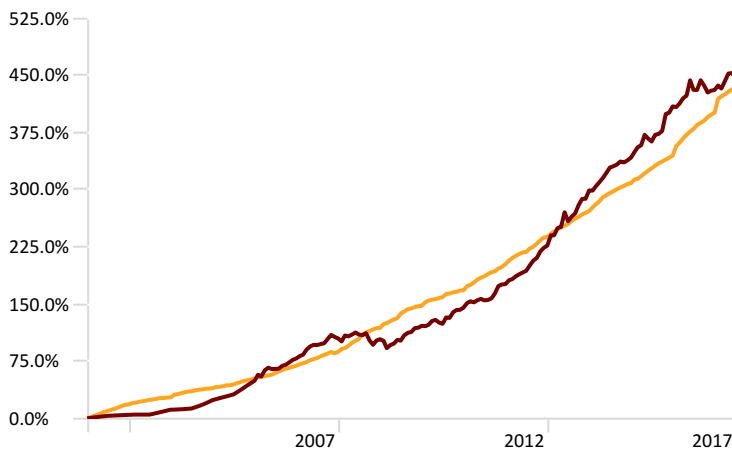


The Default Portfolio has a risk profile lower than that of the moderate risk portfolios and as such the expected long term returns should also be lower. The Trustees use their absolute discretion in selecting the best manager offering and reserve the right to appoint or replace Asset Managers at any time. The default portfolio consists of a combination of Allan Gray Namibia Balanced and Prudential Inflation Plus Fund.

Fees: 0.75%p.a.

Cumulative Manager Performance

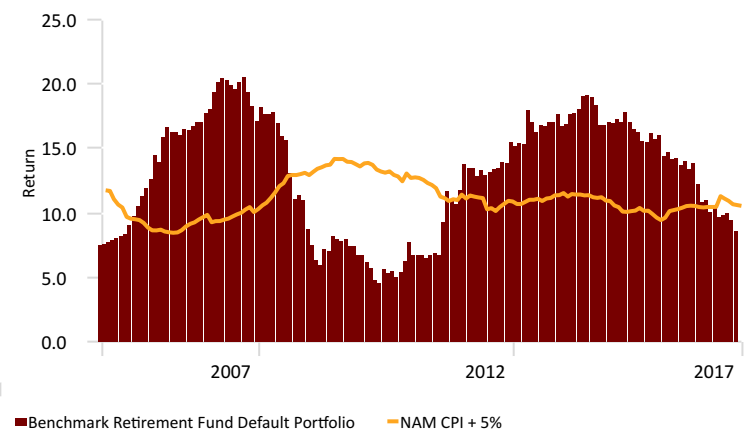
Time Period: 1/1/2002 to 6/30/2017



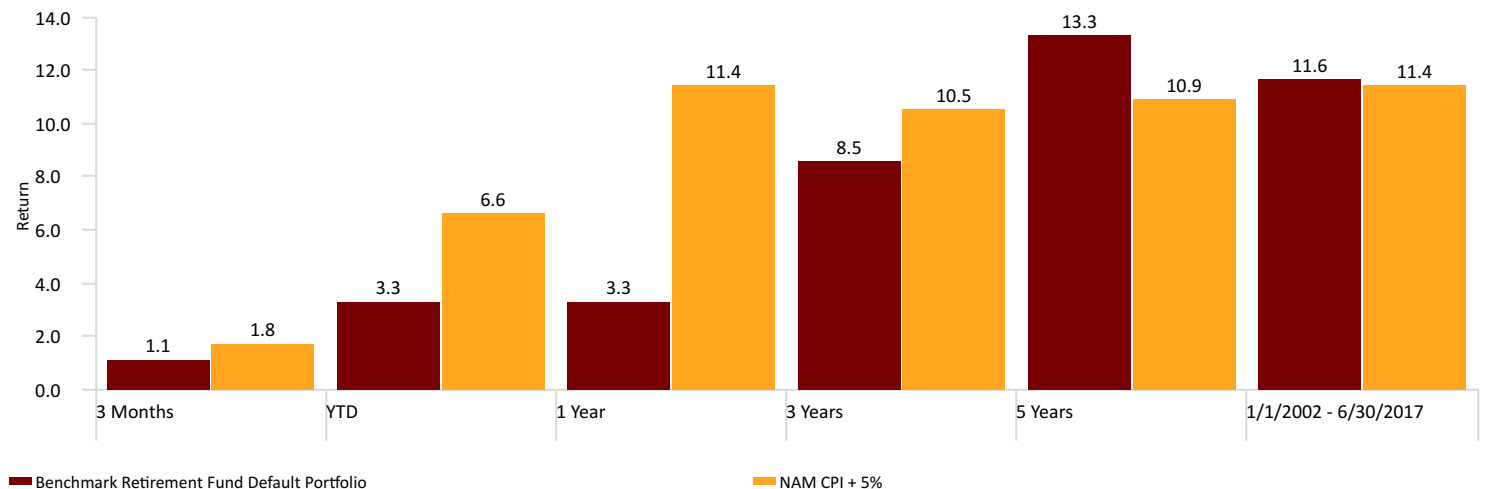
Rolling Returns

Time Period: 1/1/2002 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Sanlam Namibia Active Fund

Fund Information

Fund Size N\$ 1 304m
 Risk Profile Low
 Benchmark BEASSA 1-3year All Bond Index

Portfolio Description

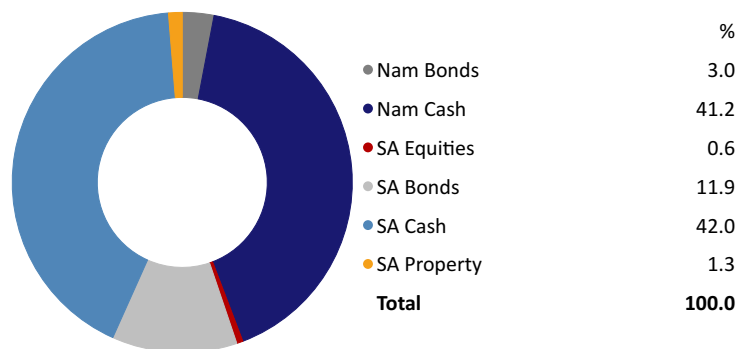
The Sanlam Namibia Active Fund's objective is to provide a high level of income and maximise returns. This fund invests in income yielding assets including fixed income assets, preference shares and property.

Inception: 1 June 2007

Portfolio Manager

Natasha Narsingh

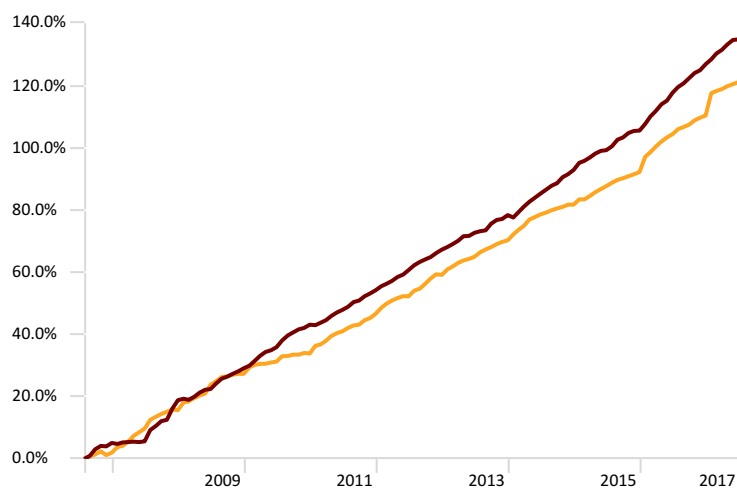
Asset Allocation



Fees: 0.60% p.a on average month end market value

Cumulative Manager Performance

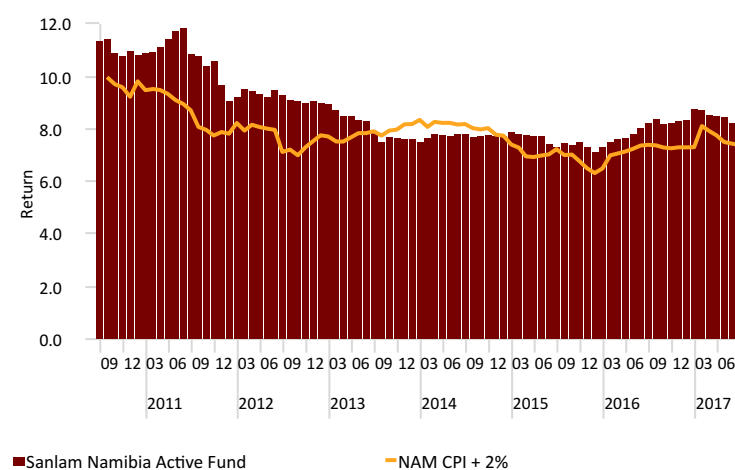
Time Period: 8/1/2007 to 6/30/2017



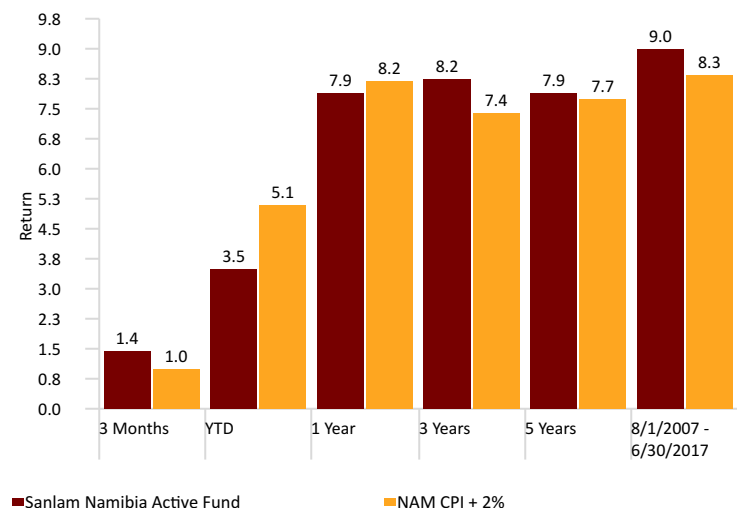
Rolling Returns

Time Period: 8/1/2007 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Top 10 Holdings

1.	Sim Namibia Floating Rate Fund Class B2 (D)	9.1
2.	Bank Windhoek Commercial Income Fund Class C	3.5
3.	R186 RSA 10.50% 211226	1.5
4.	First National Bank Namibia F/R 19072019	1.4
5.	AB013 ABSA 8.295% 211118	1.3
6.	Bank Windhoek NCD 9.9% 17092018	1.1
7.	Bank Windhoek F/R 21052018	1.1
8.	Standard Bank Namibia F/R 24052021	1.1
9.	Standard Bank F/R 19052022	1.0
10.	Commercial Bank of Namibia F/R 13072018	1.0

Sanlam Namibia Active Fund

NAM CPI + 2%

Benchmark Retirement Fund

Source: Morningstar Direct

Money Market Fund

Fund Information

Fund Size	N\$ 6 511m
Risk Profile	Capital Preservation
Benchmark	IJG Money Market Index

Portfolio Description

The Money Market Fund aims to achieve stable and secure returns for the risk averse investor by investing in a diversified combination of liquid money and capital market instruments. The underlying investment is the Bank Windhoek Investment Fund.

Inception: Feb-02

CIO: Ian Erlank

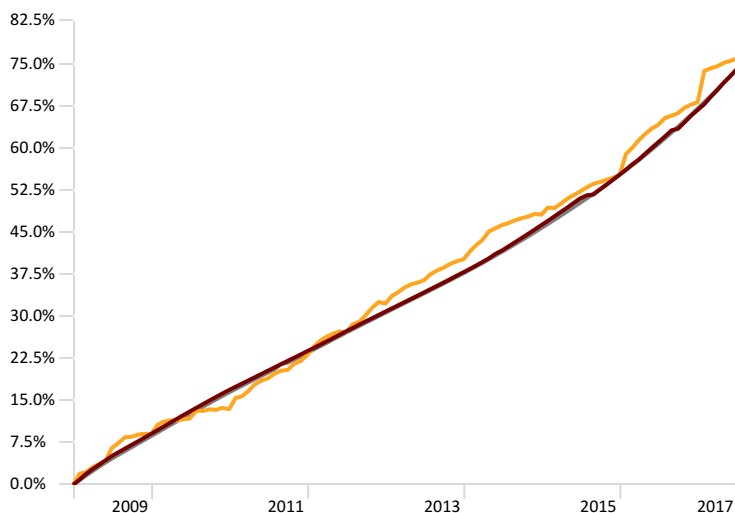
Portfolio Manager

Capricorn Asset Managers (Tertius Liebenberg)

Fees: 0.5% p.a. on average month end market value

Cumulative Manager Performance

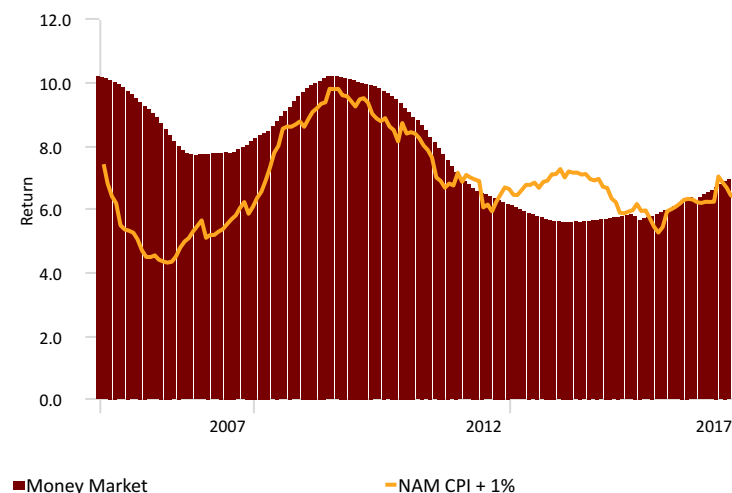
Time Period: 1/1/2009 to 6/30/2017



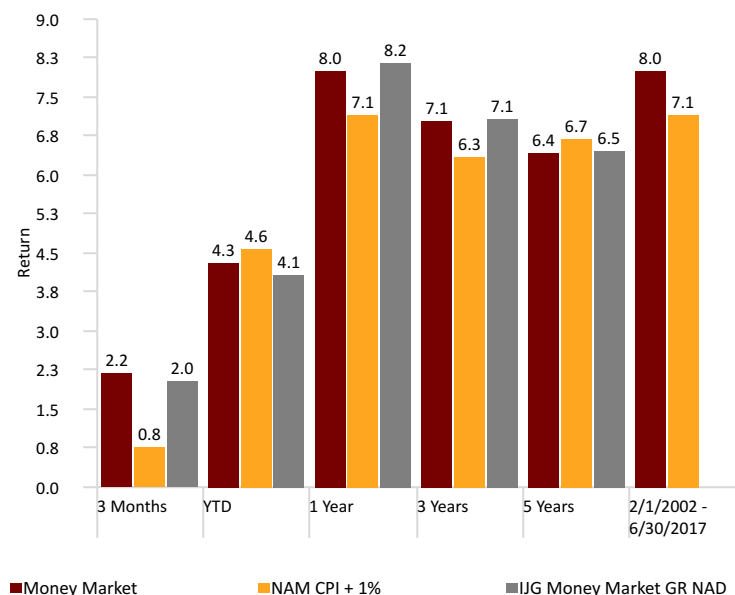
Rolling Returns

Time Period: 2/1/2002 to 6/30/2017

Rolling Window: 3 Years 1 Month shift



Manager vs Benchmark: Return



Asset Allocation

