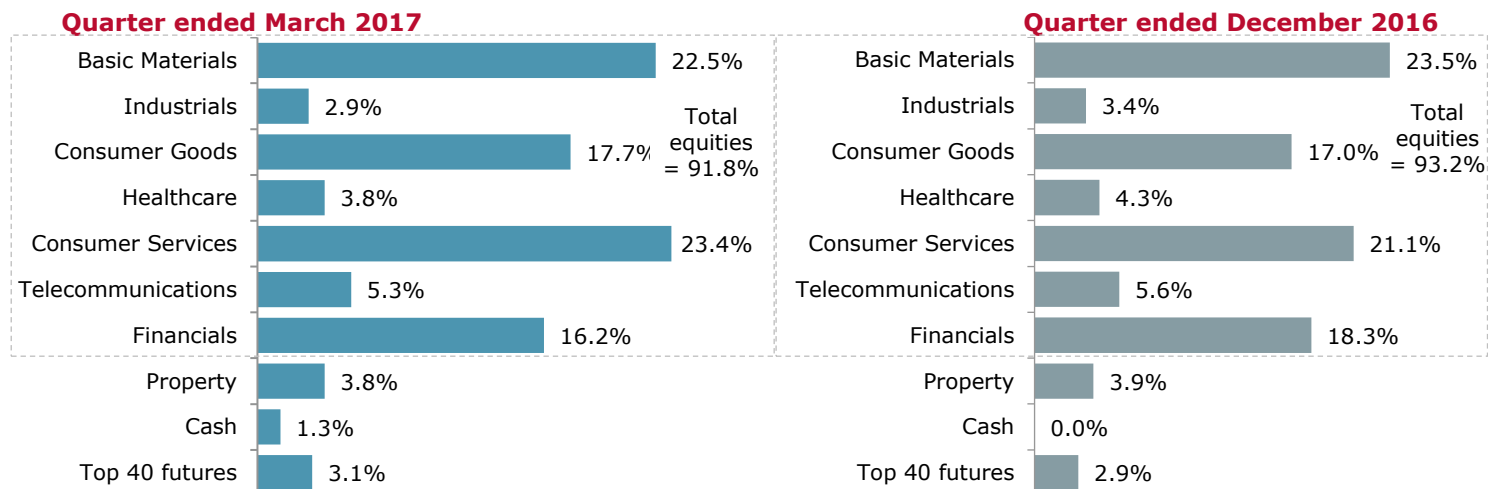


This fund aims to be fully invested in the entire stock selection of the JSE/FTSE Top 40 Index.

Asset and sector allocation



Top 10 holdings

Quarter ended March 2017	Quarter ended December 2016
Naspers: 17.7%	Naspers: 16.4%
Richemont: 9.5%	BHP Billiton: 8.7%
BHP Billiton: 7.8%	Richemont: 8.6%
Anglo American: 4.8%	Anglo American: 4.9%
British American Tobacco: 4.1%	MTN: 4.2%
MTN: 3.9%	Sasol: 4.2%
Sasol: 3.9%	FirstRand/RMB: 3.9%
FirstRand/RMB: 3.2%	British American Tobacco: 3.9%
Standard Bank: 3.1%	Standard Bank: 3.5%
Steinhoff: 2.9%	Steinhoff: 3.4%
Total: 60.9%	Total: 61.7%

KATF 20011
Fund size R58.01 million
NAV 5,980.13 cpu
Number of participatory interests 969,972

Income distributions
 31 December 2016 68.24 cpu
 30 June 2016 53.00 cpu

Key indicators

Equity markets (total return)	Quarterly change
MSCI World Equity (US Dollar return)	5.9%
MSCI Emerging Market Equity (US Dollar return)	11.1%
FTSE/JSE All Share Index	-2.1%
FTSE/JSE Resources Index	-1.1%
FTSE/JSE Financials Index	3.2%
FTSE/JSE Industrials Index	-5.4%
Commodities and currency	Quarterly change
Platinum (\$/oz)	-12.0%
Gold (\$/oz)	-12.3%
Brent Crude (\$/barrel)	13.6%
Rand/US Dollar (USD)	-0.2%

Policy objective The fund adhered to the policy objective as stated in the Supplemental Deed
Additional information Please read this quarterly investment report in conjunction with the minimum disclosure document for the fund

Kagiso Top 40 Tracker Fund

March 2017



Global growth remains low, but the outlook has improved as evidenced by a strong pickup in a broad array of sentiment indicators globally. Against a backdrop of improving global risk appetite, developed equity markets were strong across the board in dollar terms. The MSCI World Index closed the quarter up 6.5% with Hong Kong (up 9.9%), Germany (up 8.8%) and the French market (up 7.1%) outperforming. Emerging markets were also very strong with the MSCI Emerging Market Index closing up 11.5% in dollar terms.

Locally, the South African economy remains weak although expectations are for an improvement in growth this year due to a recovery in agriculture and mining. Recovery expectations are further aided by a much improved inflation and interest rate outlook due to a recovery in the currency. However, it is clear that a more meaningful improvement will need increased private sector confidence and investment. This is unlikely, due to high policy uncertainty and lack of meaningful growth enabling reforms.

The dramatic events of late March, in particular the very negative leadership changes within the National Treasury, have added significantly to policy uncertainty and have materially eroded the previously high levels of investor confidence in this key institution. The subsequent foreign currency rating downgrades were therefore to be expected and further downgrades are likely if the economy continues to be weak.

The local equity market gained 3.8% over the quarter resulting in a one year return of just 2.5%. Industrials (up 7.1%) outperformed this quarter, with material contributions from index heavyweights (Richemont up 16.8%, British American Tobacco up 15.8%, and Naspers up 14.9%). The basic materials sector was positive this quarter (up 2.7%) while Financials (down 1.9%) underperformed.

The fund performed broadly in line with its Benchmark, the FTSE/JSE Top 40 Index, which closed the quarter up 3.9%.