

Kagiso Top 40 Tracker Fund

as at 31 December 2015

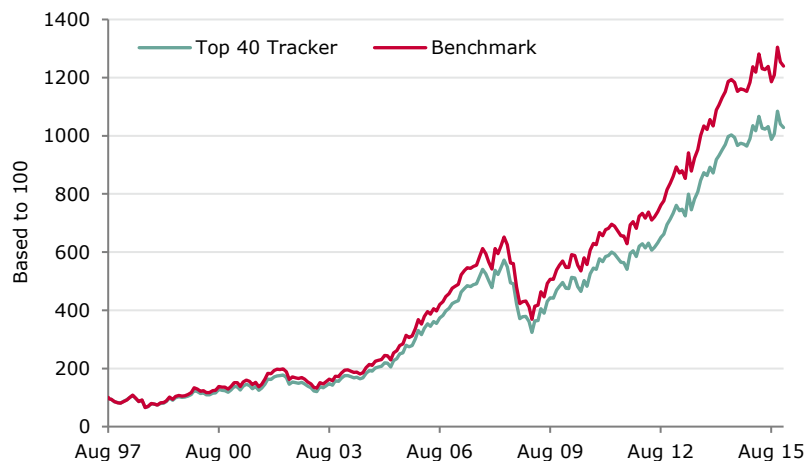


Performance¹

	Fund	Benchmark	Outperformance	Highest*	Lowest*
1 year	6.5%	7.5%	-1.0%	7.8%	-4.3%
3 years	11.9%	12.9%	-1.0%	10.3%	-6.8%
5 years	12.3%	13.2%	-0.9%	10.3%	-6.8%
10 years	13.1%	13.9%	-0.8%	12.4%	-14.2%
Since inception	13.5%	14.7%	-1.2%	14.4%	-27.8%

* Highest and lowest monthly fund performance during specified period

Cumulative performance since inception



Risk statistics

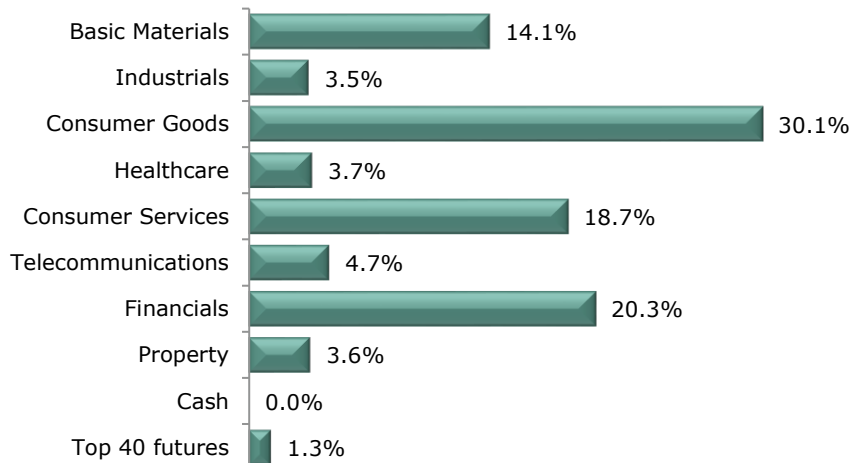
	Fund	Benchmark
Annualised deviation	19.8%	20.5%
Sharpe ratio	0.3	0.4
Maximum gain#	36.5%	37.4%
Maximum drawdown#	-43.5%	-43.4%
% Positive months	58.8%	58.8%

Consecutive months of change in the same direction

Top 10 holdings

	% of fund
Naspers	15.4
SABMiller	12.1
Richemont	9.5
BHP Billiton	6.3
British American Tobacco	4.4
MTN	4.0
PSG	3.8
Sasol	3.8
Steinhoff	3.4
Old Mutual	3.3
Total	66.0

Effective asset allocation exposure*



* Please note that effective asset allocation exposure is net of derivative positions

Portfolio Manager	Aslam Dalvi
Fund category	South African - Equity - Large Cap
Fund objective	To track the movements and replicate the performance of the FTSE/JSE Top 40 Index over time.
Benchmark	FTSE/JSE Top 40 Index
Launch date	1 August 1997
Fund size	R73.8 million

Risk profile		
NAV	6,136.59	cents
TER²	0.62%	
TC³	To be provided as soon as available	
Distributions	31 December 2015	79.78 cpu
	30 June 2015	112.18 cpu
Fees (excl. VAT)	Initial fee:	0.00%
	Financial adviser fee:	max 0.00%
	Ongoing advice fee:	max 0.25% pa
	Management fee:	0.50% pa

¹ Performance is quoted from Morningstar as at month-end for a lump sum investment using Class A Net Asset Value (NAV) prices with income distributions reinvested. NAV refers to the value of the fund's assets less the value of its liabilities, divided by the number of units in issue. Performance figures are quoted after the deduction of all costs incurred within the fund. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. All performances are annualised (ie the average annual return over the given time period).

² The Total Expense Ratio (TER) is calculated as a percentage of the average NAV of the portfolio incurred as charges, levies and fees in the management of the portfolio for a rolling 12-month period to end September 2015. A higher TER ratio does not necessarily imply a poor return nor does a low TER imply a good return. The current disclosed TER cannot be regarded as an indication of future TERs.

³ Transaction Costs (TC) 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.

The Kagiso Top 40 Tracker Fund aims to be fully invested in the entire stock selection of the JSE/FTSE Top 40 Index.

It is suitable for investors who are seeking to own the entire stock selection of the JSE/FTSE Top 40 at a low cost, and who seek long-term capital growth with no short-term income requirements. Investors should be able to withstand short-term market fluctuations in pursuit of maximum capital growth over the long term.

Portfolio Manager



Aslam Dalvi
BBusSc, CFA

Aslam graduated from the University of Cape Town in 2000 with a BBusSc. He started his career as an analyst with Coronation Fund Managers in 2001 and joined Kagiso Asset Management in 2004. He is currently a senior Investment Analyst and Portfolio Manager.

About Kagiso Asset Management

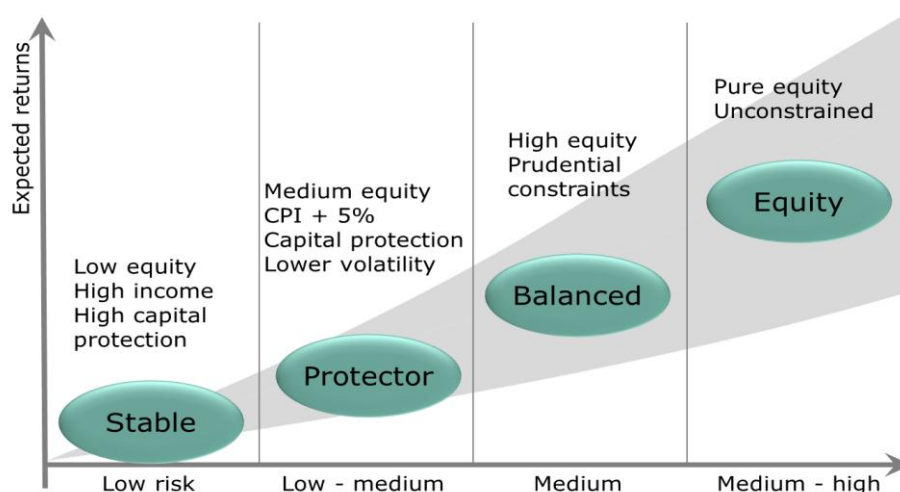
At Kagiso Asset Management, we aim to consistently deliver superior investment performance. We think deeply and independently - constantly pursuing excellence for our clients. We are a specialist investment management firm based in Cape Town, South Africa. Founded in 2001, we manage funds across the risk spectrum for sophisticated institutional and private investors.

Our ability to add value to clients stems from:

- our diverse team of experienced investment professionals;
- a disciplined investment process based on our valuation-oriented, contrarian philosophy;
- our company culture, which encourages and enables clear, differentiated thinking; and
- applying our skill to portfolios that are not constrained by size.

Our fund range

We have a range of equity and multi-asset class funds that are designed to meet the enduring needs of our various clients. These funds are complementary and are clearly differentiated by expected risk and return characteristics.



Fund registration no

ZAE000150868

Trustee

Melinda Mostert

Head: Standard Bank Trustee Services

Pricing: All funds are valued and priced at 15:00 each business day and at 17:00 on the last business day of the month. Forward pricing is used. The deadline for receiving instructions is 14:00 each business day to ensure same day value.

The Kagiso unit trust fund range is offered by Kagiso Collective Investments Limited (Kagiso), registration number 2010/009289/06. Kagiso is a member of the Association for Savings and Investment SA (ASISA) and is a registered management company in terms of the Collective Investment Schemes Control Act, No 45 of 2002. Kagiso is a subsidiary of Kagiso Asset Management (Pty) Limited [a licensed financial services provider (FSP No. 784)], the investment manager of the unit trust funds.

Unit trusts are generally medium to long-term investments. The value of units will fluctuate and past performance should not be used as a guide for future performance. Kagiso does not provide any guarantee either with respect to the capital or the return of the portfolio(s). Foreign securities may be included in the portfolio(s) and may result in potential constraints on liquidity and the repatriation of funds. In addition, macroeconomic, political, foreign exchange, tax and settlement risks may apply. However, our robust investment process takes these factors into account. Unit trusts are traded at ruling prices and can engage in scrip lending and borrowing. Exchange rate movements, where applicable, may affect the value of underlying investments. Different classes of units may apply and are subject to different fees and charges. A schedule of the maximum fees, charges and commissions is available upon request. Commission and incentives may be paid, and if so, would be included in the overall costs.

This fact sheet in its entirety constitutes this fund's Minimum Disclosure Document, as required by the Financial Services Board. Please contact us on the details below should you require additional information on our range of funds.

The year 2015 has been a watershed year for the global economy and global markets. We saw a steady recovery in the US economy and the start of the rate normalisation process in Q4. In stark contrast to the progress in the US, we saw rising global deflation risks across the rest of the developed world and additional quantitative easing in Europe and Japan. We witnessed the collapse of the oil price while the slowdown in China sent reverberations through global commodity markets with most commodity prices declining substantially over the year. In addition, we saw the blowout of EM currencies and a sharp reduction in the growth outlook for commodity led economies.

Against this backdrop, global markets delivered a positive performance for the quarter with the MSCI World Index delivering a USD total return of 5.6% versus 0.7% for the MSCI Emerging markets. Developed markets had a strong quarter overall with the Nasdaq and the Nikkei delivering 10.2% and 9.2% respectively. Emerging markets performed poorly in general with most regions delivering negative returns, particularly South Africa and Russia with -10.5% and -4% respectively.

Domestically, the 12% devaluation of the Rand versus the USD in the fourth quarter pushed the yearly devaluation for 2015 to just over 30%. The reserve bank maintained its cautiously hawkish monetary stance and hiked rates by 25bps in November, bringing the total rate increase in 2015 to 50bps.

Locally, the SA economy remains vulnerable to portfolio inflows slowing and perhaps reversing, given the high current account and fiscal deficits. The rand depreciated by 25.2% vs the US dollar in 2015 and rand weakness was exacerbated further by domestic policy concerns, power shortages, drought and current account and budget deficits weighing on SA's credit ratings

Despite the challenging SA economic environment, the ALSI posted a positive Rand return of 1.7% in the fourth quarter (5.1% for the 2015 year). Industrials once again delivered the best performance, posting positive returns of 6.6% and 15.3% for the quarter and for the 2015 year respectively. This is in contrast to both Financials (-3.3% and +3.9%) and Resources (-19.2% and -37%).

The best performing segments of the market – most of which are structurally related to the depreciating currency - have been rand hedges; including paper, beverages, tobacco and household goods.

The fund slightly underperformed its benchmark over the quarter, driven by costs incurred from flows and significant index changes that necessitated trading. The fund continues to closely track its benchmark, the FTSE/JSE Top 40 Index, which closed the quarter up 2.51% and the year up 7.52%.

Portfolio Manager
Aslam Dalvi

Key indicators	
Equity markets (total return)	Quarterly change
MSCI World Equity (US Dollar return)	5.1%
MSCI Emerging Market Equity (US Dollar return)	0.3%
FTSE/JSE All Share Index	1.7%
FTSE/JSE Resources Index	-19.7%
FTSE/JSE Financials Index	-3.3%
FTSE/JSE Industrials Index	7.3%
Commodities and currency	Quarterly change
Platinum (\$/oz)	-1.7%
Gold (\$/oz)	-4.9%
Brent Crude (\$/barrel)	-23.2%
Rand/US Dollar (USD)	11.8%