



Fund Objectives and Key Facts

Fund Performance

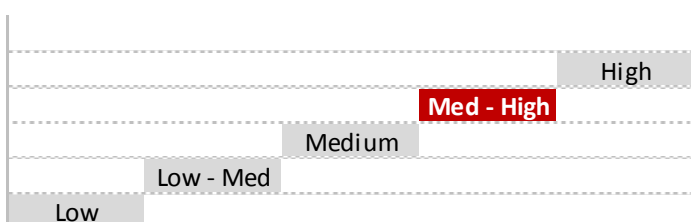
Portfolio Commentary

Contact Details and Disclaimer

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 Africa - 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	03 May 2005	
Total Portfolio Size	426.1 M	
NAV price	Launch	1000.00 (cpu)
	30-Sep-17	2758.26 (cpu)
JSE code	LYPC1	
ISIN number	ZAE000221180	
Income Declaration	February, August	
Valuation	Valuation time	17h00 (daily)
	Dealing cut-off	14h00 (daily)
Payment	3rd working day of Mar/Sep	
Minimum Initial Investment	R10 000 lump sum	
	R1000 debit order	
Reg. 28 Compliant	Yes	
Issue date	15 October 2017	

Portfolio Income in Cents Per Unit (cpu)

Distribution	Dividend	Interest	Other	Total
Aug-17	2.7013	23.3471	0.1133	26.1617
Feb-17	0.0000	31.7478	0.0000	31.7478

NAV Values	Jul-17	Aug-17	Sep-17
Fund Units	15 000 238	14 987 650	14 992 913
Fund NAV	R 427 895 002	R 429 329 347	R 426 149 063
Class NAV	R 215 985	R 215 107	R 214 912

*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) 3.19 %

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) 3.39 %

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 **3.19%**, a performance fee of 0.00% of the net asset value of the class of the Financial Product was recovered.

Portfolio Fees

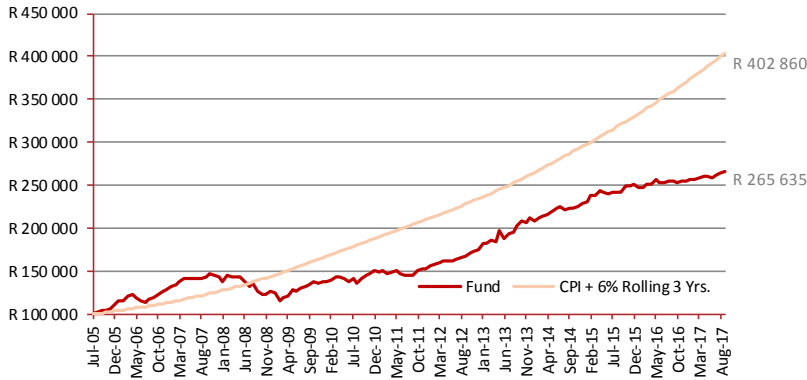
Management Fee	0.15% (excl. VAT)
Performance Fee	N/A
Advisory Fee	1.20% (excl. VAT)
Investment Management Fee	0.55% (excl. VAT)

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 R100 000

Fund Composition

TOP FIVE HOLDINGS	Exposure
Laurium Flexible Prescient Fund	19.08%
Visio BCI Actinio Fund	14.67%
ABAX Absolute Return Pres Fund	12.86%
Investec Diversified Income Fund	12.70%
Prescient Income Provider Fund	12.70%

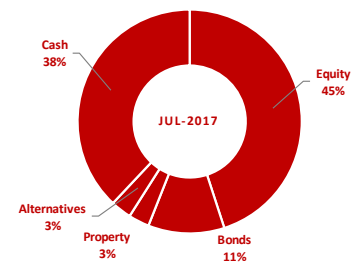
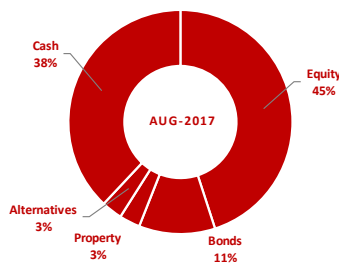
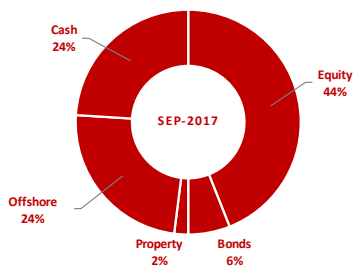
Period	September-2017		August-2017		July-2017		Risk Statistics		
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Risk Metrics	Fund (C1)	Benchmark
1 Month	0.65%	0.91%	0.32%	0.92%	1.96%	0.93%	Volatility	7.40%	0.39%
3 Months	2.95%	2.79%	1.34%	2.81%	0.64%	2.83%	Tracking Error	7.51%	
6 Months	2.50%	5.71%	2.54%	5.76%	2.19%	5.81%	Information Ratio	-0.50	
YTD	4.11%	8.79%	3.43%	7.81%	3.10%	6.82%	Correlation	-0.19	
1 Year	4.39%	11.96%	3.20%	12.01%	3.71%	12.05%	Beta	1.10	
2 Years	4.94%	12.00%	4.45%	12.02%	4.14%	12.05%	Sharpe Ratio	0.17	
3 Years	5.97%	12.00%	5.91%	12.03%	5.44%	12.05%	Max (Rolling 12 Mths)	23.93%	14.78%
5 Years	9.67%	12.05%	9.69%	12.04%	9.97%	12.03%	Min (Rolling 12 Mths)	-20.62%	9.00%
Since Inception	8.36%	12.13%	8.30%	12.05%	8.27%	11.97%	Alpha	-3.56%	

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

* Annualised

Monthly Performance	2017	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Asset Class Returns	Sep-17
Fund	2017	0.89%	-0.02%	0.69%	0.87%	-0.37%	-0.93%	1.96%	0.32%	0.65%				4.11%	ALSI (TR)	-0.87%
Benchmark	2017	0.96%	0.97%	0.95%	0.95%	0.94%	0.93%	0.93%	0.92%	0.91%				8.79%	ALBI (TR)	1.08%
Fund	2016	-1.68%	-0.22%	1.77%	0.05%	2.62%	-1.60%	0.02%	0.82%	-0.50%	-0.84%	0.79%	0.33%	1.48%	SAPY (TR)	1.19%
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%	CASH	0.63%
Fund	2015	0.78%	2.80%	0.46%	1.98%	-0.32%	-0.98%	1.07%	-0.27%	-0.28%	3.08%	0.34%	0.77%	9.75%	ZAR/USD	13.50
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	-1.34%	1.80%	0.38%	1.22%	1.61%	1.34%	0.65%	-1.00%	0.46%	0.06%	1.19%	1.37%	7.96%		
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	3.68%	-0.22%	2.11%	-0.75%	6.90%	-4.15%	2.91%	1.13%	3.48%	2.66%	-0.68%	2.42%	20.82%		
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 Allocation





Links

Fund Objectives and Key Facts

Fund Performance

Portfolio Commentary

Contact Details and Disclaimer

Fund Commentary

Global markets in the third quarter of 2017 continued to march ahead as the synchronised recovery in global economic activity gained further traction. Low inflation numbers in the US, which have largely been a result of low oil prices and “transitory economic” anomalies have allowed the Fed to maintain a dovish stance for now. The upbeat market sentiment, together with strong corporate profits and a weak US dollar have spurred the S&P 500 to all-time highs. Trump’s much awaited tax reform policy was finally announced, and immediately US yields rose and the dollar strengthened which highlight the inflationary nature of his proposed policy changes. Eurozone economic data remained robust and GDP from the second quarter was confirmed at 0.6%. The possibility of reduced stimulus measures has been the focus of the market for some time and a strong Euro reflects that. The MSCI EMU index returned 4.3% in Euros for the quarter.

Emerging markets (EM) benefitted greatly from the continuation of excess liquidity in developed markets. Portfolio flows, particularly in favour of fixed income assets accelerated in recent months, benefitting EM currencies and their respective sovereign bonds. Foreign investors seem to have ignored recent political turmoil in countries like Turkey and South Africa, primarily chasing high real yields. EM equities have also benefitted from the uptick in global economic activity and the performance of equities in these markets reflect that. The Shanghai composite index for example gained 5%, while Russia’s Micex and Brazil’s Bovespa gained 11% and 18% respectively in local currency terms over quarter.

Closer to home, the JSE All Share Index gained 8.9% during the quarter, this performance was mainly driven by a handful of heavyweights such as Naspers. However, low investor confidence and weak economic activity held back stocks that are more exposed to domestic economy. Foreigners remained net sellers of SA equities and net buyers of SA bonds. The rand was rather resilient throughout the quarter until it sold off sharply in September to end the quarter at 13.6/\$.

Although the Lynx Balanced Fund remains cautiously positioned, it gained 3.2% during the quarter, with most asset classes contributing to the steady return. All eyes will be on the Fed and the ECB in the coming quarter as the potential for policy normalisation has increased substantially in recent weeks. This, together with the binary ANC elective conference in December could result in an uptick in market volatility. Nevertheless, we are comfortable with the fund positioning and remain well diversified across asset class and geography.

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.



Links

Fund Objectives and Key Facts

Fund Performance

Portfolio Commentary

Contact Details and Disclaimer

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

Disclaimer

This is a minimum disclosure document and a general investor report. Collective Investment Schemes are generally medium to long term investments. The value of participatory interests may go down as well as up. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Past performance is not necessarily an indication of future performance. CIS's are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to these portfolios and are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the manager. The manager has a right to close portfolios to new investors in order to manage them more efficiently in accordance with their mandates. Forward pricing is used. The manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Dealing prices are calculated on a net asset value and auditor's fees, bank charges and trustee fees are levied against the portfolios. Performance is calculated for the portfolio, as well as that the individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Lump sum investment performances are quoted. Income distributions are in the calculations. Performance numbers and graphs are sourced from Collective Endeavours Consulting (Pty) Ltd. NAV to NAV figures have been used. The investment performance is for illustrative purposes only. The investment performance is calculated after taking the actual initial fees and all ongoing fees into account. The reinvestment of income is calculated on the actual amount distributed per participatory interest by using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. Risk profile of the fund ranges from low risk to high risk with a low risk potentially associated with lower rewards and a high risk with potentially higher rewards. Foreign securities may be included in the portfolio from time to time and as such may result in the following: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks and potential limitations on the availability of market information. One can also obtain additional information on Prime products on the Prime CIS website and all price related queries or information is readily available on request. Fund of funds are portfolios that invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the fund of funds. The daily cut off time is 14:00 for trades and the valuation point is 17:00. Prices are published on Finswitch by 10:00 daily. Prime Collective Investment Schemes Management Company (RF) (Pty) Ltd is a registered Collective Investment Scheme Manager in terms of Section 5 of the Collective Investment Schemes Control Act and is a wholly owned subsidiary of Prime Financial Services (Pty) Ltd, a member of ASISA.