



Benchmark Retirement Fund

Quarterly Investment Report: As at 30 September 2019

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Introduction

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 ¹	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**** ¹	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 ¹	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%
Sanlam Namibia Absolute Return Plus ¹	Low	CPI +2%	CPI +2%

*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.

¹ - Insurance Policy.

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 Appendix 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:

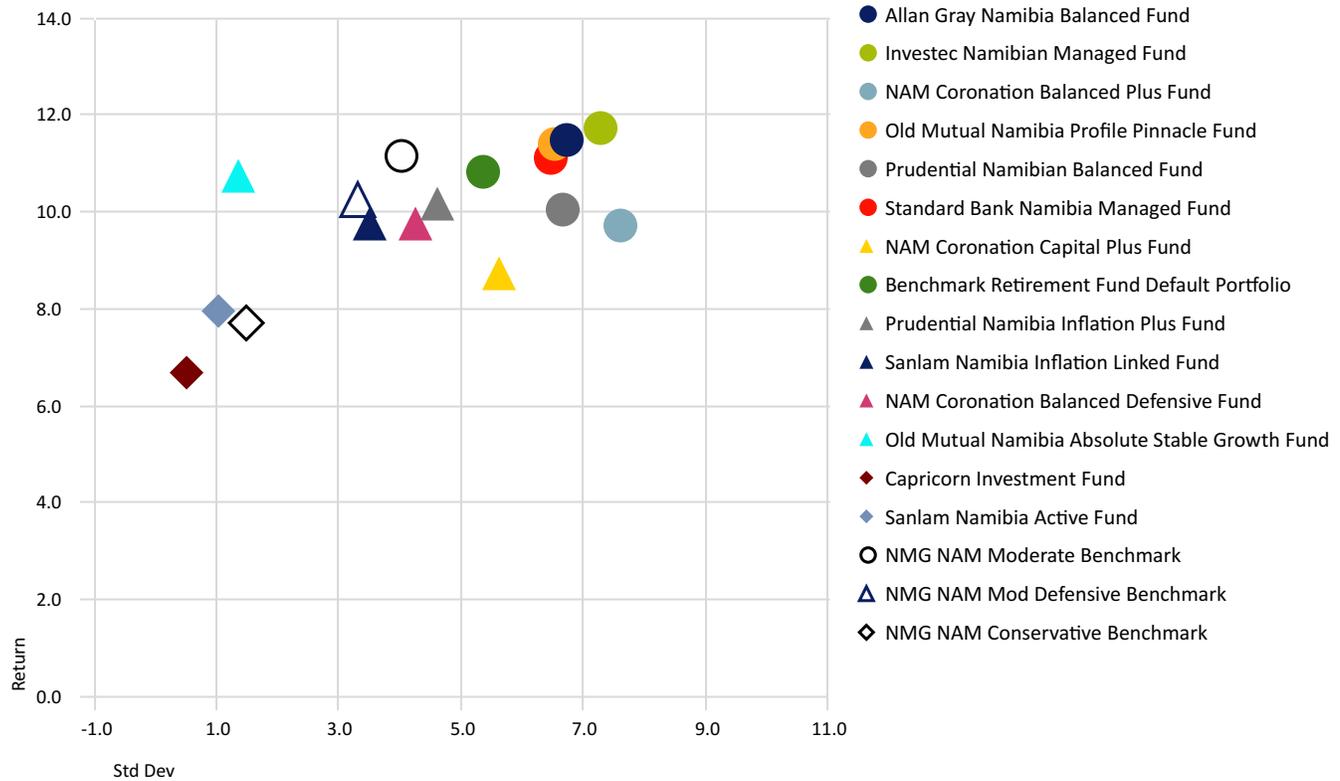
- **Aggressive risk portfolios:** Short term negative returns are possible with this type of portfolio. Exposure to equities (shares) is normally maximised for these types of portfolios in order to achieve the return objective. Maximisation of equity exposure however takes place within the prudential 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.

Introduction

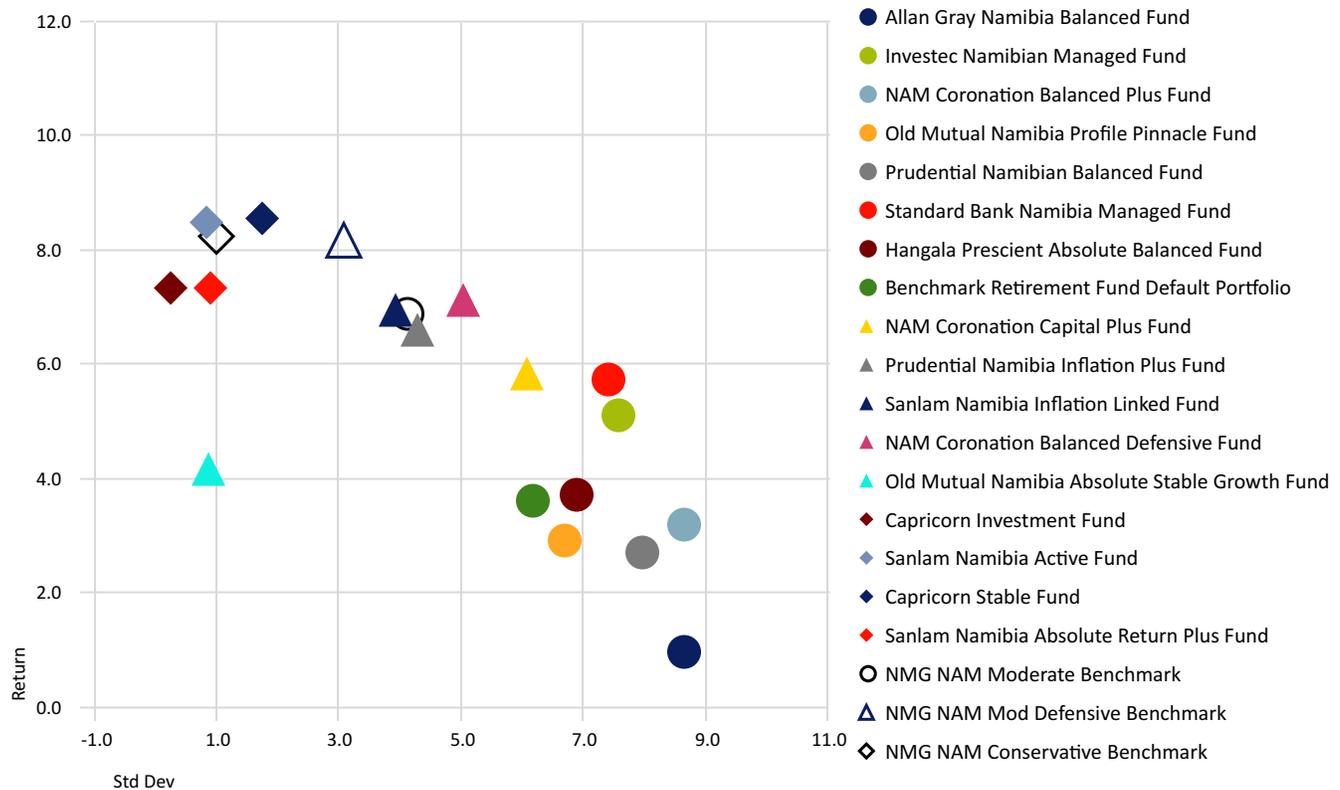
Risk-Reward - Over the long term

Time Period: 01/10/2010 to 30/09/2019



Risk-Reward - Over the short term

Time Period: 01/10/2018 to 30/09/2019



Market Overview

The second half of the year began with the return of old risks and volatility. Financial markets struggled, with the back and forth trade tensions and global market growth slowing. Locally, the South African economy has been adversely affected by these risks, intensified by its own weak factors.

With mixed signals in the trade war after escalation of further trade tariffs, investors saw a silver lining when announcements were made that trade talks between the US and China were set to resume during October, however, this quickly turned when President Donald Trump then announced he would ensure the US would "not accept a bad deal" with defiance. To add, talks floated around on whether Chinese companies would be delisted from US exchanges. To add, a formal impeachment inquiry into Trump was announced at the end of September, which could further rumble markets. Brexit, another familiar instigator of increased financial market risk, was still prominent during the quarter. Boris Johnson, who was appointed the new British prime minister during July, has made it his mission for Britain to leave the EU on the 31st October, deal or no deal. However, with little progress of a deal, the prime minister requested the shutdown of parliament, viewed as an attempt to stop those wanting to block a no-deal Brexit. Fortunately, MPs voted through a law forcing the government to seek a third Brexit extension, which will push the deadline back to 31 January 2020. It is expected that the uncertainties surrounding Brexit will continue to disrupt markets for the year.

After the strong first half of the year, the third quarter pulled back some of these gains made. Similar to other emerging markets, and the South African JSE All Share, the NSX Overall index returned a negative -7.5% for the 3-month period and was largely pulled down by consumer services and industrials. However, the NSX Local index managed to turn a positive quarter, ending September up 3.7%, with a positive consumer goods sector. Developed financial markets generally had a better time, largely driven by the strong US market which hit an all-time high during the quarter, and ended the quarter up 8% and year-to-date 24.5%. A large portion of this foreign return was due to the currency effect, as the Namibian Dollar depreciated by 7.5% against the US Dollar over the quarter.

Namibian growth continues to struggle, as the economy contracted by 2.6%, on a year-on-year basis, (despite registering positive growth of 0.8% for the second quarter of 2019). This was mainly due to declines in the agricultural sector as well as the mining sector. As expected, the Bank of Namibia cut interest rates by 0.25% to 6.5% during August, the first cut in a year, in desperate hopes of supporting some form of growth, despite their expectation that the country's growth will be negative for the year of 2019.

Growth, or lack thereof, as well as climbing government debt has played a significant role in the credit rating agencies' reviews of Namibia. Both Moody's and Fitch ratings of Namibia are of a non-investment grade nature, with the latest downgrade by Fitch taking it down two notches below investment grade. Its neighbour South Africa, is facing similar hurdles of low growth and growing debt. However Moody's review announcement is due in the fourth quarter, (the last credit rating agency to have South Africa at investment grade) and expectation has it that South Africa will likely avoid a downgrade, providing understanding and time for President Ramaphosa's economic reform to take effect, but the warning remains to halt the current downward trajectory and turnaround the struggling SOE's (in particular Eskom).

After a yearly low of 3.6% during July, inflation increased slightly to 3.7% during August. The main downward drivers of inflation over the year came from slowing alcoholic beverages & tobacco prices, as well as health and transport costs.

Oil prices spiked during mid-September, its highest percentage increase ever, after a drone attack on Saudi oil facilities. However, the price of oil subsequently came down as Saudi recovered and supply fears waned.

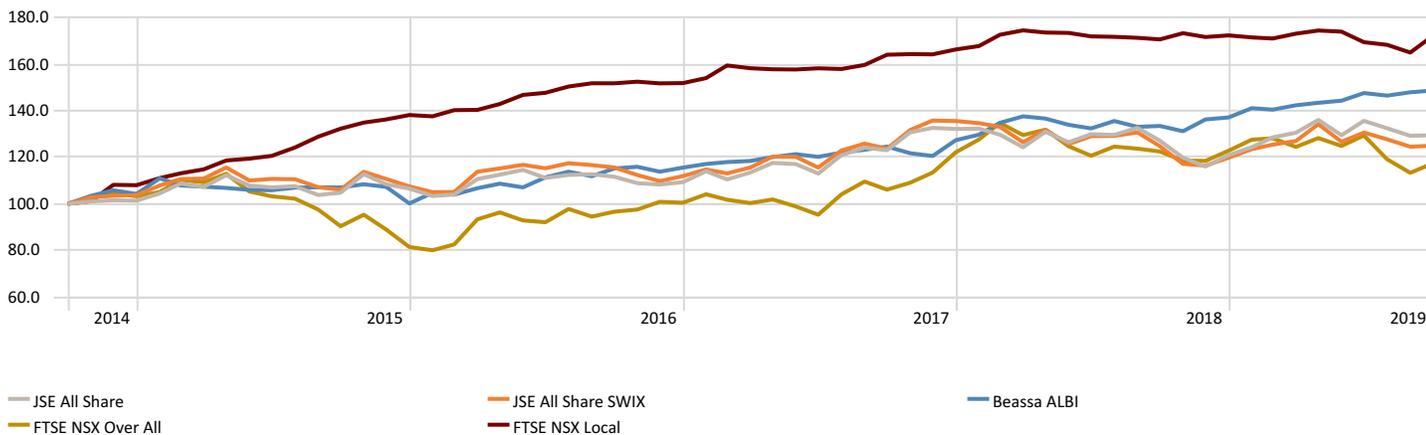
Key Indicators as at 30/9/2019

N/US\$	N15.14/\$
N/£	N18.60/£
N/€	N16.50/€
NAM Inflation rate*	3.70%
NAM repo rate*	6.50%
Oil Price (per barrel)	US\$60.78/barrel
Gold Price (per oz)	US\$1465.70

*one month lag

Investment Growth for Selected Indices

Time Period: 01/10/2014 to 30/09/2019



Investment Growth for Selected Indices

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
JSE All Share	-4.6	7.1	1.9	5.1	5.3	11.5
JSE All Share SWIX	-4.3	4.3	0.2	2.6	4.6	11.5
Beassa ALBI	0.7	8.4	11.4	8.9	8.3	8.8
FTSE NSX Over All	-9.3	-4.5	-4.2	6.7	3.3	6.6
FTSE NSX Local	1.6	-0.1	0.9	4.3	11.5	14.9

Market Overview

Periodic Table

	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD
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 Resources 34.2	JSE Financial 15 24.4	JSE SA Resources 15.5	MSCI World 24.5
	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	JSE SA Resources 13.0
	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	JSE SA Industrials 8.9
	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	Beassa ALBI 8.4
	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 Resources 17.9	FTSE NSX Local 3.6	FTSE/JSE All Share TR ZAR 7.1
	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 5.2
	JSE SA Resources 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 1.3
	FTSE NSX Local 11.6	FTSE/JSE All Share TR ZAR 2.6	Beassa ALBI 15.9	JSE SA Resources 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 Local -0.1
	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	JSE Financial 15 -1.6
Worst	MSCI World 0.9	JSE SA Resources -6.5	JSE SA Resources 3.1	Beassa ALBI 0.6	JSE SA Resources -14.7	JSE SA Resources -37.0	JSE SA Industrials -6.6	STeFI 3 Month 7.1	JSE SA Listed Property -25.3	FTSE NSX Over All -4.5

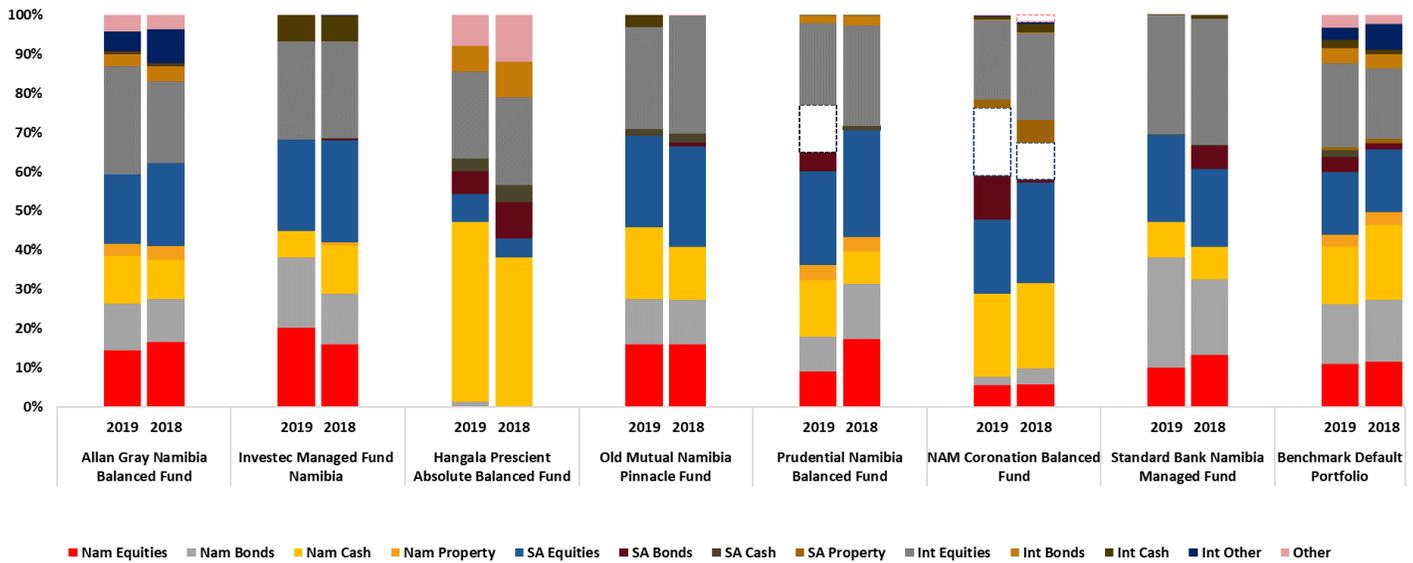
Asset Class Periodic Returns

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
FTSE/JSE All Share TR ZAF	-4.6	7.1	1.9	5.1	5.3	11.5
JSE SA Listed Property	-4.4	1.3	-2.7	-3.5	3.2	11.2
JSE SA Resources	-6.4	13.0	7.9	15.0	1.0	3.6
JSE SA Industrials	-2.5	8.9	1.8	1.6	4.9	14.8
JSE Financial 15	-7.7	-1.6	-2.0	6.6	6.3	12.9
Beassa ALBI	0.7	8.4	11.4	8.9	8.3	8.8
STeFI 3 Month	1.7	5.2	7.0	7.0	6.8	6.2
MSCI World	8.2	24.5	9.7	14.5	14.3	17.5
FTSE NSX Local	1.6	-0.1	0.9	4.3	11.5	14.9
FTSE NSX Over All	-9.3	-4.5	-4.2	6.7	3.3	6.6

Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 30 September 2019 as compared to 30 September 2018



Notes 30 September 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.
- Hangala Prescient: Other represents Preference shares

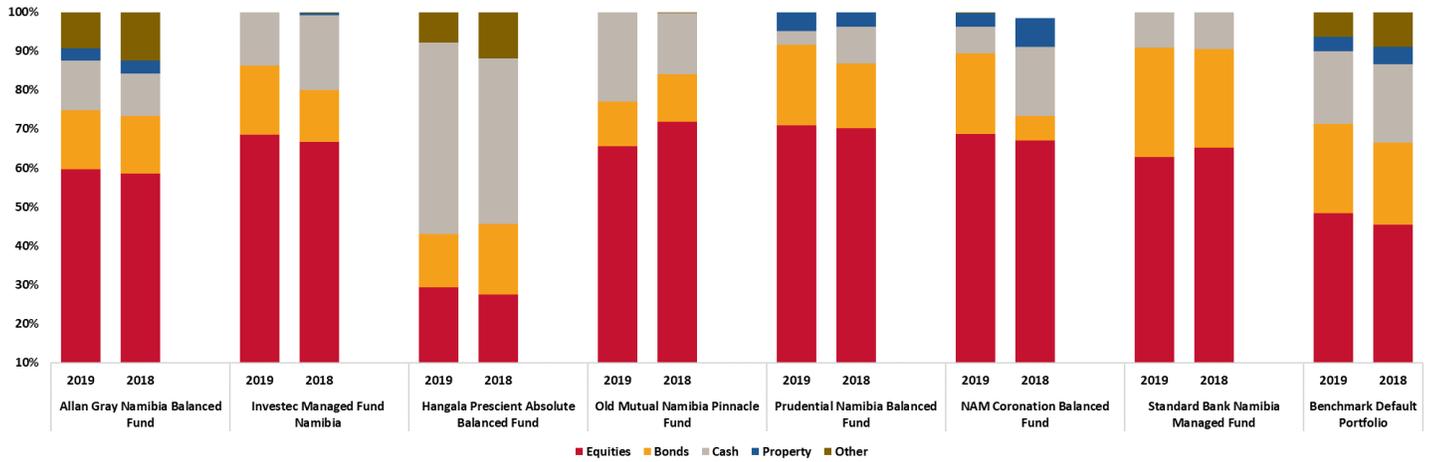
Notes 30 September 2018:

- Allan Gray: International Other represents Property, Hedged Equity & Commodities
- Allan Gray: Other represents SA and Namibia Commodities
- Allan Gray: International Equity represents Net Equity
- NAM Coronation Balanced Plus: Other represents Commodities and International Other represents Property.
- 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.
- Investec: International other represents property.

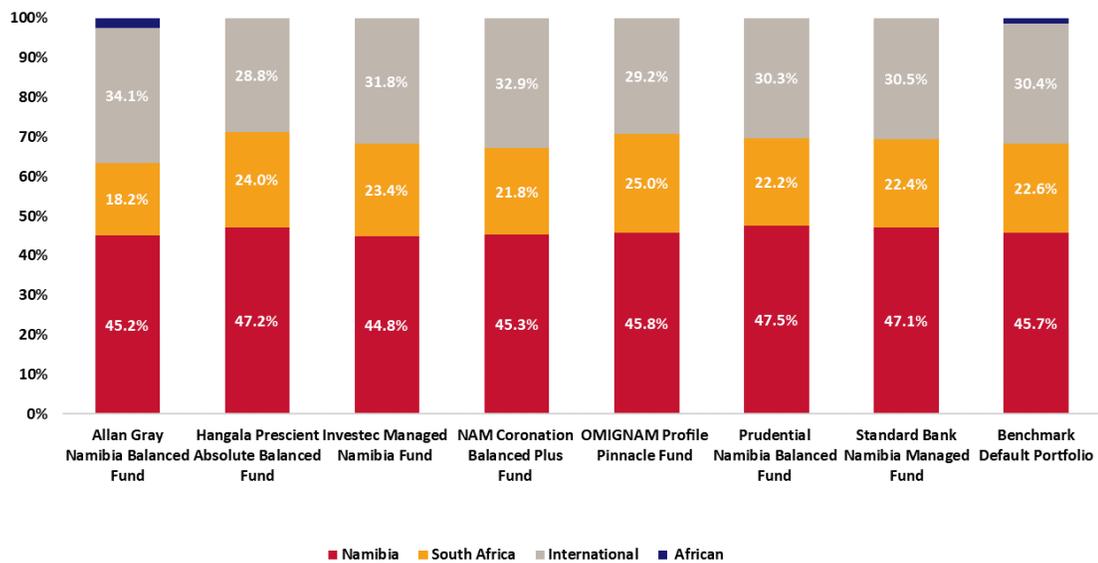
Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 30 September 2019 as compared to 30 September 2018



Geographical Split as at 30 September 2019:



Notes:

Allan Gray: 2.5% African

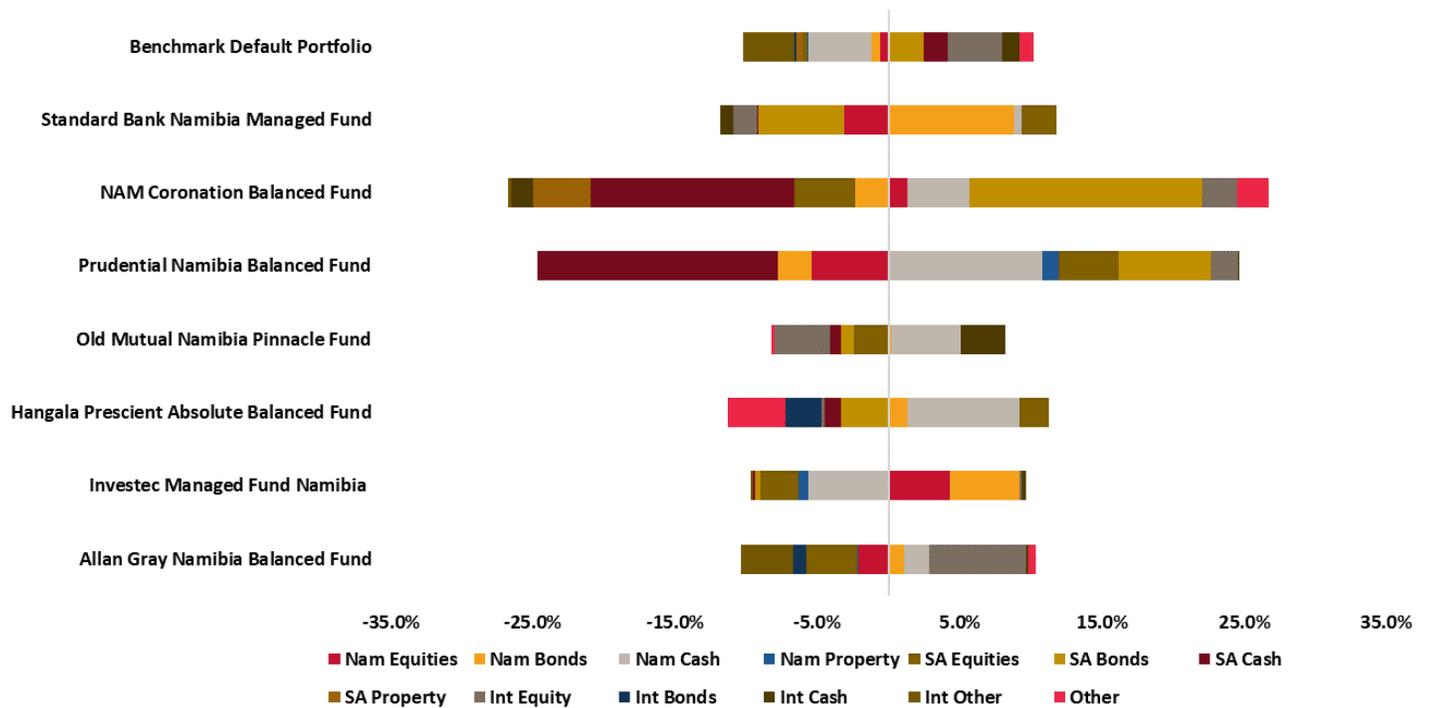
Benchmark Default: 1.3% African

Investec: Passive Namibian asset allocation breach due to market movement. This has subsequently be corrected.

Performance Comparison

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **30 September 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 Prudential showed the most changes over the year. A number of changes were due to decreases in SA Cash in favour of Namibian Cash and SA Bonds. Standard bank had large increases in Namibian Bonds while Prudential and NAM increased their SA Bond exposures substantially. All managers increased their allocation to Namibian assets, however none more so than Standard Bank, who increased their NAM exposure by over six percentage points. Investec, Prudential and NAM all significantly decreased their allocations to cash while Hangala Prescient and Old Mutual took polarising positions, increasing their cash allocation over the period. Regarding South African assets, all managers reduced their allocation to the region, with all the managers either decreasing their SA Cash or SA Equities exposures.

Performance Comparison

Moderate Risk Portfolios

Trailing Returns as at 30 September 2019

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	1.0	5.1	7.4	11.1
Hangala Prescient Absolute Balanced Fund	3.7	4.8	4.1	—
NAM Coronation Balanced Plus Fund	3.2	4.3	5.7	9.7
Investec Namibian Managed Fund	5.1	7.5	8.7	11.8
Old Mutual Namibia Profile Pinnacle Fund	2.9	6.7	7.8	11.6
Standard Bank Namibia Managed Fund	5.7	7.9	7.4	11.6
Prudential Namibian Balanced	2.7	6.6	7.3	10.4
Benchmark Retirement Fund Default Portfolio	3.6	5.5	7.3	10.9
NMG SA Moderate Benchmark	6.4	6.9	7.4	11.1
NMG NAM Moderate Benchmark	6.9	6.6	8.3	11.2
FTSE/JSE All Share TR ZAR	1.9	5.1	5.3	11.5
NAM CPI + 6%	9.5	10.8	11.0	11.3

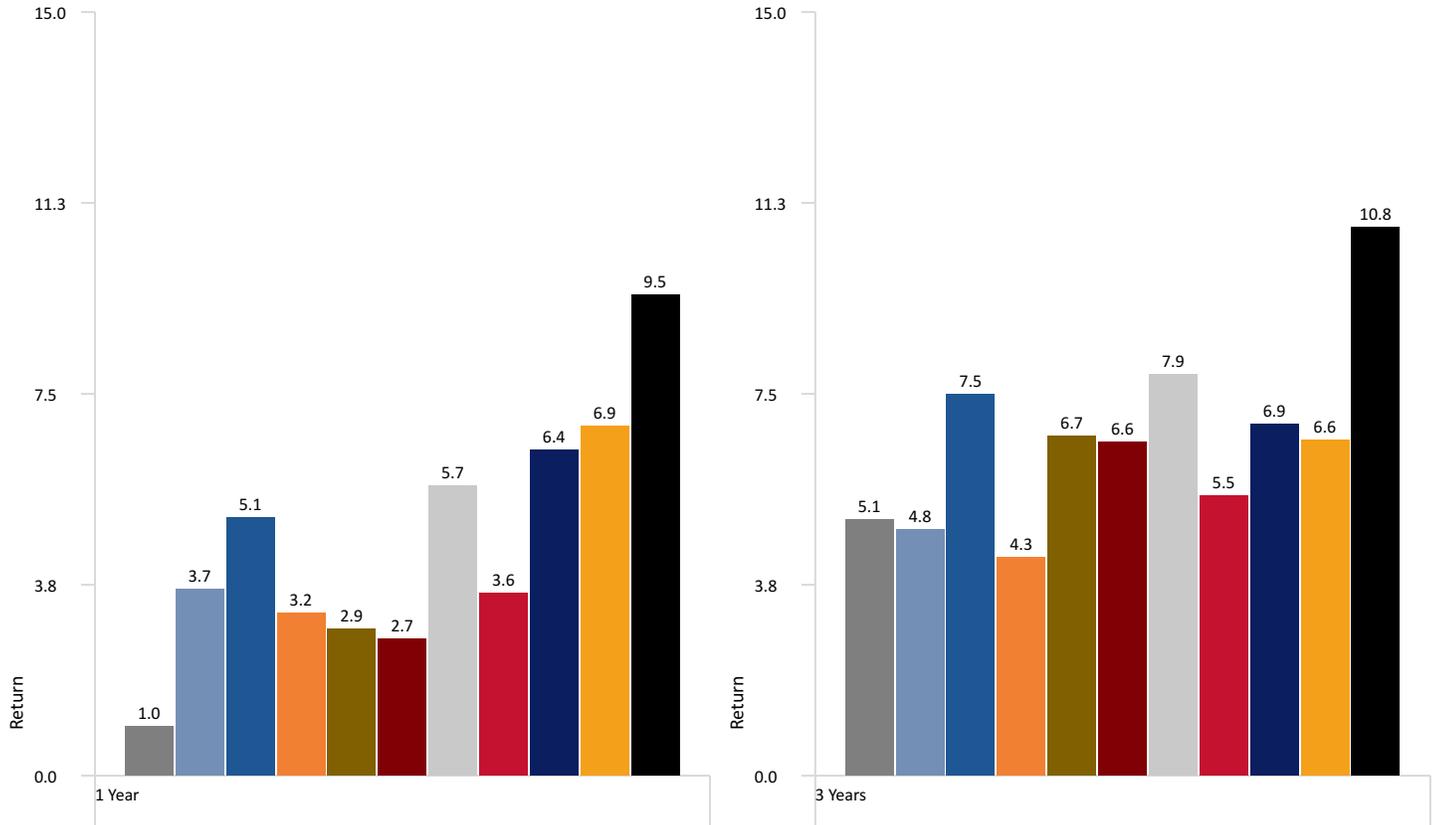
Trailing Returns as at 30 September 2018

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	6.9	9.7	10.4	12.3
Hangala Prescient Absolute Balanced Fund	3.0	4.0	5.5	—
NAM Coronation Balanced Plus Fund	2.4	6.0	8.1	10.6
Investec Namibian Managed Fund	7.2	8.0	10.8	12.2
Old Mutual Namibia Profile Pinnacle Fund	7.7	8.4	10.1	12.1
Standard Bank Namibia Managed Fund	11.8	7.0	8.5	12.8
Prudential Namibian Balanced	8.0	8.5	9.4	9.9
Benchmark Retirement Fund Default Portfolio	6.4	8.2	9.4	11.0
NMG SA Moderate Benchmark	6.3	7.5	9.0	11.1
NMG NAM Moderate Benchmark	5.5	7.4	9.4	11.3
FTSE/JSE All Share TR ZAR	3.3	6.7	8.0	12.1
NAM CPI + 6%	11.1	12.1	11.5	11.8

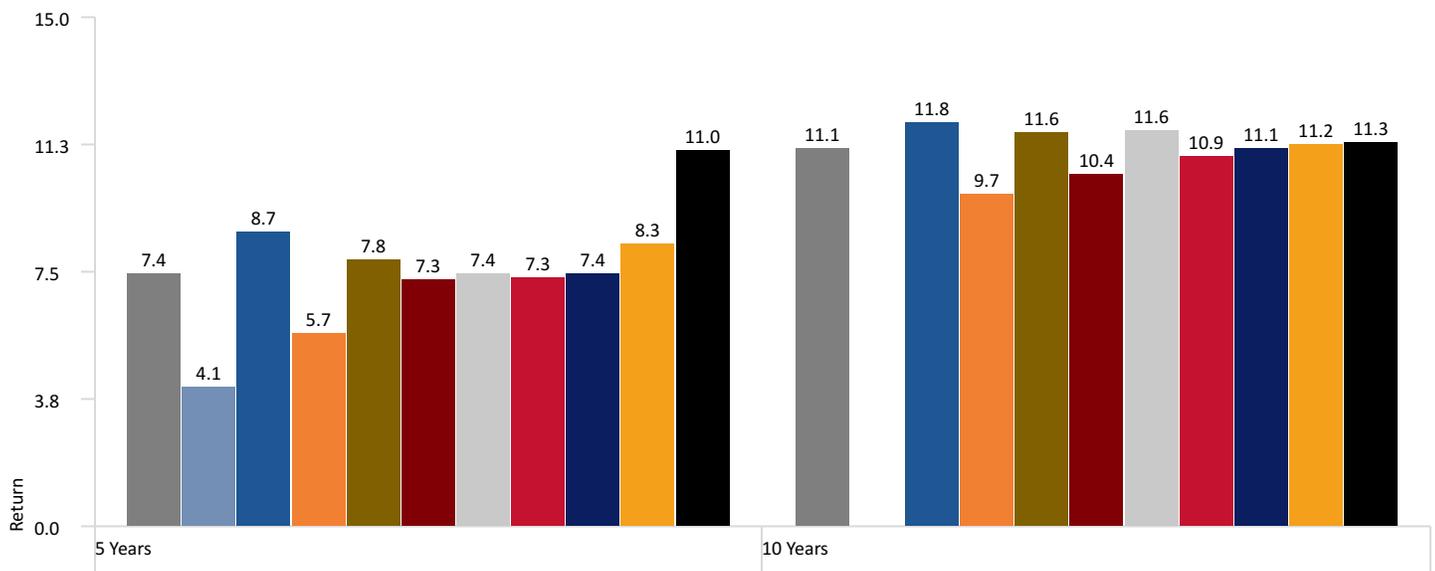
Performance Comparison

Moderate Risk Portfolios

1 year performance for the period ended 30 September 2019 3 year performance for the period ended 30 September 2019



5 & 10 years performance for the period ending 30 September 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

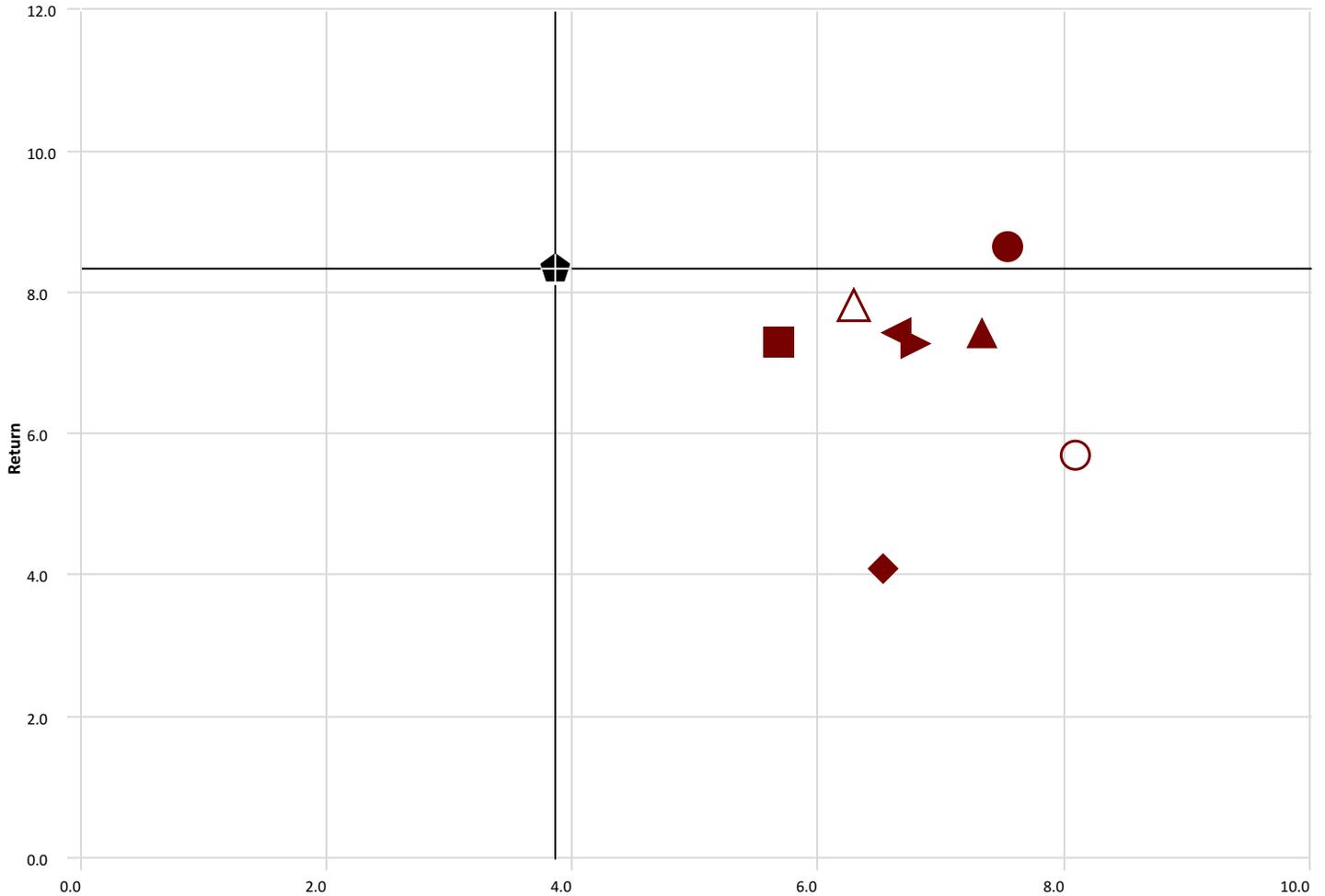
Performance Comparison

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: 01/10/2014 to 30/09/2019

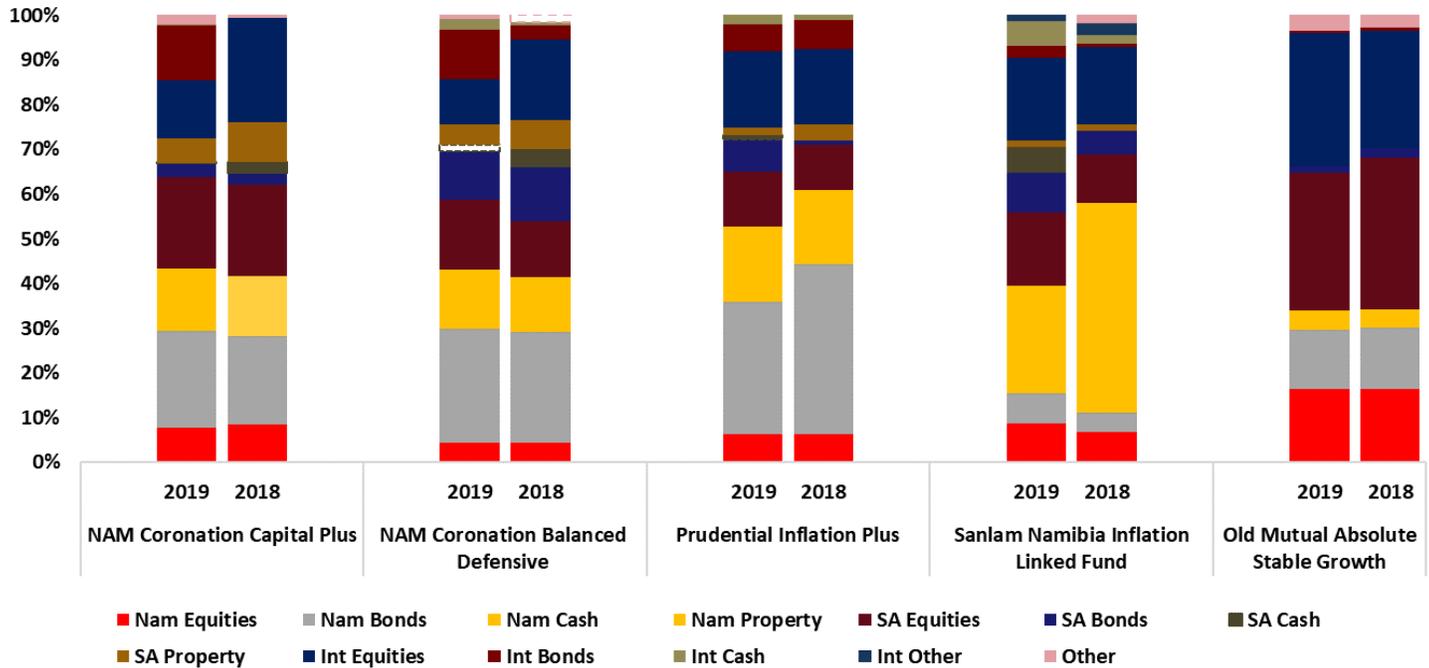


- Std Dev**
- ▲ Allan Gray Namibia Balanced Fund
 - ◆ Hangala Prescient Absolute Balanced Fund
 - Investec Namibian Managed Fund
 - NAM Coronation Balanced Plus Fund
 - △ Old Mutual Namibia Profile Pinnacle Fund
 - ▶ Prudential Namibian Balanced
 - ◀ Standard Bank Namibia Managed Fund
 - Benchmark Retirement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

Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 30 September 2019 as compared to 30 September 2018



Notes 30 September 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 Balanced Defensive 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

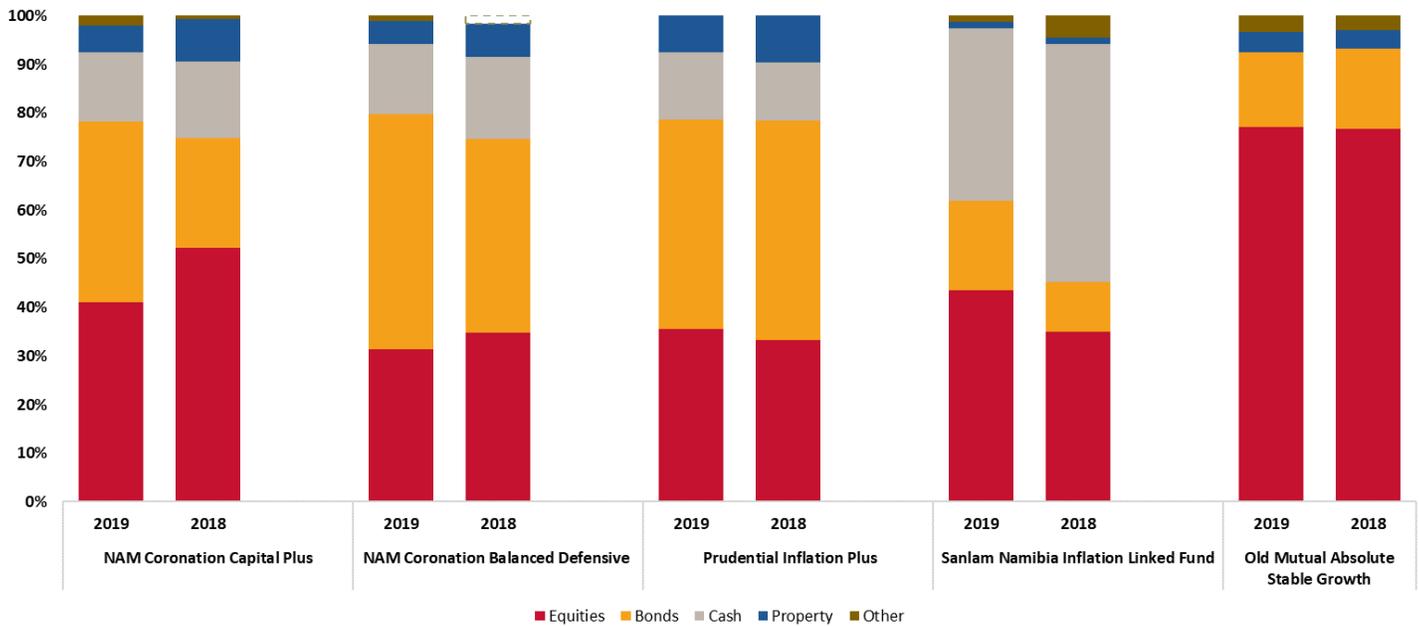
Notes 30 September 2018:

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. Default: International Other represents Property
5. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive's SA Cash position includes an offset or "Notional Cash value" for all derivative effective exposure
6. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive: SA & NAM Other represents Commodities, Preference shares and other securities

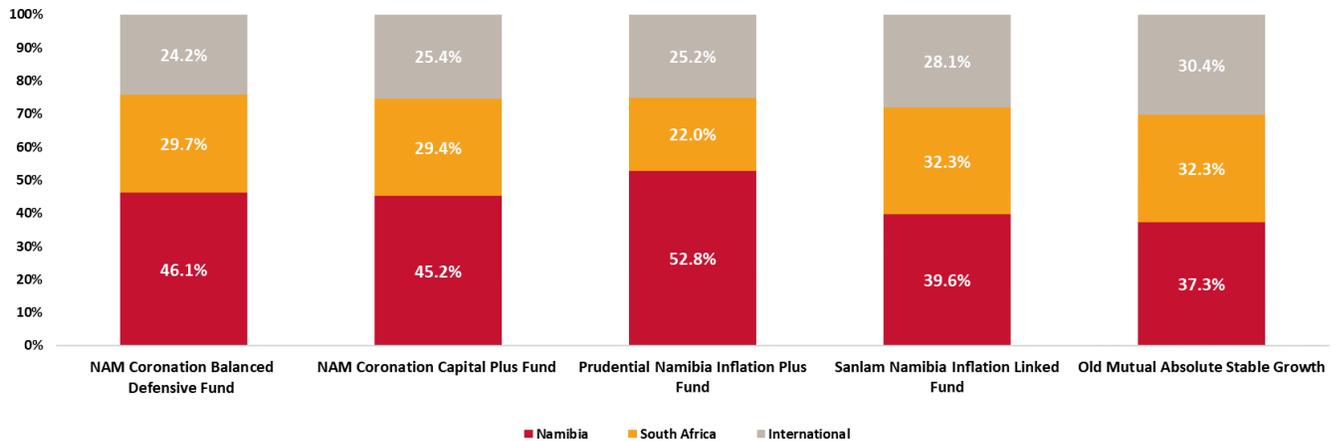
Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 30 September 2019 as compared to 30 September 2018:



Geographical Split as at 30 September 2019:



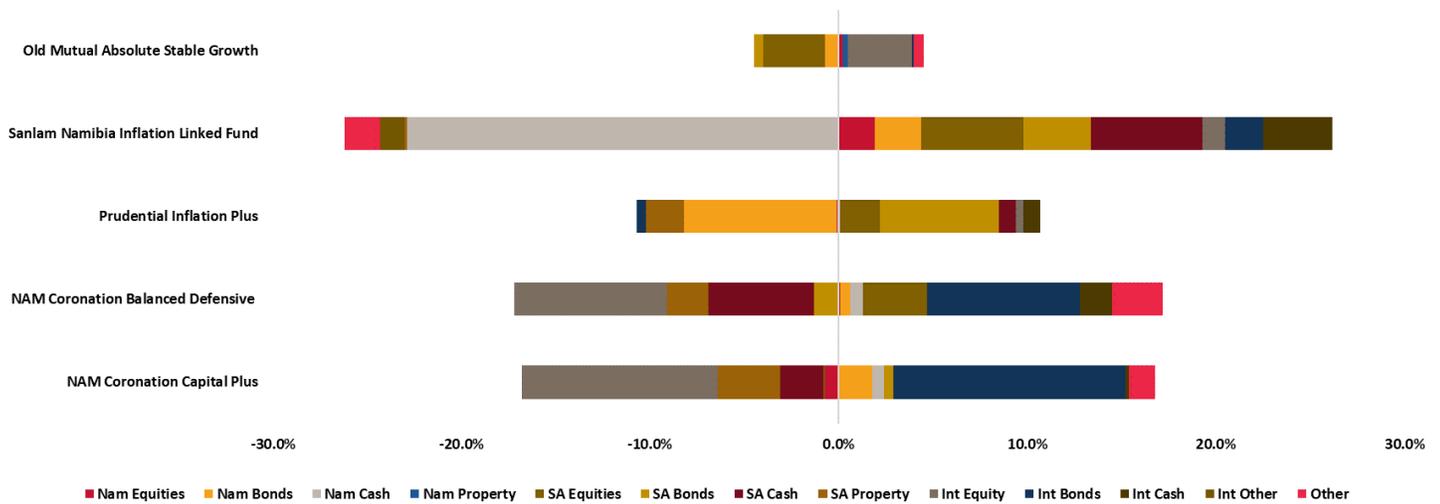
*Note: The Sanlam and Old Mutual fund's Namibian exposure compliance is managed on insurer's balance sheet, since both funds are classified as insurance policies.

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 **30 September 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.



All the moderate-low managers apart from Old Mutual, made significant changes to their portfolios over the period. All the moderate-low managers increased their exposure to international assets. Sanlam and Prudential decreased their exposure to Namibian asset considerably over the period. Namibian property remained relatively unchanged over the year, in contrast to SA property which decreased considerably across most portfolios. Regarding South African assets, NAM Coronation decreased exposure to the region in both it's funds, while Prudential and Sanlam both increased their exposure significantly. Old Mutual made very few changes to it's portfolio's allocation.

Performance Comparison

Moderate-Low Risk Portfolios

Trailing Returns as at 30 September 2019

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	7.1	6.1	7.0	10.2
NAM Coronation Capital Plus Fund	5.8	4.7	5.3	9.6
Prudential Namibia Inflation Plus Fund	6.6	6.5	7.5	10.4
Sanlam Namibia Inflation Linked Fund	7.0	7.1	7.9	10.2
Old Mutual Absolute Stable Growth	4.2	6.5	8.2	11.2
NMG NAM Mod Defensive Benchmark	8.2	7.0	8.2	10.4
CPI + 4%	7.4	8.7	8.9	9.2

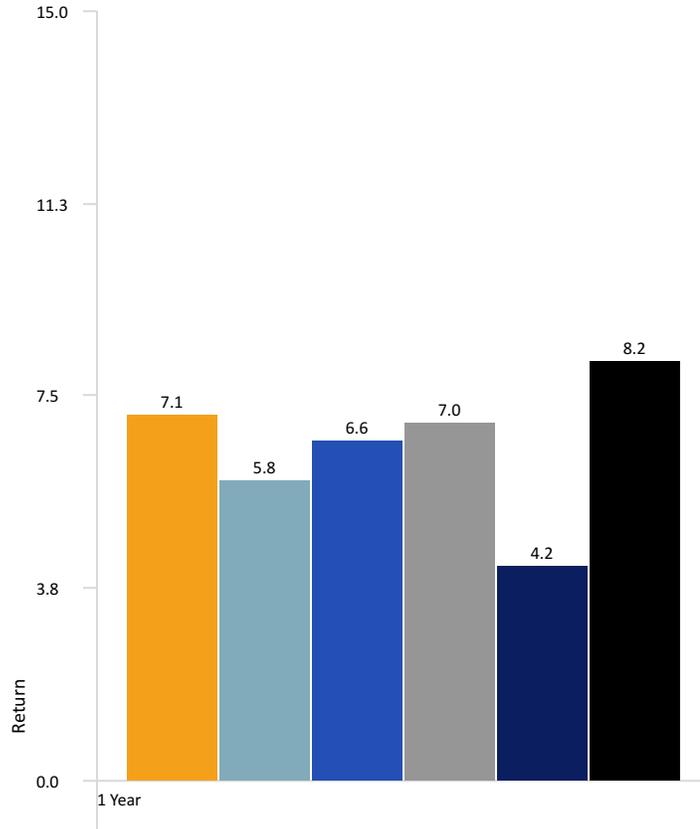
Trailing Returns as at 30 September 2018

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	4.1	6.8	7.9	10.4
NAM Coronation Capital Plus Fund	2.2	5.6	6.6	10.4
Prudential Namibia Inflation Plus Fund	6.3	7.1	8.7	10.5
Sanlam Namibia Inflation Linked Fund	5.9	7.7	8.8	10.5
Old Mutual Absolute Stable Growth	8.5	8.0	10.8	11.6
NMG NAM Mod Defensive Benchmark	5.8	7.2	8.8	10.4
NAM CPI + 4%	9.0	10.0	9.4	9.7

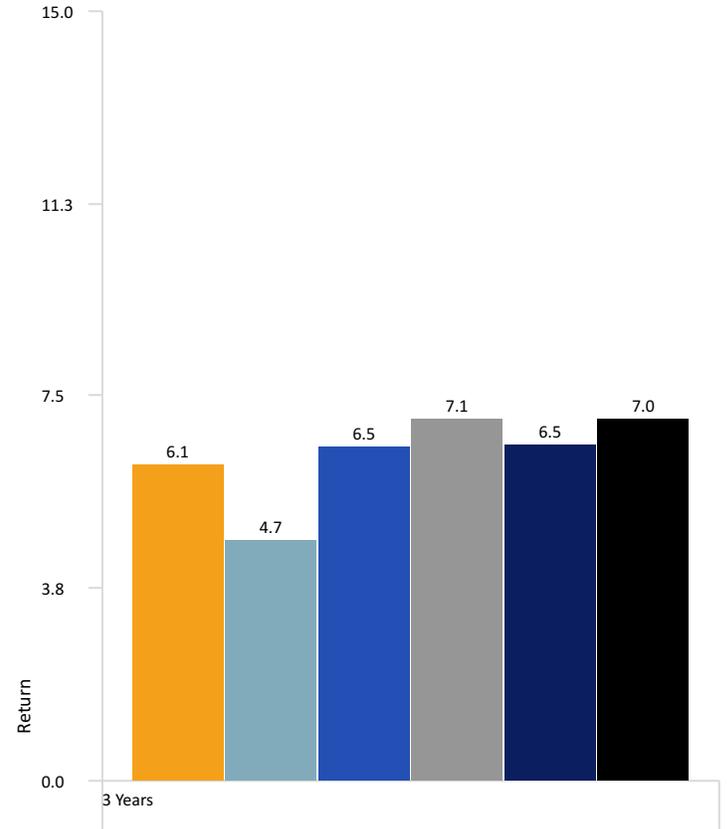
Performance Comparison

Moderate-Low Risk Portfolios

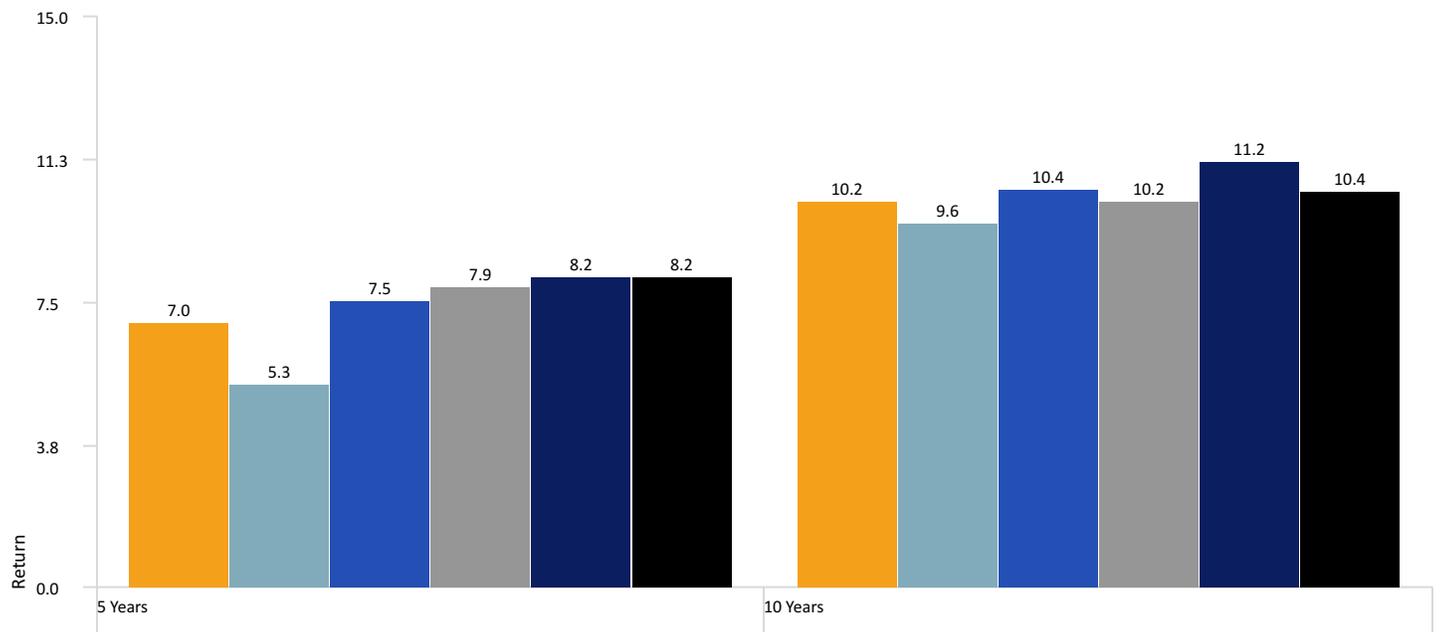
1 year performance for the period ended 30 September 2019



3 years performance for the period ended 30 September 2019



5 & 10 years performance for the period ended 30 September 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

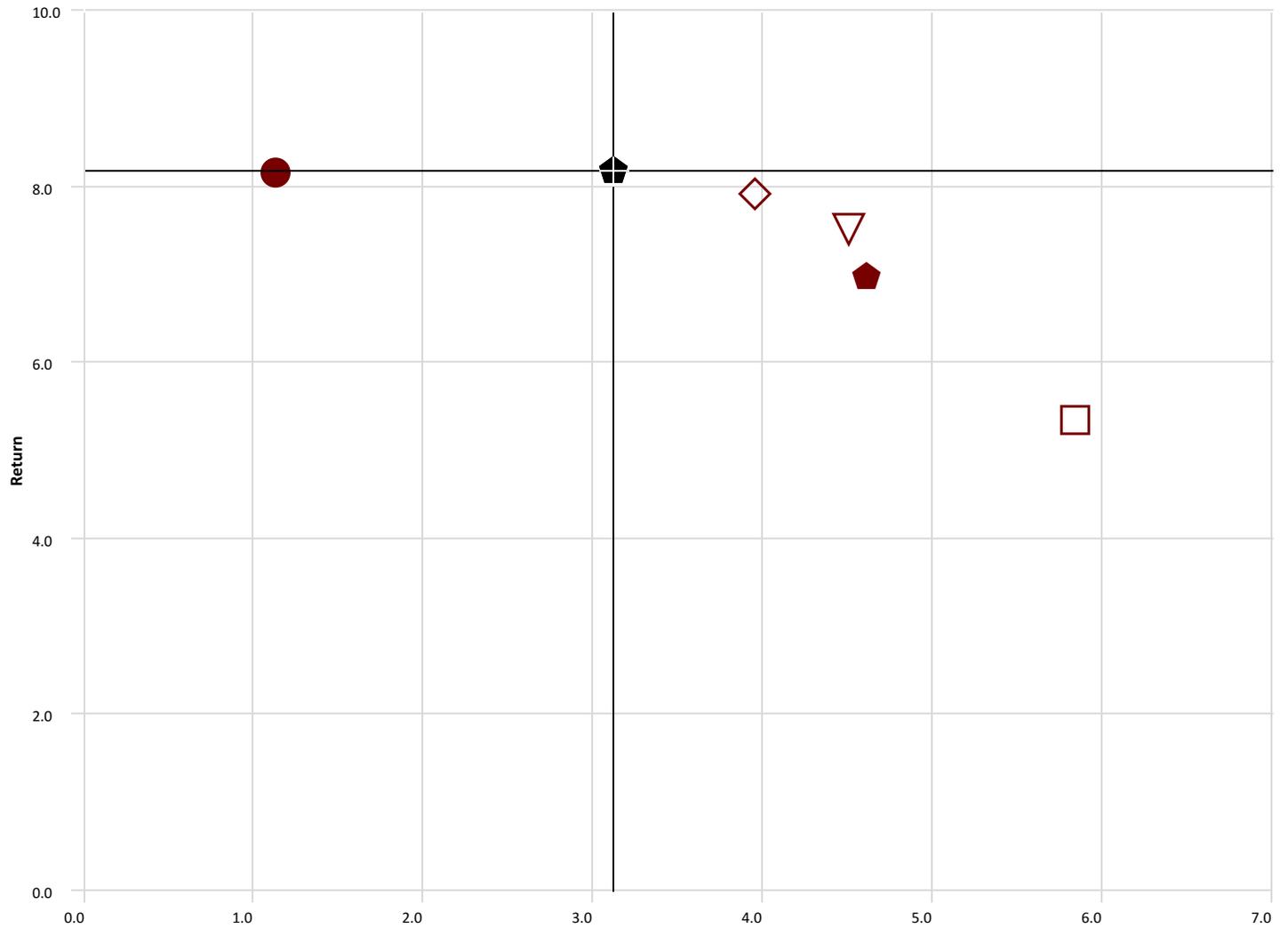
Performance Comparison

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: 01/10/2014 to 30/09/2019

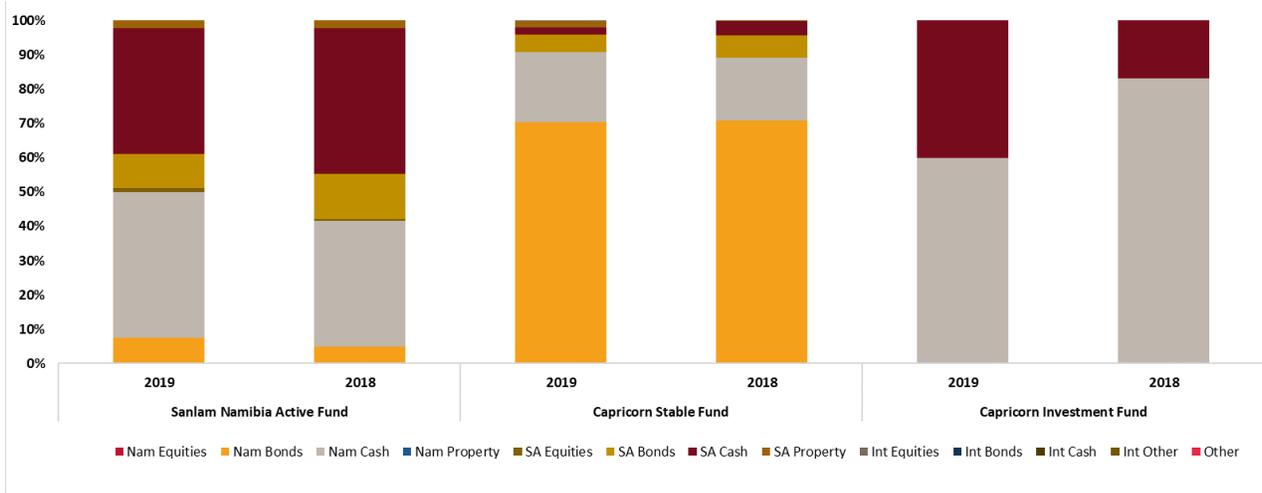


- Std Dev**
- ◆ NAM Coronation Balanced Defensive Fund
 - NAM Coronation Capital Plus Fund
 - ▽ Prudential Namibia Inflation Plus Fund
 - ◇ Sanlam Namibia Inflation Linked Fund
 - Old Mutual Absolute Stable Growth
 - ◆ NMG NAM Mod Defensive Benchmark

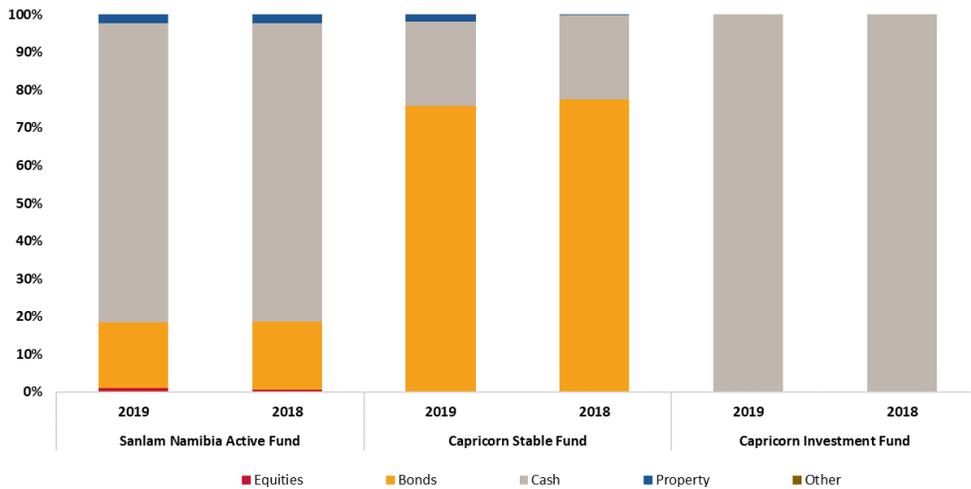
Performance Comparison

Low Risk and Capital Preservation Portfolios

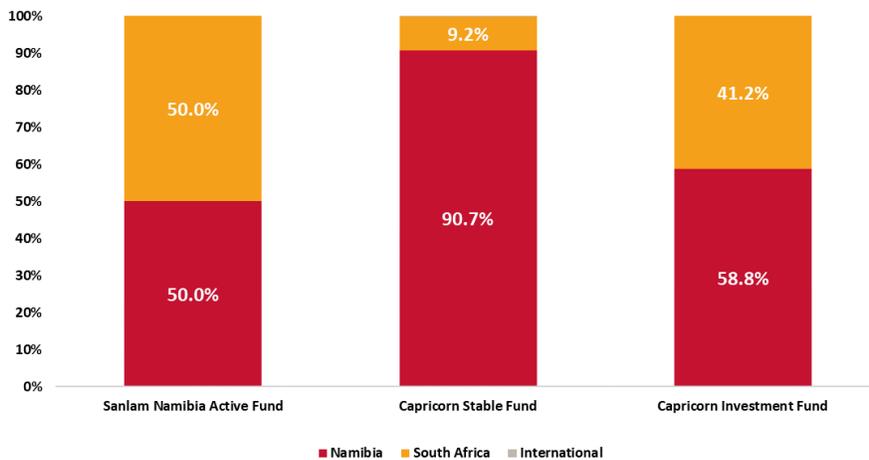
Asset Allocation as at 30 September 2019 as compared to 30 September 2018



The total Namibian exposure is 50.0% for the Sanlam Namibia Active Fund. The Capricorn Stable fund is a multi-asset low risk fund. It invests 90.7% 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 30 September 2019

	1 Year	3 Years	5 Years	10 Years
Capricorn Stable*	8.6	8.1	—	—
Sanlam Namibia Active Fund	8.5	8.1	8.3	8.3
NAM CPI	3.3	4.5	4.8	5.0
NAM CPI + 2%	5.3	6.6	6.9	7.1
Beassa 1-3 Yr TR ZAR	10.2	8.7	8.3	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 30 September 2018

	1 Year	3 Years	5 Years	10 Years
Capricorn Stable*	6.5	8.1	—	—
Sanlam Namibia Active Fund	7.2	8.4	8.1	8.7
NAM CPI	4.8	5.7	5.2	5.5
NAM CPI + 2%	6.9	7.9	7.3	7.6
Beassa 1-3 Yr TR ZAR	6.9	8.0	7.3	7.8

*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 30 September 2019

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	7.3	8.0	7.4	6.7
Sanlam Namibian Absolute Return Plus	7.3	6.4	8.1	—
NAM CPI + 1%	4.3	5.6	5.8	6.1
IJG Money Market GR NAD	7.6	7.9	7.5	6.8

**The Sanlam Namibia Absolute Return Plus is purely for illustrative purposes as the first investment by benchmark into the fund was only made during June 2019.

Trailing Returns as at 30 September 2018

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	8.0	7.9	7.1	7.0
Sanlam Namibian Absolute Return Plus	6.5	6.6	9.1	—
NAM CPI + 1%	5.8	6.8	6.2	6.6
IJG Money Market GR NAD	7.9	7.8	7.1	—

**The Sanlam Namibia Absolute Return Plus is purely for illustrative purposes as the first investment by benchmark into the fund was only made during June 2019.

Performance Comparison

Unlisted Investments

Trailing Returns as at 30 September 2019

	01/07/2019 - 30/09/2019	1 Year	3 Years	01/01/2016 - 30/09/2019
Allegrow Fund	0.0	0.0	6.2	3.4
Caliber Capital Fund (A)	2.2	9.8	7.9	6.3
IIG Frontier Investment Fund	-16.6	-15.6	-9.3	-5.6
NAM CPI + 4.50	1.8	7.9	9.2	10.1

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds performance over that period.

Trailing Returns as at 30 September 2018

	01/07/2018 - 30/09/2018	1 Year	3 Years	01/01/2016 - 30/09/2018
Allegrow Fund	1.9	14.5	—	4.6
Caliber Capital Fund (A)	2.4	8.5	—	5.0
IIG Frontier Investment Fund	-21.9	-13.0	—	-1.7
NAM CPI + 4.50	2.4	9.5	10.5	10.9

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds performance over that period.

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.