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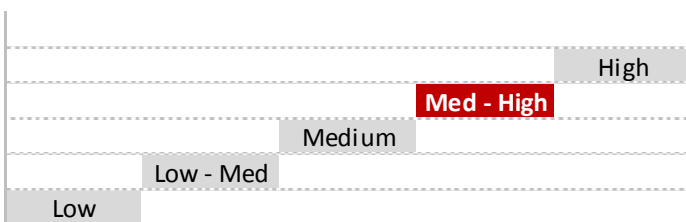
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Fund Objective

The objective of the Lynx Prime Balanced Fund of Funds is to provide investors access to a diversified portfolio of collective investments across all major asset classes. The fund aims to provide investors with capital growth over the long term at a rate of inflation plus 6% measured over a rolling 3 year period.

Investor Risk Profile*



*Please refer to glossary section for further information.

Fund Facts

Classification	South African - Multi Asset - High Equity	
Benchmark	Infl.(CPI) + 6% over a rolling 3 year period	
Inception Date of Fund	03 May 2005	
Inception Date of Class	01 July 2005	
Total Portfolio Size	428.8 M	
NAV price	Launch	1000.00 (cpu)
	31-Jan-18	2891.18 (cpu)
JSE code	LYPA1	
ISIN number	ZAE000221156	
Income Declaration	February, August	
Valuation	Valuation time	17h00 (daily)
	Dealing cut-off	14h00 (daily)
Payment	3rd working day of Mar/Sep	
Minimum Initial Investment	R 10 000 lump sum	
	R1000 debit order	
Reg. 28 Compliant	Yes	
Issue date	16 February 2018	

Portfolio Income in Cents Per Unit (cpu)

Distribution	Dividend	Interest	Other	Total
Aug-17	10.8185	32.8463	0.5444	44.2091
Feb-17	9.4504	42.7032	2.6281	54.7817

NAV Values	Nov-17	Dec-17	Jan-18
Fund Units	14 947 391	14 918 422	14 828 308
Fund NAV	R 437 791 448	R 428 747 584	R 428 844 667
Class NAV	R 342 884 531	R 336 562 056	R 338 245 576

*All figures have been rounded to the nearest Unit and Rand

Fund Universe

The Lynx Prime Balanced Fund of Funds is a multi-managed fund that will consist of a mix of collective investment portfolios investing in a range of asset classes locally and abroad.

Investment Strategy

The fund is actively managed and assets will be adjusted to reflect changing economic and market conditions. The fund has a maximum effective equity exposure of 75% and a maximum effective property exposure of 25%.

Who should be investing ?

The fund's asset allocation is suited to investor with a moderate approach to risk. The fund conforms to Regulation 28 of the Pension Fund Act.

Total Investment Charges

Period (annualised): Mar 16 to Mar 17

Total Expense Ratio (TER) 1.67 %

Expenses related to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not be necessarily be an accurate indication of future TER's.

Transaction Costs (TC) 0.2 %

Costs relating to the buying and selling of the assets underlying the Financial Product

Total Investment Charges (TIC) 1.87 %

Transaction costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the Investment decisions of the investment manager and the TER. Inclusive of the TER of **1.67 %**, a performance fee of 0.00% of the net asset value of the class of the Financial Product was recovered.

Portfolio Fees

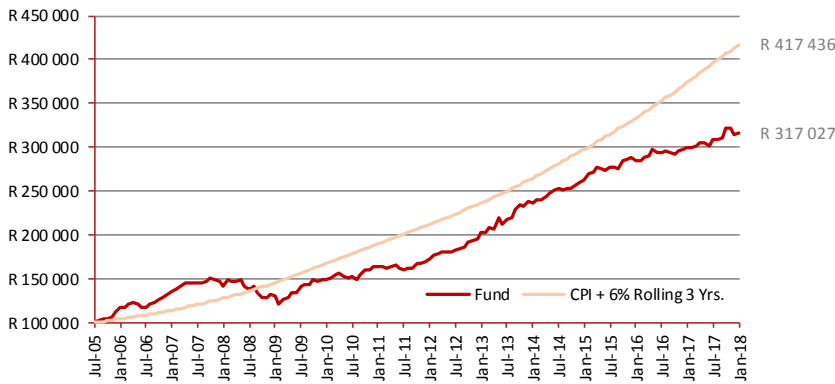
Management Fee	0.15% (excl. VAT)
Performance Fee	N/A
Advisory Fee	N/A
Investment Management Fee	0.55% (excl. VAT)

Mandate Compliance

The Fund remains within the reporting regime as at the date of this report.

Fund Performance

Growth of a R 100 000 Investment



Performance History: Based on an initial investment of R100000

Fund Composition

TOP FIVE HOLDINGS	Exposure
Laurium Flexible Precient Fund	20.55%
Visio BCI Actinio Fund	15.82%
ABAX Absolute Return Pres Fund	13.13%
Lynx Prime Global Diversified FoF	10.08%
PSG Equity Fund	9.84%

Period	January-2018		December-2017		November-2017	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
1 Month	0.63%	0.89%	-1.87%	0.89%	-0.11%	0.89%
3 Months	-1.36%	2.69%	1.12%	2.70%	3.80%	2.72%
6 Months	2.93%	5.52%	4.33%	5.57%	5.47%	5.61%
YTD	0.63%	0.89%	6.15%	11.73%	8.17%	10.74%
1 Year	5.78%	11.65%	6.15%	11.73%	8.62%	11.82%
2 Years	5.62%	11.90%	4.44%	11.94%	5.90%	11.96%
3 Years	6.57%	11.93%	6.65%	11.94%	7.84%	11.96%
5 Years	9.27%	12.03%	9.92%	12.03%	10.63%	12.04%
Since Inception	9.67%	12.11%	9.61%	12.03%	9.78%	11.95%

* Returns above one year are annualised; ** Fund Returns are net of fees

Risk Statistics

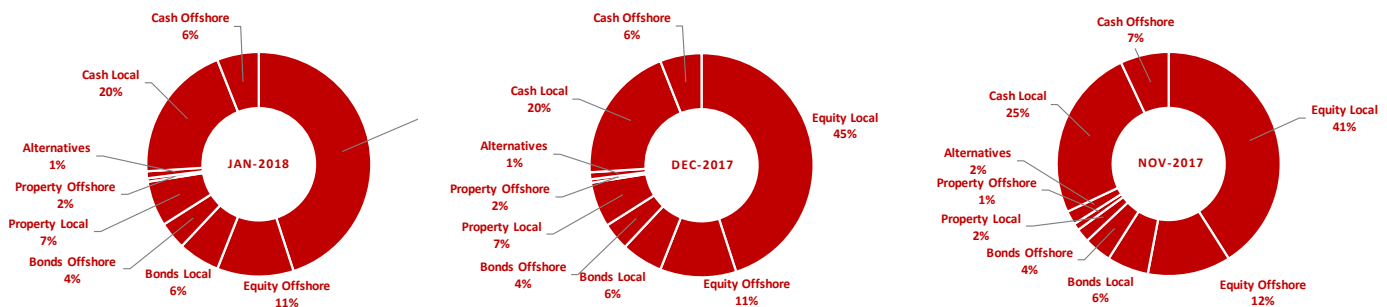
Risk Metrics	Fund (A1)	Benchmark
Volatility	7.28%	0.38%
Tracking Error	7.38%	
Information Ratio	-0.33	
Correlation	-0.18	
Beta	1.10	
Sharpe Ratio	0.33	
Max (Rolling 12 Mths)	24.25%	14.78%
Min (Rolling 12 Mths)	-18.39%	9.00%
Alpha	-2.37%	

* Annualised

Monthly Performance	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund	2018	0.63%												0.63%
Benchmark	2018	0.89%												0.89%
Fund	2017	0.98%	0.08%	0.78%	0.94%	-0.24%	-0.80%	2.00%	0.42%	0.73%	3.16%	-0.11%	-1.87%	6.15%
Benchmark	2017	0.96%	0.97%	0.95%	0.95%	0.94%	0.93%	0.93%	0.92%	0.91%	0.90%	0.89%	0.89%	11.73%
Fund	2016	-1.61%	-0.10%	1.88%	0.16%	2.75%	-1.49%	-1.49%	0.02%	0.90%	-0.38%	-0.62%	0.88%	2.76%
Benchmark	2016	0.95%	0.96%	0.94%	0.96%	0.97%	0.98%	0.97%	0.96%	0.95%	0.96%	0.96%	0.97%	12.14%
Fund	2015	0.86%	2.83%	0.60%	2.10%	-0.17%	-0.86%	1.18%	-0.15%	-0.16%	3.20%	0.45%	0.89%	11.22%
Benchmark	2015	0.92%	0.93%	0.93%	0.95%	0.95%	0.96%	0.98%	0.97%	0.95%	0.94%	0.93%	0.93%	11.94%
Fund	2014	-1.21%	1.80%	0.45%	1.26%	1.64%	1.38%	0.73%	-0.88%	0.55%	0.17%	1.25%	1.44%	8.87%
Benchmark	2014	0.97%	0.99%	0.99%	1.00%	0.99%	0.98%	0.98%	0.99%	0.97%	0.96%	0.96%	0.94%	12.36%
Fund	2013	3.69%	-0.12%	2.15%	-0.61%	6.82%	-3.94%	2.94%	1.17%	3.45%	2.66%	-0.58%	2.43%	21.52%
Benchmark	2013	0.92%	0.93%	0.94%	0.95%	0.93%	0.94%	0.95%	0.96%	0.97%	0.97%	0.97%	0.97%	11.99%

Asset Class Returns	Jan-18
ALSI (TR)	0.10%
ALBI (TR)	1.86%
SAPY (TR)	-9.91%
CASH	0.60%
ZAR/USD	11.87

Asset Allocation



Data Source: Collective Endeavours Consulting (Pty)



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The fourth quarter of 2017 was filled with numerous surprises (both good and bad) and for most local investors, the final few weeks of 2017 affected their portfolio more than any of the preceding quarters.

In November, the local bond market sold off heavily as the country's local currency debt was downgraded to junk status by S&P Global, while Moody's kept our debt on review until after the National Elective Conference (NEC). Investors breathed a sigh of relief, because a further downgrade from Moody's would lead to SA falling out of the World Government Bond Index (WGBI).

The Steinhoff accounting scandal which has caused the share price to fall by 90% in the space of a month has highlighted the importance of a robust corporate governance framework, specifically the need for an independent board. Many investors experienced significant losses, especially those that had forgotten the importance of diversification. Fortunately, the impact on the fund was marginal and most of our underlying managers exited their positions citing the strained financial position of the business and compromised integrity of management.

The race between the contenders at the ANC NEC was anything but one sided, but markets were optimistic about a Ramaphosa win in the days leading up to the vote. His victory was a momentous occasion for the country and although there are no quick fixes, it's a step in the right direction. Unfortunately, the make-up of the newly elected top 6 weakens Cyril's ability to enforce change and comprises will need to be made on all fronts. South African equities lagged their emerging market peers in 2017, and the removal of some political uncertainty could drive forward domestically focused businesses that have struggled in recent years. Although financials, listed property, and many retailers rallied on renewed optimism, the local bourse ended the month in the red, mainly because of the headwind from a strong rand and the impact of Steinhoff. SA government bonds clawed back losses from November as the market began pricing in lower inflation and an improved chance of fiscal consolidation.

Developed markets continued their strong run, especially in the US where a "goldilocks environment" has pushed the S&P to record highs, even after the Fed resumed its hiking cycle in December. After 11 months in office, President Trump successfully received approval from Congress for what has been called the biggest rewrite of the US tax code in a generation. The bill slashes taxes for corporations and the wealthy, while offering mixed, temporary relief to working people. This will be supportive for the US economy and will likely drive up inflation if unemployment continues to fall.

For the first time in many years, the global economy is growing in a synchronised fashion, and risk assets across the board reflect this. The MSCI World Index ended the year 22% higher, while Europe's DJ Stoxx 50 (in EUR\$) and the MSCI Emerging Market Index (in US\$) ended the year 7% and 34% higher. Equity valuations are now elevated, especially in the US, but they been elevated for quite some time.

The fund benefitted from the risk on environment in 2017, but the positive outcome of the ANC NEC event and the subsequent strength in the rand weighed in on the returns in the closing stages of the year. That said, we are comfortable with how the portfolio navigated an extremely volatile quarter, especially considering that many of the risks have simply been delayed rather than avoided all together. With this in mind, we remain prudently positioned and well diversified across asset class and region.

Glossary of Terms

Fund of Funds is an investment strategy of holding a portfolio of other investment funds rather than investing directly in stocks, bonds or other securities. This type of investing is often referred to as multi-manager investment. Investing in a fund of funds may achieve greater diversification. The benefit of diversification is that it can reduce volatility and the overall risk in the portfolio, while maintaining returns.

Total Expense Ratio is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

An equity or share represents an institution/individual's ownership in a listed company and is the vehicle through which they are able to "share" in the profits made by that company. As the company grows, and the expectation of improved profits increases, the market price of the share will increase and this translates into a capital gain for the shareholder. Similarly, negative sentiment about the company will result in the share price falling. Shares/equities are usually considered to have the potential for the highest return of all the investment classes, but with a higher level of risk i.e. share investments have the most volatile returns over the short term. An investment in this type of asset should be viewed with a 7 to 10 year horizon.

Risk Profile (Medium to High): The investors' primary aim is to achieve the required capital growth necessary to realise his/her long-term goals and objectives. The investor is prepared to tolerate fluctuations in your returns because you know that the longer-term picture is worth the short term pain, even if that means you lose money sometimes. While diversified across all the major asset classes, your portfolio will be tilted more towards equities because you know they offer the best long-term returns of all the asset classes and thus your wealth will grow over time.

Volatility is a statistical measure of the dispersion of returns for a given security or market index.

Tracking error is a measure of the risk in an investment portfolio that is due to active management decisions made by the portfolio manager; it indicates how closely a portfolio follows the index to which it is benchmarked.

Information ratio, is a measure of the risk-adjusted return of a portfolio. In this case, it measures the active return of the manager's portfolio divided by the amount of risk that the manager takes relative to the benchmark.

Sharpe Ratio is a measure for calculating risk-adjusted return. It is the average return earned in excess of the risk-free rate per unit of total risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

Alpha is a measure of the active return on an investment. It represents the excess returns of a fund relative to the return of a suitable benchmark.



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Prime Collective Investment Schemes Management Company (RF) (Pty) Ltd

www.primeinvestments.co.za

+27 (0)10 594 2100
+27 (0)86 642 1880
save@primeinvestments.co.za

1st Floor, Building B,
Hurlingham Office Park,
59 Woodlands Ave, Hurlingham Manor,
Sandton

PostNet Suite 208,
Private Bag X9,
Benmore, 2010

Fund Contact Details**Fund Manager**

Lynx Fund Managers (Pty) Ltd.
(FSP No: 23987)

+27 (0)11 707 9940

Trustee

Societe Generale Security Services

+27 (0)11 448 8800

Administrator

Global Independent Administrators

+27 (0)10 594 2100

save@primeinvestments.co.za

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