



Benchmark Retirement Fund

Quarterly Investment Report: As at 31 March 2019

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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	Return Expectations derived from Historical Experience (Before Fees)
Allan Gray Namibia Balanced Fund*	Moderate	None	CPI+5% to 6%
Investec Managed Namibia Fund	Moderate	None	CPI+5% to 6%
NAM Coronation Balanced Plus Fund	Moderate	None	CPI+5% to 6%
Old Mutual Namibia Profile Pinnacle 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%
Hangala Prescient Absolute Balanced Fund**	Moderate	CPI+5%	CPI+5%
Benchmark Default Portfolio***	Moderate	-	CPI+5%
Old Mutual Namibia Absolute Stable Growth****	Moderate-Low	CPI+4.5%	CPI+4.5
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%
Capricorn Stable Fund	Low	CPI+2% (2 years)	CPI+2%
Sanlam Namibia Active Fund	Low	1-3 year ALBI	CPI+1% to 2%
Capricorn Investment Fund	Capital Preservation	7 day Repo Rate	CPI to CPI + 1%

*Segregated Portfolio

**Hangala Prescient Closed since January 2017 for new investors.

***The Benchmark Default Portfolio is a combination of Allan Gray Namibia Balanced Fund (Segregated) (50%), Prudential Namibia Inflation Plus Fund (25%) and Sanlam Inflation Linked Fund (25%).

****This is a 80% guaranteed portfolio and has an additional capital charge over and above the investment fees

*****Changed legal form from a Unit Trust to Insurance Policy for regulatory compliance purposes.

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

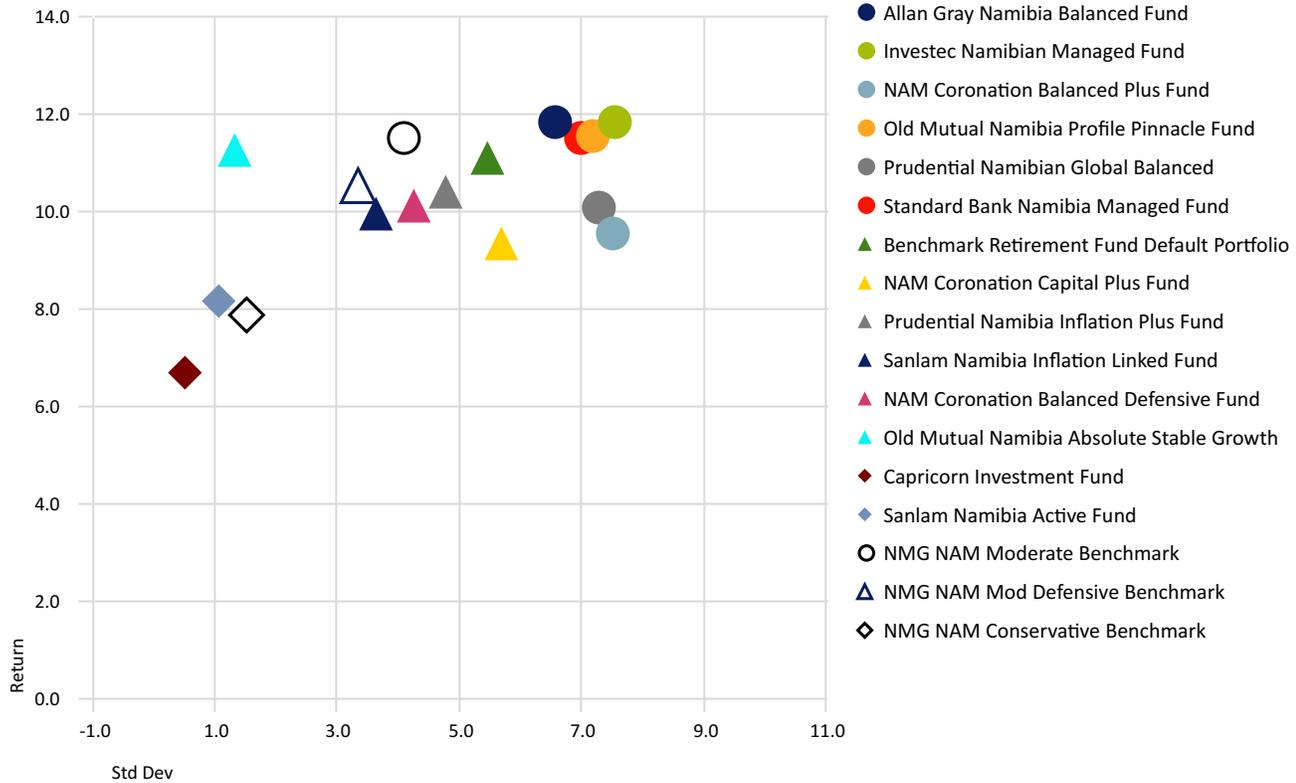
The risk rating of an investment portfolio gives an indication of how volatile investment returns may be and therefore is also an indication of the risk that the investment return per the investment mandate may not be achieved. The risk categories have the following meaning:

- **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.

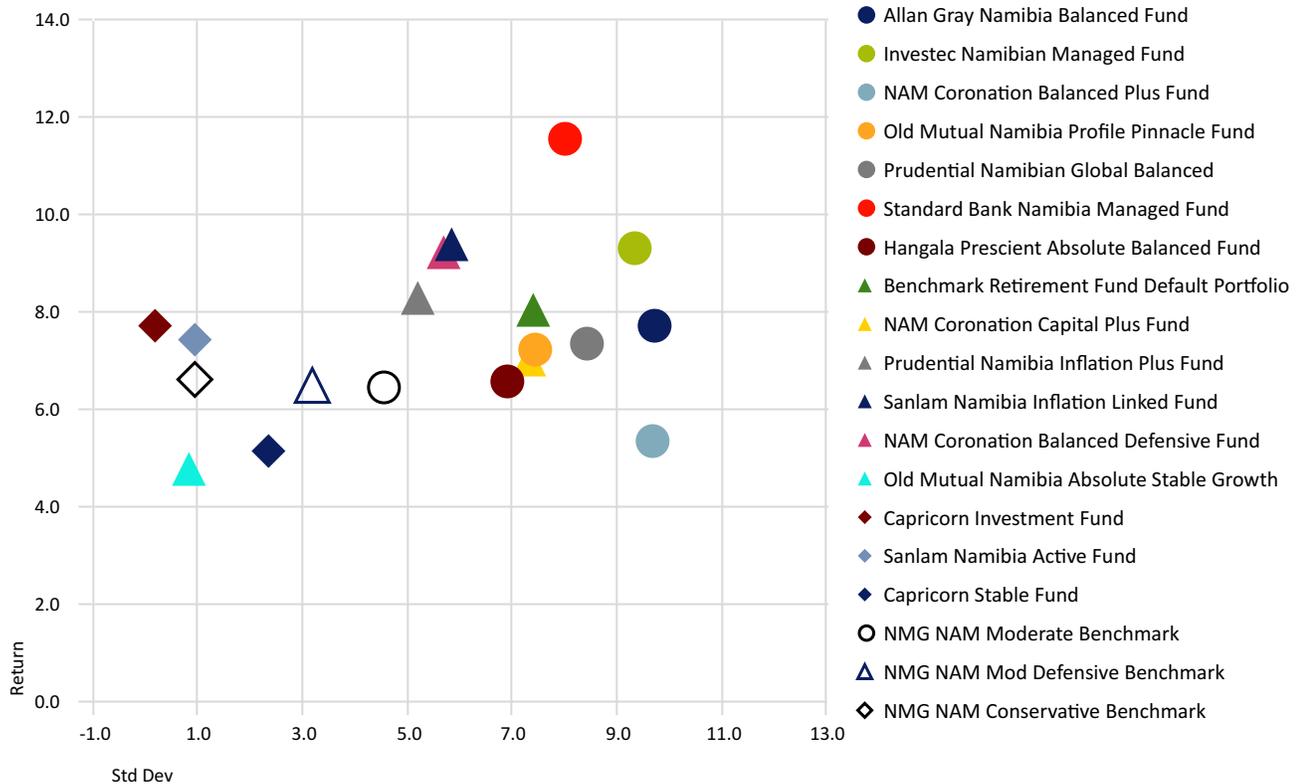
Risk-Reward - Over the long term

Time Period: 01-Apr-10 to 31-Mar-19



Risk-Reward - Over the short term

Time Period: 01-Apr-18 to 31-Mar-19



The first quarter of 2019 brought some welcomed relief from the dampened return seen during 2018, as the markets generally started the year on a positive note. Although the risks experienced during 2018 have not disappeared, markets were able to rebound somewhat.

The SA equity market displayed three consecutive months of positive returns, up nearly 8% for the first quarter, driven by general risk-on sentiment. However, in Namibia the NSX Local and Overall indices were more muted, with quarterly returns of 2.1% and 2.3% respectively. Resources were the main drivers, whereas financials were marginally down in both Namibia and South Africa.

The US-China trade war trend took a back seat as the March deadline for an agreement was pushed out as the two nations agreed to continue discussions for a final deal. However, Brexit, one of the other large geopolitical risks, continued to be no easy feat. After numerous rejections, the deadline of 29 March 2019 for Britain to exit the EU was eventually pushed out to the 12 April, whereby the UK will have to chart a new Brexit path to present to the EU.

The Namibian Dollar couldn't escape these risks, and had a rocky quarter. Strengthening came from announcements of no more interest rate hikes from the US Fed, to major weakening due to South African Eskom woes, Brexit uncertainty and policy concerns in Turkey to name a few. However despite this, the Namibian Dollar managed to end the quarter on almost flat on the same level as we started the year around N\$14.4/\$.

Namibian bonds strengthened over the quarter, returning around 4%. With the regulation changes requiring more investment in Namibian assets, the demand for bonds has increased and driven down yields, contributing to Namibian bonds returning over 10% for the year ending March 2019.

The Namibian economy shrank -1.7% in the fourth quarter of 2018, continuing the country's struggle with a prolonged recession, and marked 11 months of negative growth. The slowdown in mining and construction weighed has on growth, however if these sectors turnaround, the economy could see a potential gradual recovery in 2019. However concerns still exist such as rising government debt levels, and high unemployment which could hamper future growth expectations.

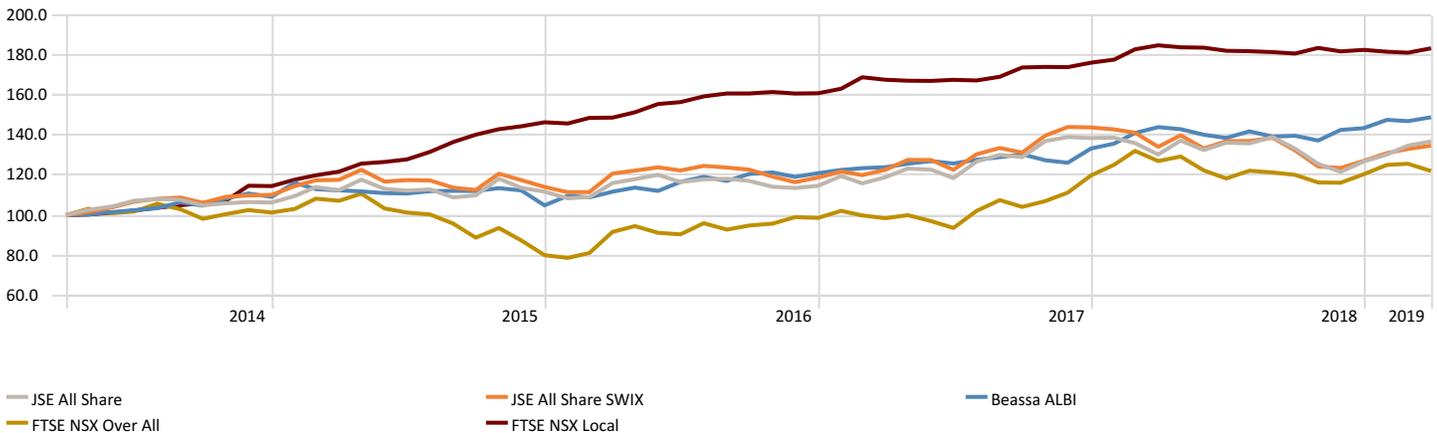
Namibian interest rates were left unchanged at 6.75% by the Bank of Namibia during February, maintaining their attempt to support growth. Namibian inflation reflected an annual rate of 4.4% in February, the lowest inflation in six months. This was mainly due to slowing prices in housing & utilities and alcoholic beverages and tobacco.

Key Indicators as at 31/03/2019

N\$/US\$	N\$14.33/\$
N\$/£	N\$18.75/£
N\$/€	N\$16.11/€
NAM Inflation rate	4.4%
NAM repo rate	6.75%
Oil Price (per barrel)	US\$68.15
Gold Price (per oz)	US\$1292.04

Investment Growth for Selected Indices

Time Period: 01-Apr-14 to 31-Mar-19



Investment Growth for Selected Indices

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
JSE All Share	8.0	8.0	5.0	5.7	6.5	14.0
JSE All Share SWIX	6.0	6.0	0.4	3.7	6.2	14.2
Beassa ALBI	3.8	3.8	3.5	10.1	8.3	8.7
FTSE NSX Over All	1.3	1.3	-3.9	10.1	4.1	10.7
FTSE NSX Local	0.4	0.4	-0.8	7.3	13.0	14.6

Periodic Table

Best ↑	JSE SA Listed Property 29.6	FTSE NSX Local 28.1	JSE SA Industrials 40.7	MSCI World 57.2	JSE Financial 15 27.8	MSCI World 33.5	JSE SA Re-sources 34.2	JSE Financial 15 24.4	JSE SA Re-sources 15.5	JSE SA Re-sources 17.8
	JSE SA Industrials 27.4	MSCI World 15.9	JSE Financial 15 37.8	JSE SA Industrials 35.0	JSE SA Listed Property 26.6	FTSE NSX Local 28.0	FTSE NSX Over All 23.5	JSE SA Industrials 22.5	Beassa ALBI 7.7	MSCI World 12.9
	FTSE/JSE All Share TR ZAR 19.0	JSE SA Industrials 9.2	JSE SA Listed Property 35.9	FTSE/JSE All Share TR ZAR 21.4	FTSE NSX Local 17.3	JSE SA Industrials 15.3	Beassa ALBI 15.4	FTSE NSX Over All 21.6	STeFI 3 Month 6.9	FTSE/JSE All Share TR ZAR 8.0
	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 Industrials 16.8	JSE SA Listed Property 8.0	JSE SA Listed Property 10.2	FTSE/JSE All Share TR ZAR 21.0	MSCI World 6.7	JSE SA Industrials 7.4
	JSE Financial 15 14.8	Beassa ALBI 8.9	FTSE NSX Local 23.7	JSE Financial 15 19.8	MSCI World 16.5	STeFI 3 Month 6.1	FTSE NSX Local 9.9	JSE SA Re-sources 17.9	FTSE NSX Local 3.6	Beassa ALBI 3.8
	FTSE NSX Over All 12.3	JSE Financial 15 6.6	MSCI World 22.5	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	JSE SA Listed Property 17.2	FTSE NSX Over All 0.5	STeFI 3 Month 1.7
	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	MSCI World 11.4	JSE Financial 15 -4.1	JSE SA Listed Property 1.5
	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	Beassa ALBI 10.2	FTSE/JSE All Share TR ZAR -8.5	FTSE NSX Over All 1.3
	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 -4.6	FTSE NSX Local 9.5	JSE SA Industrials -17.5	FTSE NSX Local 0.4
	MSCI World 0.9	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 Industrials -6.6	STeFI 3 Month 7.1	JSE SA Listed Property -25.3	JSE Financial 15 -0.4
	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD

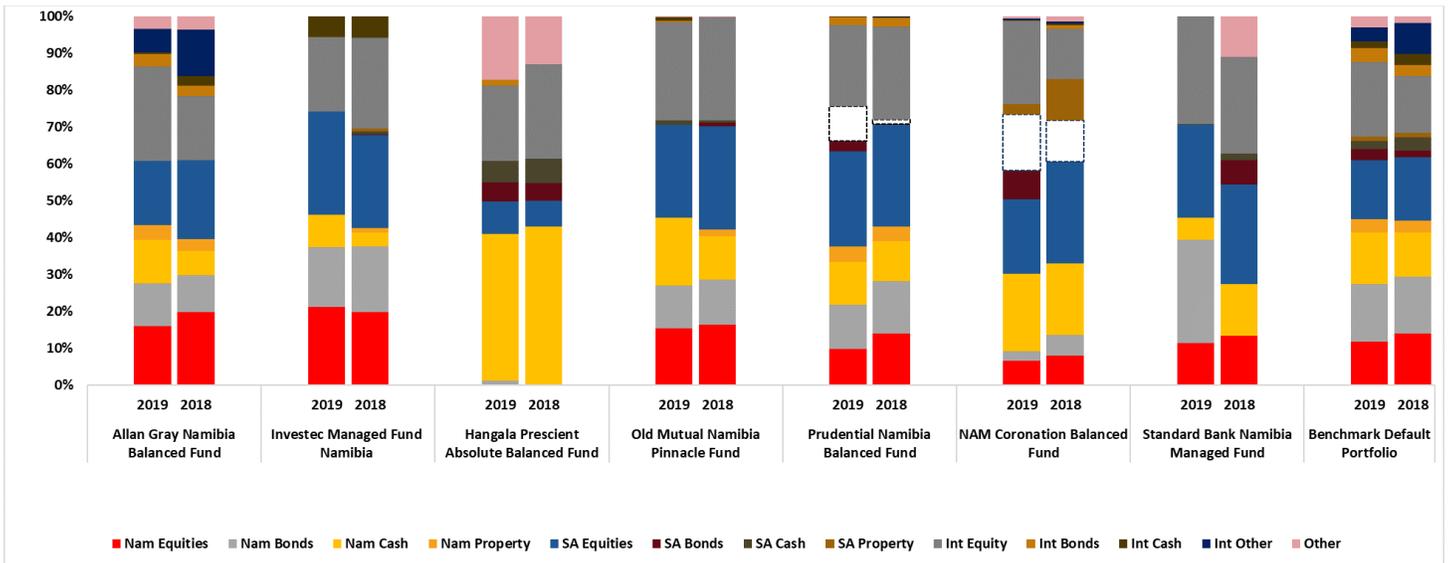
Asset Class Periodic Returns

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
FTSE/JSE All Share TR ZAR	8.0	8.0	5.0	5.7	6.5	14.0
JSE SA Listed Property	1.5	1.5	-5.7	-3.8	5.6	12.4
JSE SA Resources	17.8	17.8	41.6	22.2	0.9	5.4
JSE SA Industrials	7.4	7.4	-3.7	0.6	6.3	17.9
JSE Financial 15	-0.4	-0.4	-3.5	5.3	8.2	16.1
Beassa ALBI	3.8	3.8	3.5	10.1	8.3	8.7
STeFI 3 Month	1.7	1.7	6.9	7.1	6.7	6.3
MSCI World	12.9	12.9	27.3	10.6	14.4	17.8
FTSE NSX Local	0.4	0.4	-0.8	7.3	13.0	14.6
FTSE NSX Over All	1.3	1.3	-3.9	10.1	4.1	10.7

Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 31 March 2019 as compared to 31 March 2018



Notes 31 March 2019:

- Allan Gray: International Other represents Property, Hedged Equity & Commodities
- Allan Gray: Other represents SA and Namibia Commodities
- Allan Gray: International Equity represents Net Equity
- Default: International Other represents Property, Hedged Equity and Commodities.
- NAM Coronation Balanced Plus: Other represents Commodities and International Other represents Property.
- NAM Coronation and Prudential use 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.
- Negative allocation to an asset class is represented by dashed bars.

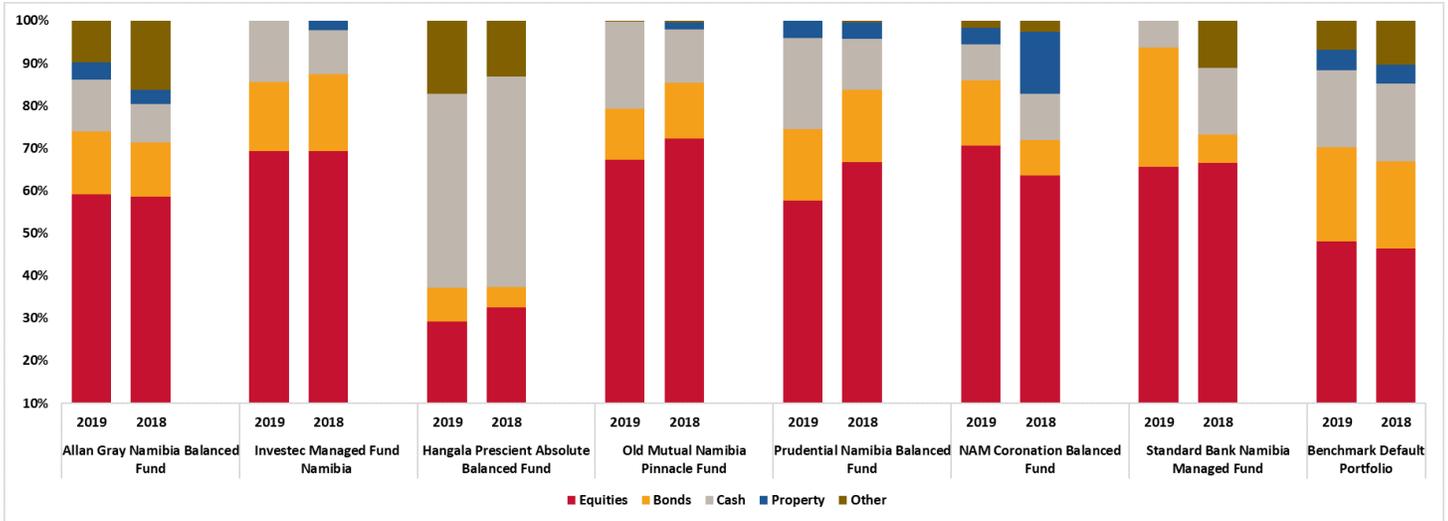
Notes 31 March 2018:

- Allan Gray: International Cash represents Africa and Foreign exAfrica
- Allan Gray: International Other represents Property, Hedged Equity & Commodities
- Allan Gray: Other represents SA and Namibia Commodities
- Allan Gray: International Equity represents Net Equity (15.0%)
- Standard Bank Managed: International Other represents Unit Trusts and Property
- Hangala Prescient: International Other represents Collective Investments and Other represents Forwards, Swaps and Derivatives
- NAM Coronation Balanced Plus: Other represents Commodities and Preference Shares and International Other represents Commodities, Property and Africa.
- NAM Coronation and Prudential use 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.
- Prudential: International Other represents Property
- Investec: Other represents South African derivatives.

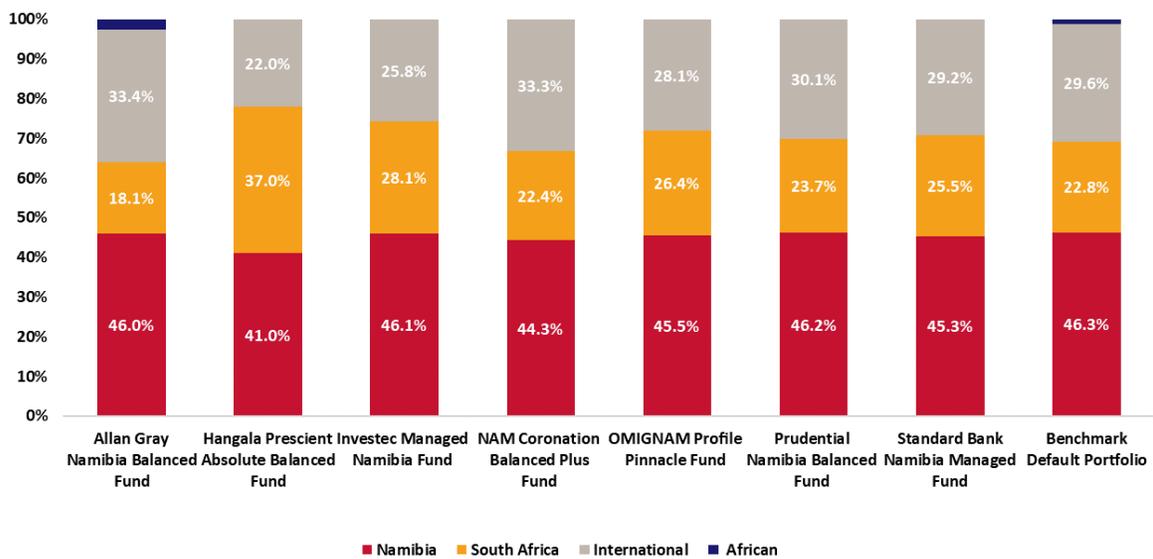
Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 31 March 2019 as compared to 31 March 2018



Geographical Split as at 31 March 2019:



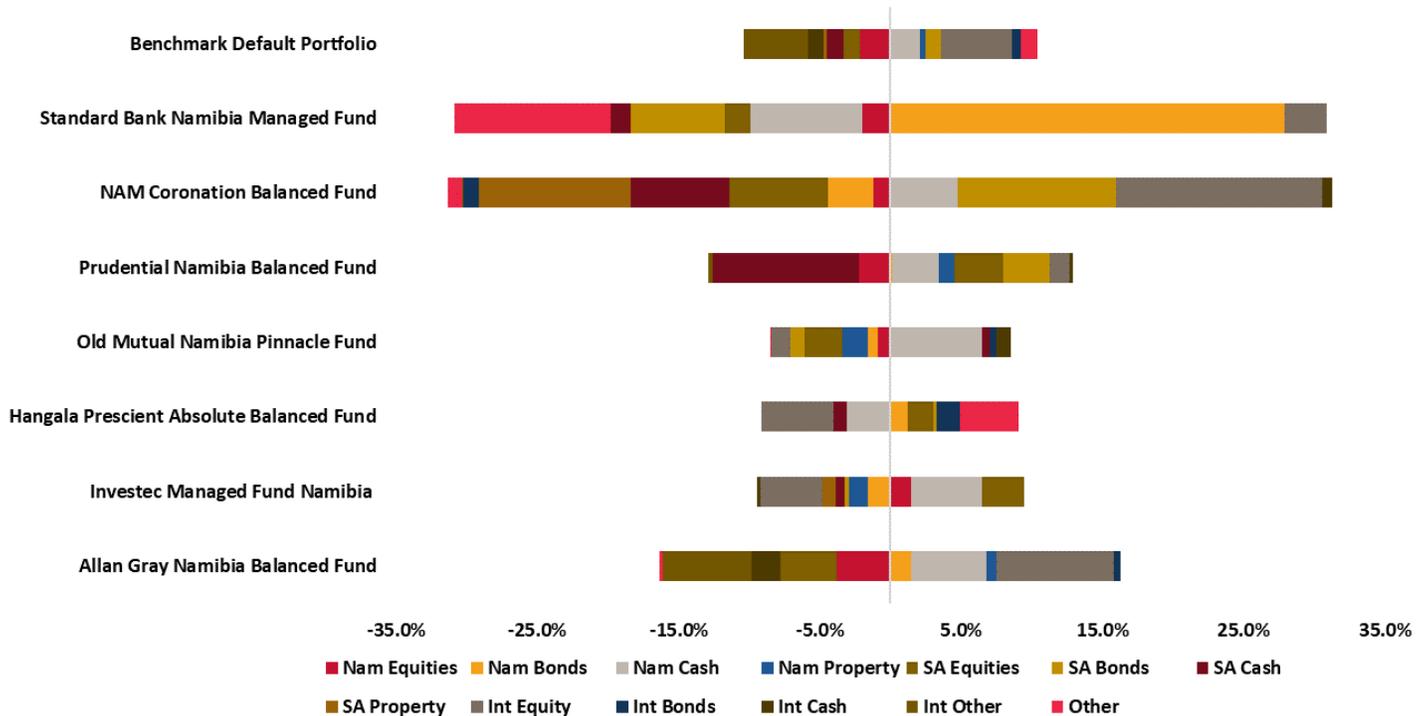
Notes:

Allan Gray: 2.5% African
 Benchmark Default: 1.3% African

Performance Comparison

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **31 March 2019**. 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



NAM Coronation and Standard Bank showed the most changes over the year, with large increases in Namibian Bonds and International Equity respectively (however, a few changes were due to reclassification of assets on the international side between equity and other assets). All managers increased their allocation to Namibian assets with the exception of NAM Coronation, who decreased their exposure slightly by 0.6% percentage points. Standard Bank and Hangala Prescient decreased their NAM cash allocations unlike the rest of the managers, who increased their allocation to domestic cash. Regarding South African assets, all managers reduced their equity allocations except for Investec and Hangala Prescient. Old Mutual, Hangala Prescient and Investec made the least changes over the year.

Performance Comparison

Moderate Risk Portfolios

Trailing Returns as at 31 March 2019

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	7.7	5.9	8.7	12.2
Hangala Prescient Absolute Balanced Fund	6.6	4.9	4.9	—
NAM Coronation Balanced Plus Fund	5.3	4.1	6.8	11.7
Investec Namibian Managed Fund	9.3	6.1	9.2	13.8
Old Mutual Namibia Profile Pinnacle Fund	7.2	6.7	8.7	13.4
Standard Bank Namibia Managed Fund	11.5	6.4	7.6	12.9
Prudential Namibian Balanced	7.3	6.7	8.0	11.6
Benchmark Retirement Fund Default Portfolio	8.0	5.8	8.1	11.5
NMG SA Moderate Benchmark	8.1	6.6	8.0	12.0
NMG NAM Moderate Benchmark	6.4	6.9	8.9	11.6
FTSE/JSE All Share TR ZAR	5.0	5.7	6.5	14.0
NAM CPI + 6%	10.8	11.3	11.3	11.7

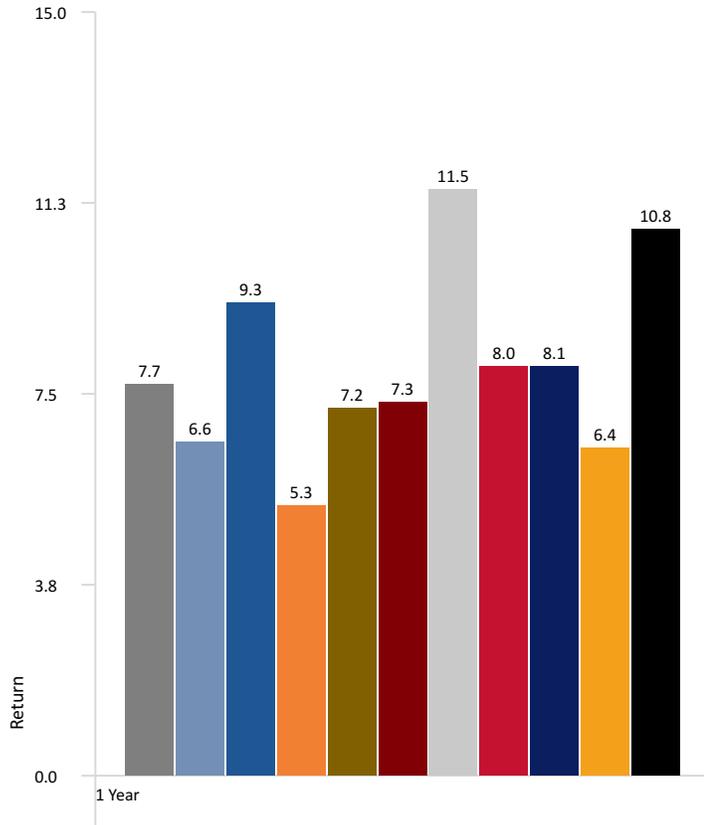
Trailing Returns as at 31 March 2018

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	6.0	8.9	11.0	11.0
Hangala Prescient Absolute Balanced Fund	6.7	1.8	5.8	—
NAM Coronation Balanced Plus Fund	5.2	4.4	9.7	9.4
Investec Namibian Managed Fund	7.0	5.6	11.2	10.4
Old Mutual Namibia Profile Pinnacle Fund	8.3	6.9	10.8	10.5
Standard Bank Namibia Managed Fund	7.0	4.3	9.2	10.2
Prudential Namibian Balanced	8.0	6.5	10.0	—
Benchmark Retirement Fund Default Portfolio	5.7	7.2	9.7	10.0
NMG SA Moderate Benchmark	7.9	6.2	9.5	9.8
NMG NAM Moderate Benchmark	8.8	8.0	10.3	10.9
FTSE/JSE All Share TR ZAR	9.6	5.1	10.0	9.7
NAM CPI + 6%	9.7	12.0	11.4	12.4

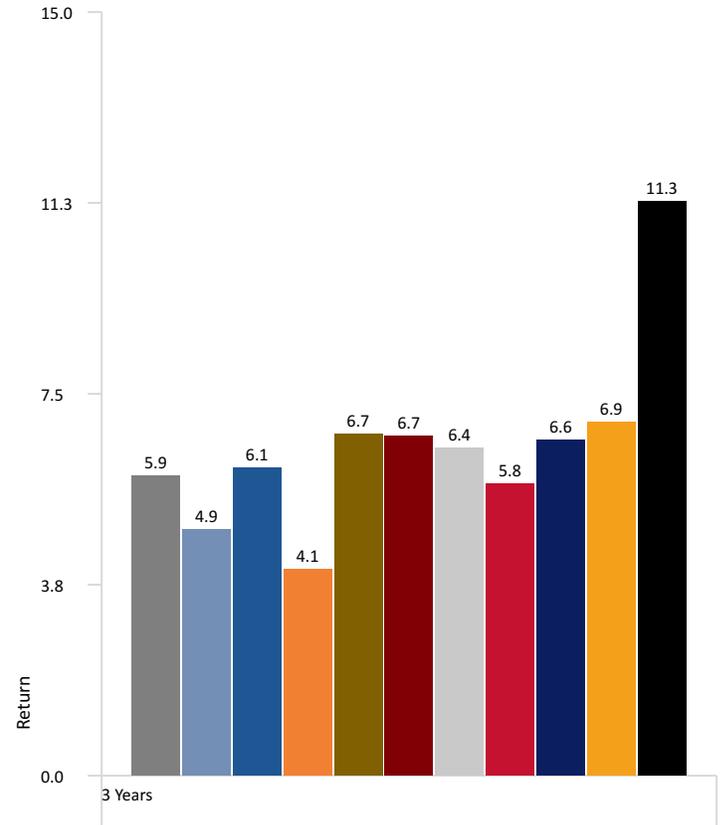
Performance Comparison

Moderate Risk Portfolios

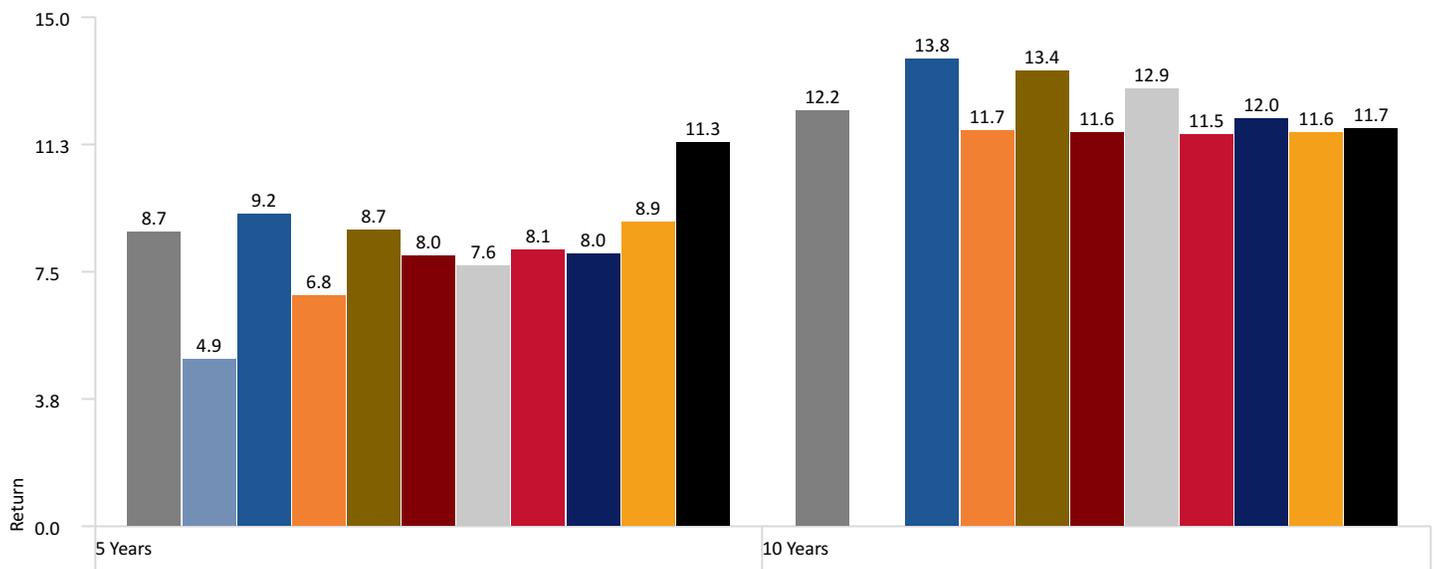
1 year performance for the period ended 31 March 2019



3 year performance for the period ended 31 March 2019



5 & 10 years performance for the period ending 31 March 2019



- Allan Gray Namibia Balanced Fund
- NAM Coronation Balanced Plus Fund
- Standard Bank Namibia Managed Fund
- NMG NAM Moderate Benchmark
- Hangala Prescient Absolute Balanced Fund
- Old Mutual Namibia Profile Pinnacle Fund
- Benchmark Retirement Fund Default Portfolio
- NAM CPI + 6%
- Investec Namibian Managed Fund
- Prudential Namibian Balanced
- NMG SA Moderate Benchmark

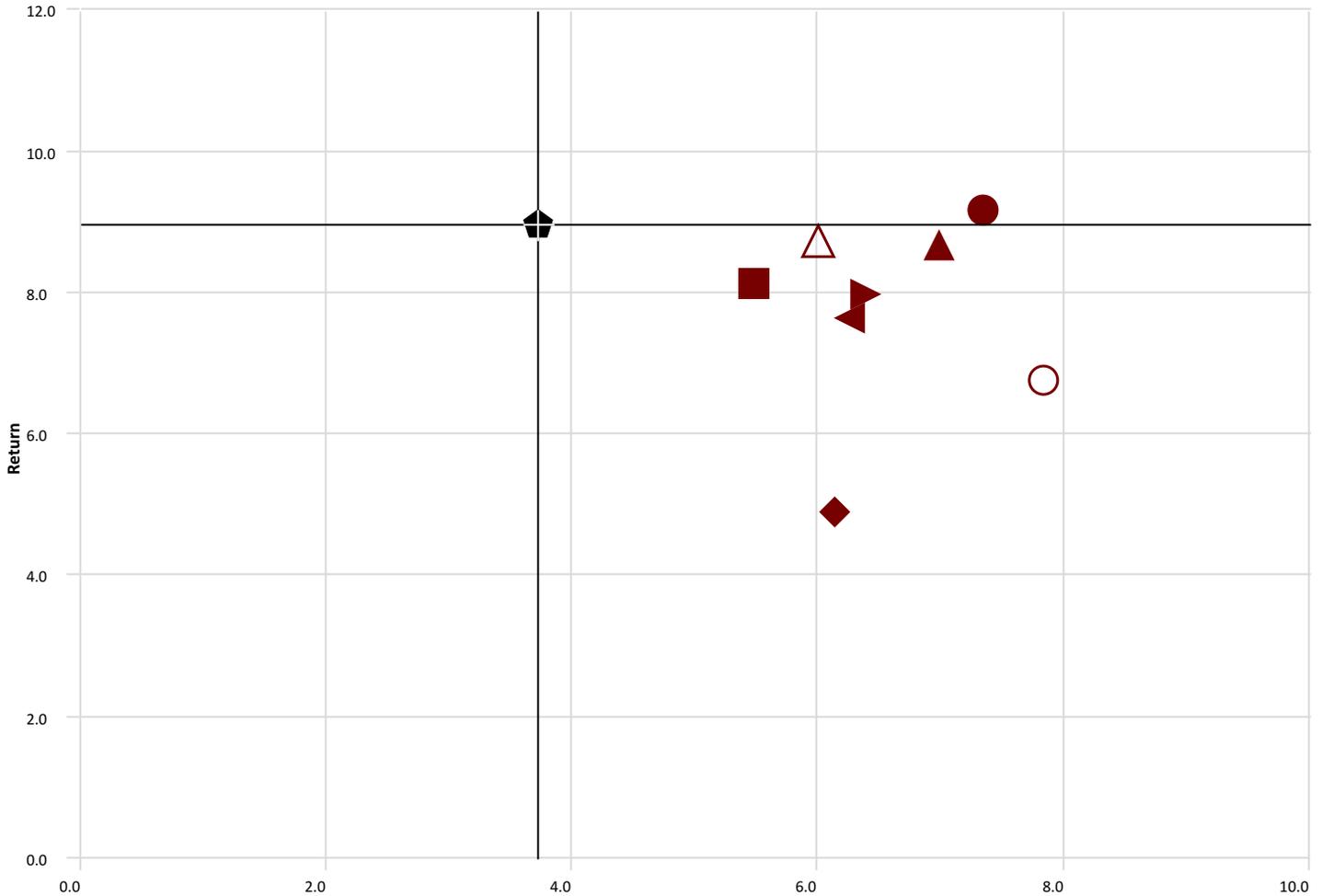
Performance Comparison

Moderate Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate portfolios for a 5 year period. These returns are **gross** of all investment charges.

Risk-Reward

Time Period: 01-Apr-14 to 31-Mar-19



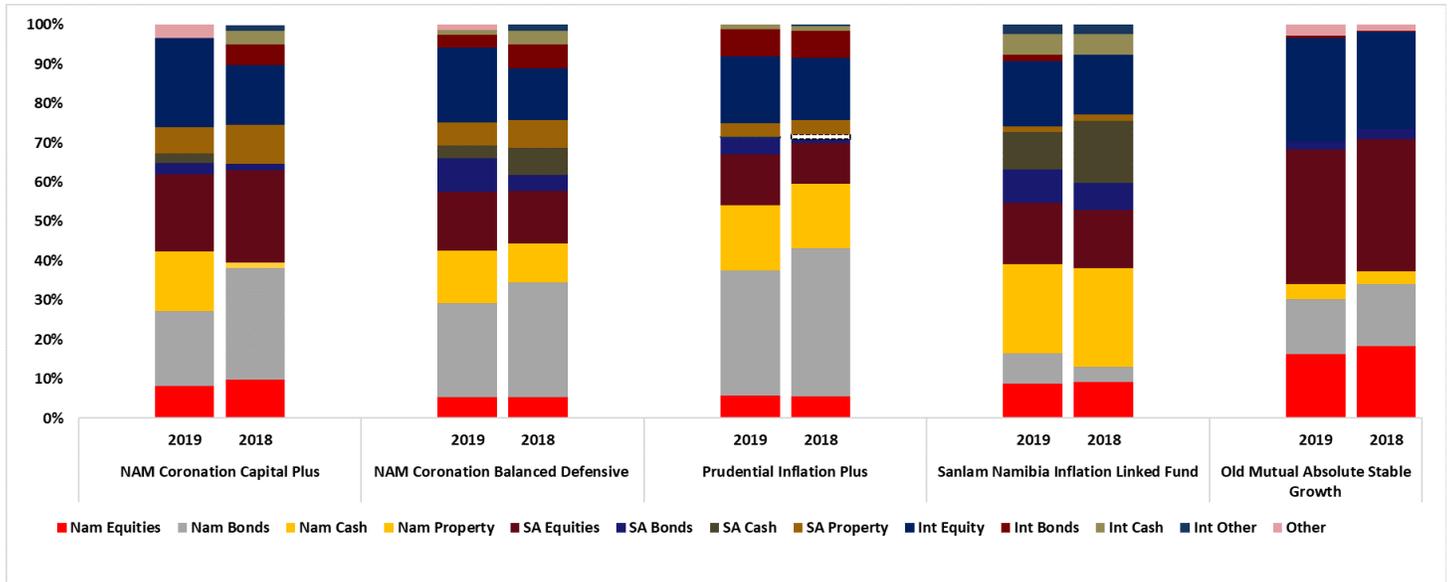
Std Dev

- ▲ Allan Gray Namibia Balanced Fund
- ◆ Hangala Prescient Absolute Balanced Fund
- Investec Namibian Managed Fund
- NAM Coronation Balanced Plus Fund
- ▲ Old Mutual Namibia Profile Pinnacle Fund
- ▶ Prudential Namibian Balanced
- ◀ Standard Bank Namibia Managed Fund
- Benchmark Retirement Fund Default Portfolio
- ◆ NMG NAM Moderate Benchmark

Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 31 March 2019 as compared to 31 March 2018



Notes 31 March 2019:

1. NAM Coronation Capital Plus: International Other represents Commodities
2. NAM Coronation Balanced Defensive: International Other represents Property
3. Sanlam Namibia Inflation Linked: International Other represents Property
4. NAM Coronation Capital Plus's NAM Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
5. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive: SA & NAM Other represents Commodities, Preference shares and other securities
6. Negative allocation to an asset class is represented by dashed bars.

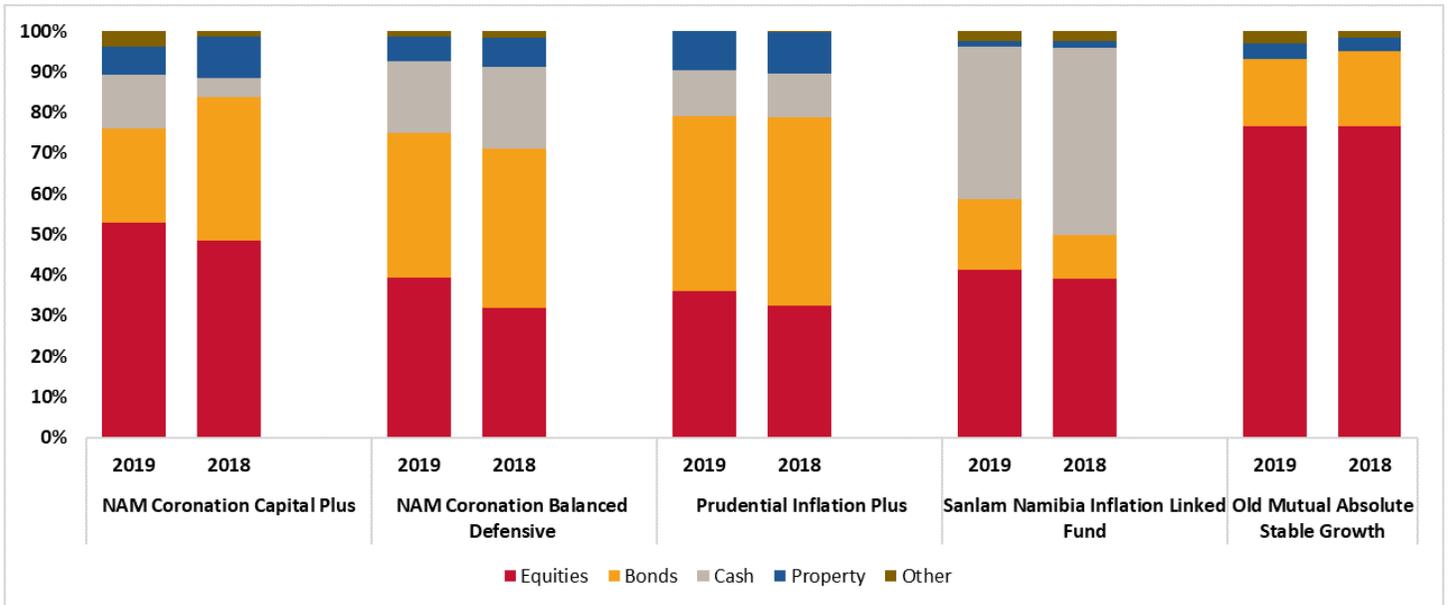
Notes 31 March 2018:

1. NAM Coronation Capital Plus: International Other represents Commodities
2. NAM Coronation Balanced Defensive: International Other represents Property & Commodities
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 offset or "Notional Cash value" for all derivative effective exposure
6. Prudential Inflation Plus: International Other represents Property

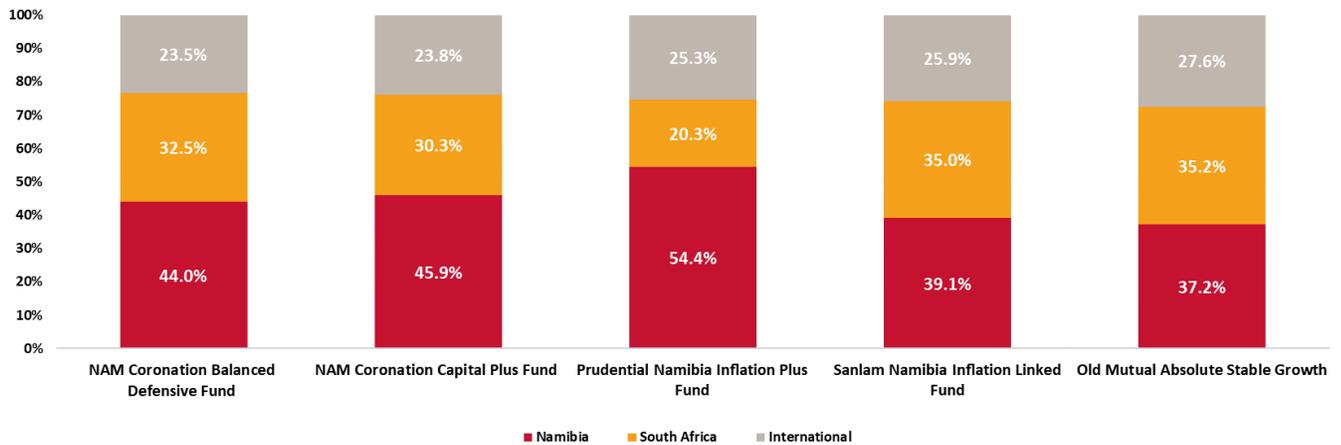
Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 31 March 2019 as compared to 31 March 2018



Geographical Split as at 31 March 2019:

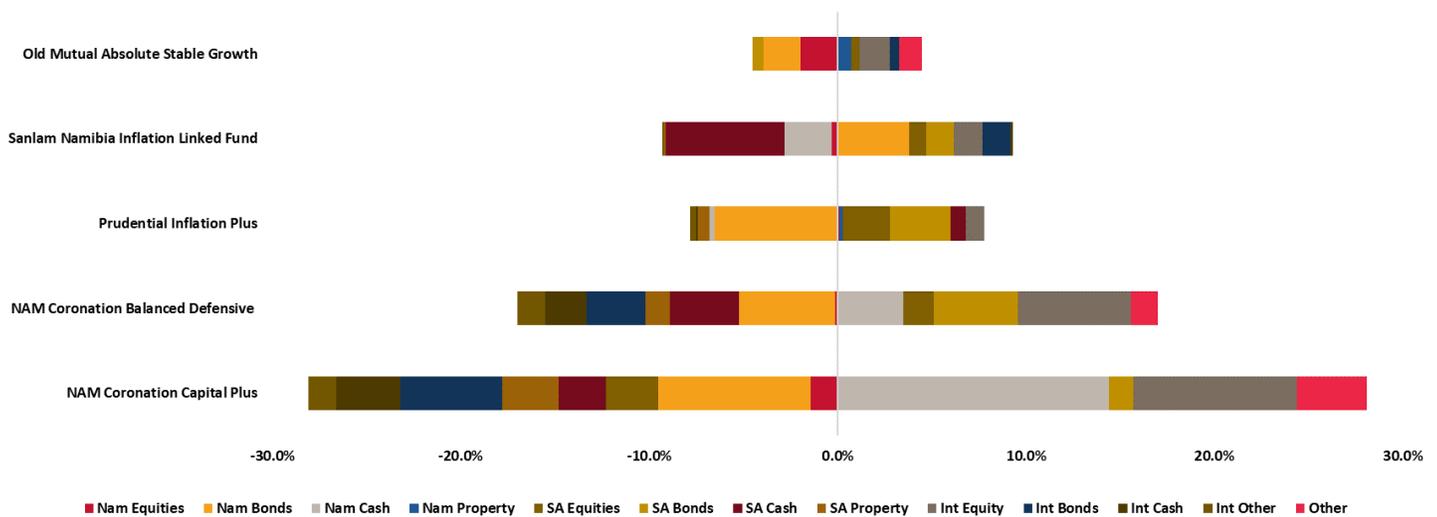


Performance Comparison

Moderate-Low Risk 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 **31 March 2019**. 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.



Sanlam, Old Mutual and Prudential all increased their international assets while the two NAM portfolios decreased their exposure by lowering their international bonds and cash allocations. NAM and Sanlam increased their Namibian assets over the year while Prudential and Old Mutual decreased their Namibian exposure. Namibian property remained relatively unchanged over the year, in contrast to SA property which decreased considerably across all portfolios. Regarding South African assets, NAM and Sanlam decreased their exposure to the region while Prudential increased their SA exposure, with the majority of managers increasing their SA equity positions. The most overall changes were made within the two NAM portfolio's, with large increases in Namibian cash and relatively large decreases in International and Namibian bonds. Old Mutual made the least changes to its portfolio over the year.

Performance Comparison

Moderate-Low Risk Portfolios

Trailing Returns as at 31 March 2019

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	9.2	6.2	7.5	11.1
NAM Coronation Capital Plus Fund	7.0	4.5	5.8	10.4
Prudential Namibia Inflation Plus Fund	8.3	6.3	8.0	11.3
Sanlam Namibia Inflation Linked Fund	9.4	6.6	8.0	10.8
Old Mutual Absolute Stable Growth	4.8	7.3	9.4	11.4
NMG NAM Mod Defensive Benchmark	6.5	7.3	8.6	10.6
CPI + 4%	8.7	9.2	9.2	9.6

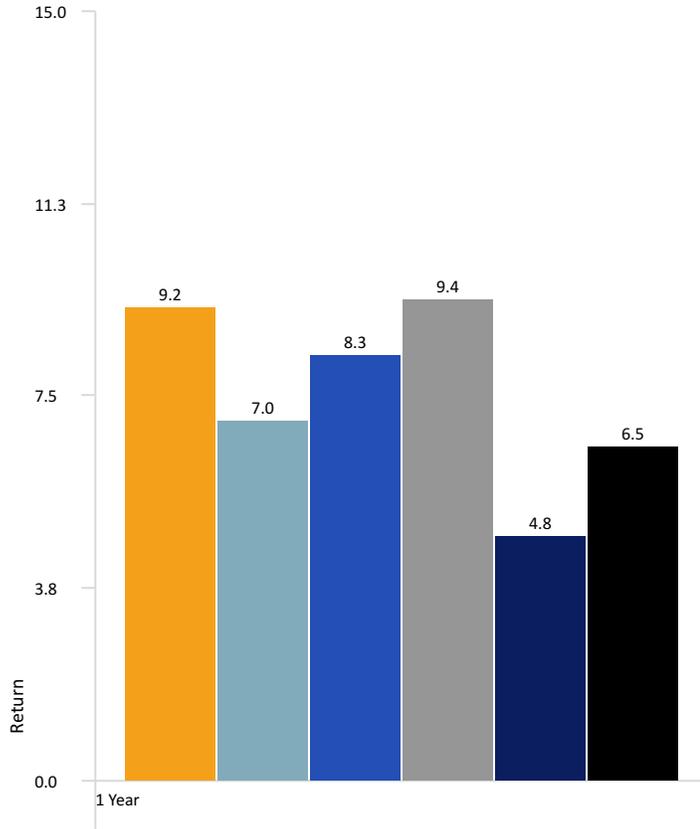
Trailing Returns as at 31 March 2018

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	3.9	5.5	8.3	9.9
NAM Coronation Capital Plus Fund	1.7	3.6	7.4	10.3
Prudential Namibia Inflation Plus Fund	7.4	6.3	8.9	9.8
Sanlam Namibia Inflation Linked Fund	4.5	6.4	8.8	9.9
Old Mutual Absolute Stable Growth	9.9	9.2	11.5	11.8
NMG NAM Mod Defensive Benchmark	9.4	7.9	9.3	10.3
NAM CPI + 4%	7.7	9.9	9.3	10.3

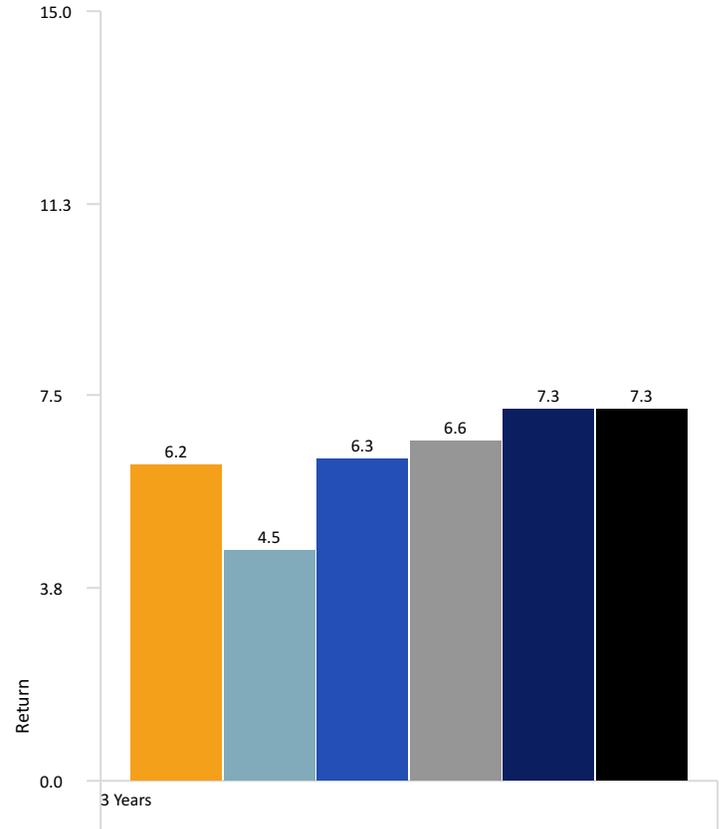
Performance Comparison

Moderate-Low Risk Portfolios

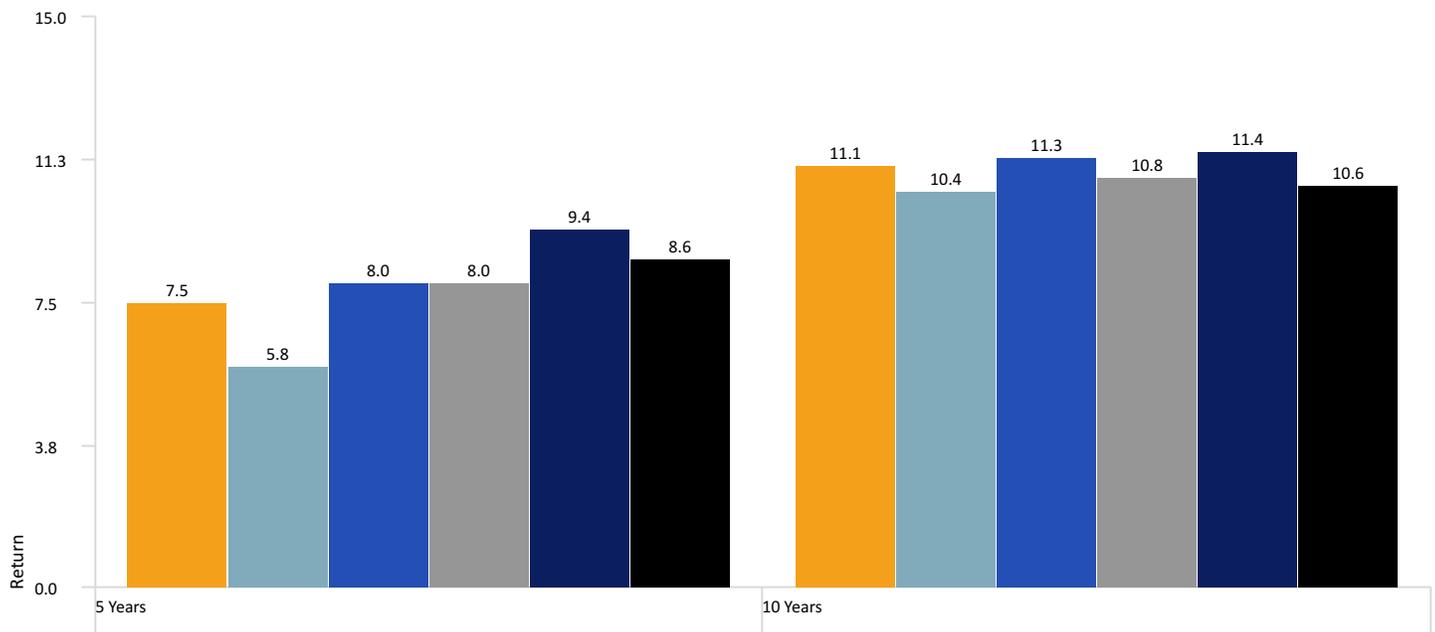
1 year performance for the period ended 31 March 2019



3 years performance for the period ended 31 March 2019



5 & 10 years performance for the period ended 31 March 2019



■ NAM Coronation Balanced Defensive Fund
■ Sanlam Namibia Inflation Linked Fund

■ NAM Coronation Capital Plus Fund
■ Old Mutual Absolute Stable Growth

■ Prudential Namibia Inflation Plus Fund
■ NMG NAM Mod Defensive Benchmark

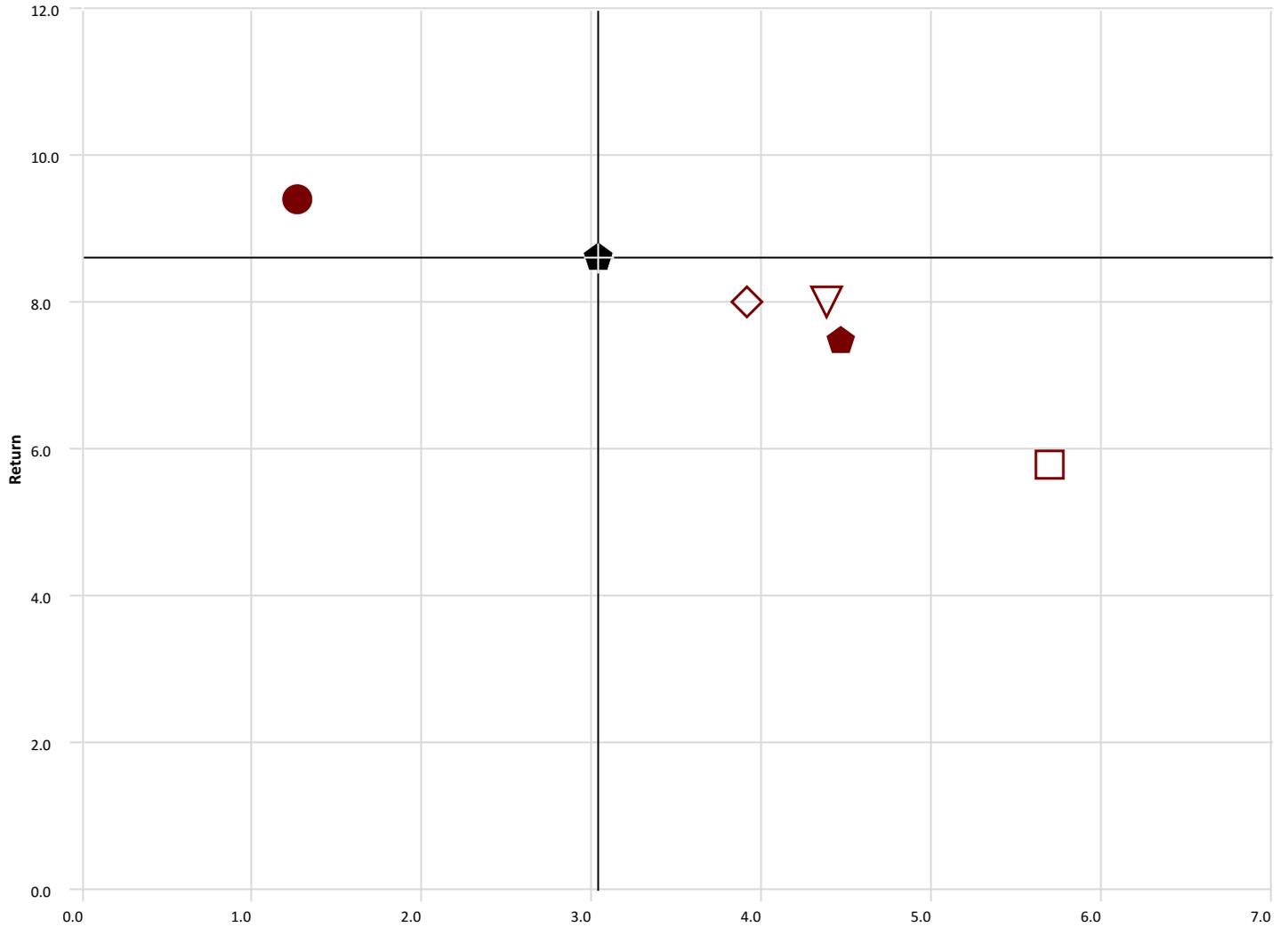
Performance Comparison

Moderate-Low Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate low portfolios for a 5 year period. These returns are **gross** of all investment charges.

Risk-Reward

Time Period: 01-Apr-14 to 31-Mar-19

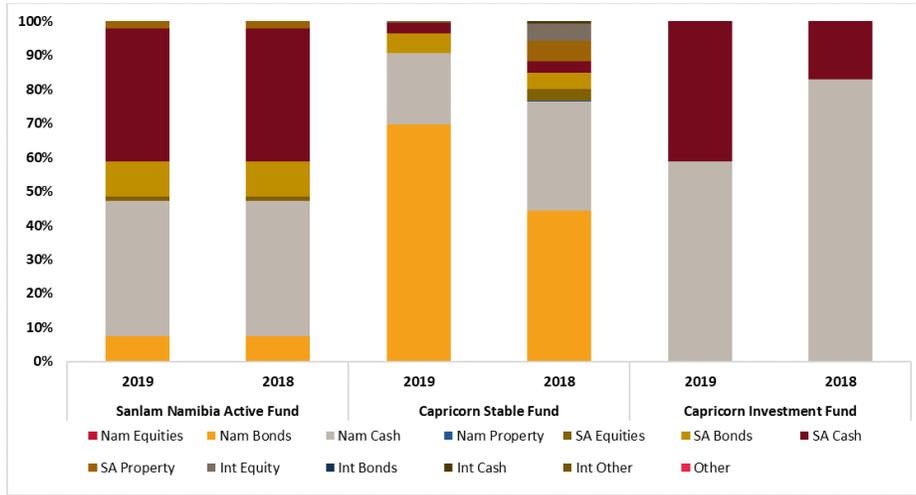


- Std Dev**
- ◆ NAM Coronation Balanced Defensive Fund
 - ◻ NAM Coronation Capital Plus Fund
 - ▽ Prudential Namibia Inflation Plus Fund
 - ◇ Sanlam Namibia Inflation Linked Fund
 - Old Mutual Absolute Stable Growth
 - ◆ NMG NAM Mod Defensive Benchmark

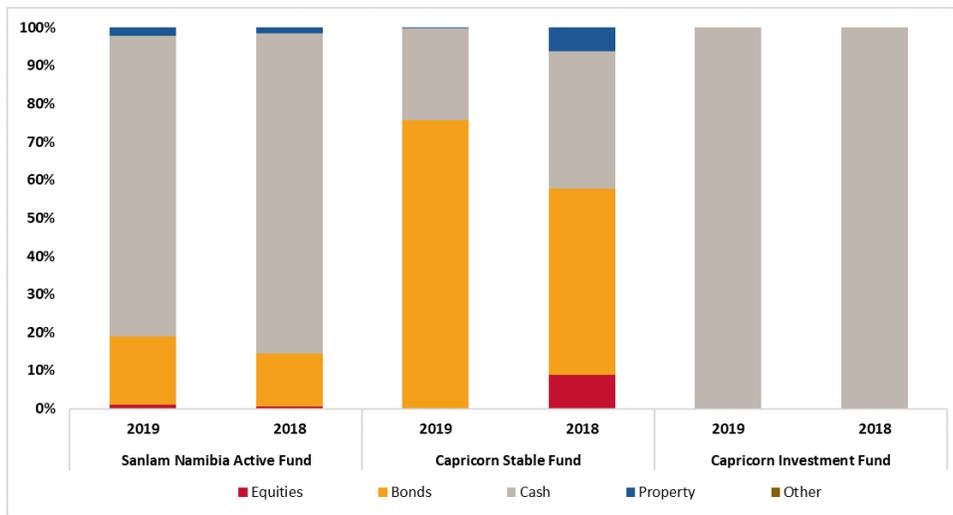
Performance Comparison

Low Risk and Capital Preservation Portfolios

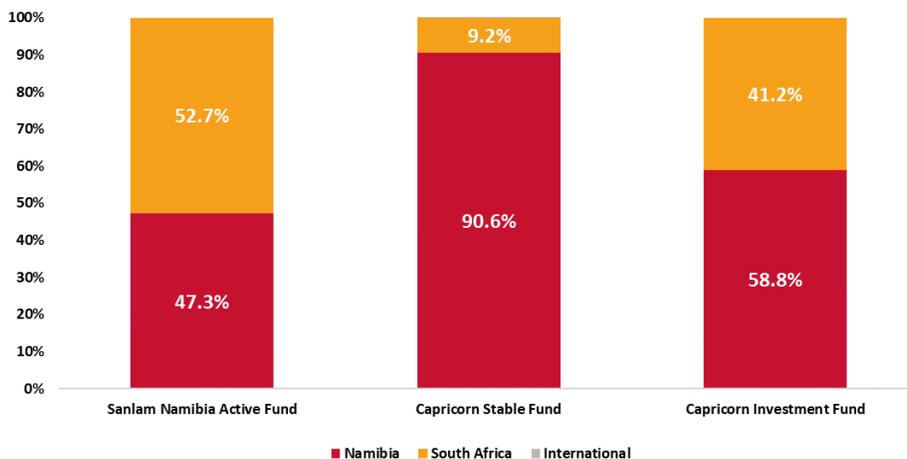
Asset Allocation as at 31 March 2019 as compared to 31 March 2018



The total Namibian exposure is 47.3% for the Sanlam Namibia Active Fund. The Capricorn Stable fund is a multi-asset low risk fund. It invests 90.6% in Namibian assets. The Money Market Fund is managed by Capricorn Asset Management and is mainly invested in Namibian & South African cash investments.



Geographical Split:



Performance Comparison

Low Risk and Capital Preservation Portfolios

Trailing Returns as at 31 March 2019

	1 Year	3 Years	5 Years	10 Years
Capricorn Stable*	5.1	8.1	—	—
Sanlam Namibia Active Fund	7.4	8.4	8.3	8.4
NAM CPI	4.5	5.0	5.0	5.4
NAM CPI + 2%	6.6	7.1	7.1	7.5
Beassa 1-3 Yr TR ZAR	8.3	9.1	8.1	7.7

*The Capricorn Stable returns are purely for illustrative purposes as the first investment by Benchmark into the fund was only made at the end of March 2019.

Trailing Returns as at 31 March 2018

	1 Year	3 Years	5 Years	10 Years
Capricorn Stable*	10.7	8.1	—	—
Sanlam Namibia Active Fund	8.4	8.4	8.1	9.1
NAM CPI	3.5	5.7	5.1	6.0
NAM CPI + 2%	5.6	7.8	7.2	8.1
Beassa 1-3 Yr TR ZAR	9.6	8.2	7.2	8.2

*The Capricorn Stable returns are purely for illustrative purposes as the first investment by Benchmark into the fund was only made at the end of March 2019.

Trailing Returns as at 31 March 2019

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	7.7	8.0	7.3	6.8
NAM CPI + 1%	5.5	6.1	6.0	6.4
IJG Money Market GR NAD	7.7	8.0	7.3	6.8

Trailing Returns as at 31 March 2018

	1 Year	3 Years	5 Years	2018
Capricorn Investment Fund	8.5	7.5	6.8	7.2
NAM CPI + 1%	4.5	6.7	6.2	7.1
IJG Money Market GR NAD	8.3	7.6	6.8	—

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 greater stability in returns and aim to preserve capital. These portfolios experience less volatility and may or may not have an underlying guarantee.

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 13 of the Pension Fund Act.

Regulation 13: 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.