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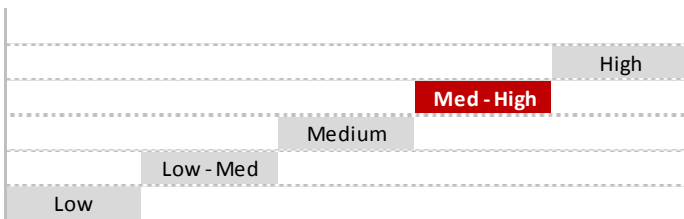
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Fund Objective

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 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	428 M	
NAV price	Launch	1000.00 (cpu)
	31-Jul-18	2795.28 (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	26 August 2018	

Portfolio Income in Cents Per Unit (cpu)

Distribution	Dividend	Interest	Other	Total
Feb-18	1.8134	7.4816	0.9053	10.2003
Aug-17	2.7013	23.3471	0.1133	26.1617

NAV Values	May-18	Jun-18	Jul-18
Fund Units	14 530 904	14 590 331	14 792 440
Fund NAV	R 415 053 657	R 422 265 198	R 427 954 343
Class NAV	R 203 632	R 204 866	R 203 220

*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 17 to Feb 18

Total Expense Ratio (TER)

3.04 %

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)

0.23 %

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

Total Investment Charges (TIC)

3.27 %

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 **3.04 %**, a performance fee of 0.00% of the net asset value of the class of the Financial Product was recovered.

Portfolio Fees

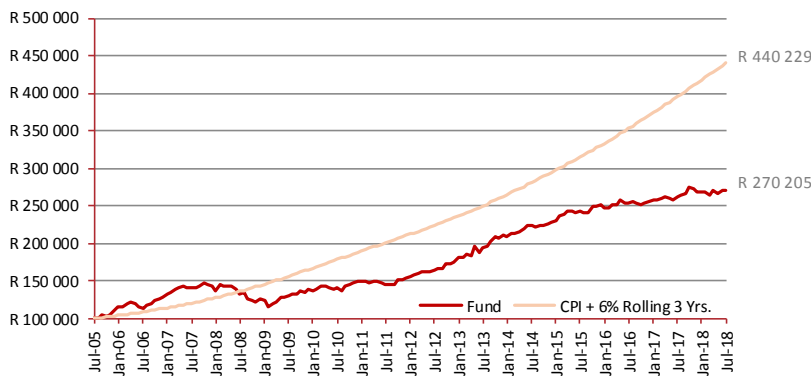
Management Fee	0.15% (excl. VAT)
Performance Fee	N/A
Advisory Fee	1.20% (excl. VAT)
Investment Management Fee	0.55% (excl. VAT)

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 R100000

Fund Composition

TOP FIVE HOLDINGS	Exposure
Laurium Flexible Precsient Fund	20.78%
Visio BCI Actinio Fund	15.89%
ABAX Absolute Return Pres Fund	11.82%
Lynx Prime Global Diversified FoF	10.81%
PSG Equity Fund	9.54%

Period	July-2018		June-2018		May-2018		Risk Statistics		
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Risk Metrics	Fund (C1)	Benchmark
1 Month	-0.16%	0.89%	1.25%	0.89%	-1.54%	0.89%	Volatility	7.34%	0.38%
3 Months	-0.47%	2.69%	2.62%	2.69%	-0.71%	2.69%	Tracking Error	7.43%	
6 Months	0.36%	5.46%	1.05%	5.46%	-2.22%	5.46%	Information Ratio	-0.56	
YTD	0.89%	6.40%	1.05%	5.46%	-0.20%	4.53%	Correlation	-0.17	
1 Year	2.71%	11.28%	4.89%	11.33%	2.63%	11.37%	Beta	1.10	
2 Years	3.21%	11.67%	3.30%	11.71%	1.84%	11.76%	Sharpe Ratio	0.12	
3 Years	3.66%	11.79%	4.09%	11.83%	3.32%	11.85%	Max (Rolling 12 Mths)	23.93%	14.78%
5 Years	6.83%	11.96%	7.48%	11.98%	6.31%	11.99%	Min (Rolling 12 Mths)	-20.62%	9.00%
Since Inception	7.95%	12.08%	7.96%	12.00%	7.86%	11.92%	Alpha	-3.88%	

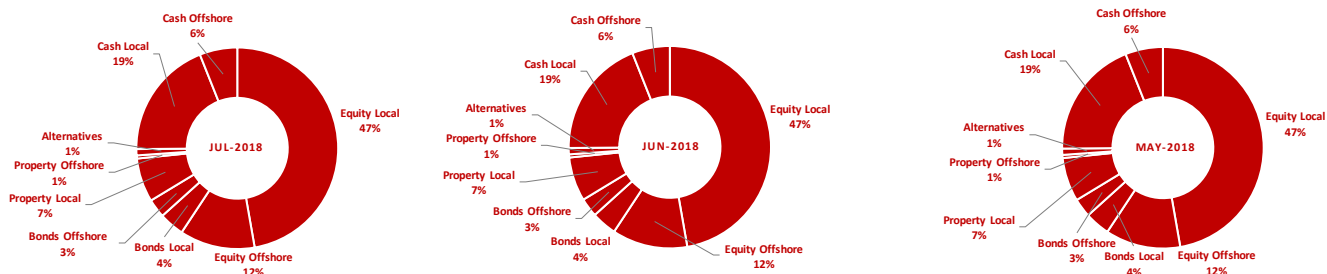
* Returns above one year are annualised; ** Fund Returns are net of fees

* Annualised

Monthly Performance		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund	2018	0.53%	-0.01%	-2.04%	2.94%	-1.54%	1.25%	-0.16%						0.89%
Benchmark	2018	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%						6.40%
Fund	2017	0.89%	-0.02%	0.69%	0.87%	-0.37%	-0.93%	1.96%	0.32%	0.65%	3.14%	-0.22%	-2.03%	4.96%
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	-1.68%	-0.22%	1.77%	0.05%	2.62%	-1.60%	0.02%	0.82%	-0.50%	-0.84%	0.79%	0.33%	1.48%
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	0.78%	2.80%	0.46%	1.98%	-0.32%	-0.98%	1.07%	-0.27%	-0.28%	3.08%	0.34%	0.77%	9.75%
Benchmark	2015	0.92%	0.93%	0.93%	0.95%	0.95%	0.96%	0.97%	0.95%	0.94%	0.93%	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 Class Returns	Jul-18
ALSI (TR)	-0.25%
ALBI (TR)	2.42%
SAPY (TR)	-0.50%
CASH	0.59%
ZAR/USD	13.10

Asset Allocation



Data Source: Collective Endeavours Consulting (Pty)



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The backdrop for emerging markets turned sour in the second quarter, driven predominantly by the Fed which has reiterated its plans to continue its monetary tightening program, worries over Trump's protectionist policies and the potential for a full-blown trade war with China. South Africa failed to escape the negative sentiment, which weighed in on the returns of local interest sensitives such as bonds and listed property in the second quarter, falling 3.8% and 2.2% respectively. In fact, the JSE recently reported record outflows from SA bonds in June which dwarves the outflows experienced in the 2013 "Taper Tantrum". The exit by foreigners and subsequent spike in yields has provided a sanguine opportunity for local investment managers to step up to the plate and lock in an attractive yield.

At the start of 2018, local inflation expectations were anchored near 4%, which together with the synchronised global recovery and renewed political optimism with Cyril Ramaphosa at the helm, improved the chances for further interest rate cuts. More recently however, the surge in the oil price that has largely been driven by geopolitical tension, together with a weakening rand has eliminated any chance of rate cuts in 2018. In fact, the local bond market is currently pricing in a 60% chance of 50bps worth of hikes by the SARB by year-end.

Although local consumer sentiment has improved, there has been little evidence of an uptick in business confidence and domestic economic activity continues to disappoint. The Q1 GDP print for example came in far worse than expected, contracting 2.2% in the 1st quarter, stunning market participants, further accelerating the sell-off in local bond and equity markets. The biggest detractors came from manufacturing and mining, contributing a combined 1.6% of the 2.2% contraction. Additionally, SOE's such as heavily indebted Eskom, is already disappointing investors with threatened load shedding and high wage demands while SA Government remains the entities guarantor. It is no surprise then that businesses are not willing to commit to major investments and growth remains lacklustre.

The saving grace for local investors in Q2 has been the weakness of the Rand, which until recently has been unusually strong. It's estimated that 62% of the earnings of local listed companies in the Top 40 are derived offshore which provides a tailwind for local equities in a Rand weakening environment. The resource sector is a prime example of this and has been one of the best performing sectors recently. Not only have they benefited from an improvement in global growth and more stable commodity prices, but the Rand at these levels will help expand profit margins and improve their cash flow positions. Over the last 3 months, the JSE Basic Materials Index is up 19.2% and YTD it has gained 12.6% which makes it the only major index in positive territory.

With multi-asset funds under pressure after a period of subdued returns over the last 3 years, the recent risk-off environment has offered some respite and has propped up absolute numbers. Year to date, Lynx Balanced is up 1.5% although there has been a bifurcation of themes between the 1st and 2nd quarter this year, the fund has achieved top quartile performance and maintains a consistent ranking near the top of the second quartile over a 3 and 5 year period.

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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