



31 OCT  
2014

# SAFFRON MET INFLATION LINKED BOND FUND

**Fund category** South Africa - Multi Asset - Income\*  
**Fund description** An actively managed fund that aims to provide inflation beating returns  
**Launch date** 02 July 2012  
**Portfolio manager/s** Deon van Zyl

**Fund size** R523.361 million  
**NAV** 110.76 cents per unit  
**Benchmark** CPI +2.0% over 12 month rolling period  
**TER<sup>1</sup>** 1.15%  
**Modified duration** 3.52 years  
**Risk profile** Low / Moderate

## FUND OBJECTIVE & BENCHMARK

The Saffron MET Inflation Linked Bond Fund is a specialist fixed interest portfolio that consists of inflation linked bonds, government bonds, corporate bonds and other interest bearing securities, money market instruments, preference shares, property shares and property related securities, non-equity securities and assets in liquid form. The fund's objective is to deliver a return of 2.0 % over CPI (over 12 month rolling period, net of fees) on a sustainable basis.

## INVESTMENT MANDATE

The fund seeks to secure stable real capital growth in excess of the headline inflation rate. The fund adopts an active asset allocation and will reflect Saffron's best view of relative attractiveness of the assets in the investable universe. The fund shall maintain an exposure to inflation linked bonds of at least 50% depending on the portfolio manager's view of the interest rate cycle and inflation expectations. Exposure to property related securities may be actively varied but shall not exceed 10% of the fund's net asset value.

## TECHNICAL OVERVIEW

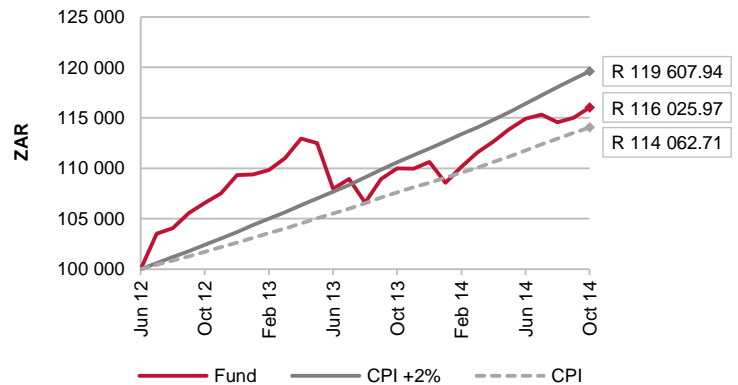
Original Buying Price:	100 cents
FSP upfront comm. (max):	0%
Annual Service fee:	1.14% (incl. VAT)
Performance fee:	None
Minimum lump sum:	R5 000
Min. monthly investment:	R500
Income distribution 2013:	2.82 cpu
Date of income declaration:	30 Jun / 31 Dec
Date of income payment:	2nd working day of Jul / Jan
Valuation time:	15h00
Transaction time:	14h00

## PERFORMANCE

As at 31/10/2014

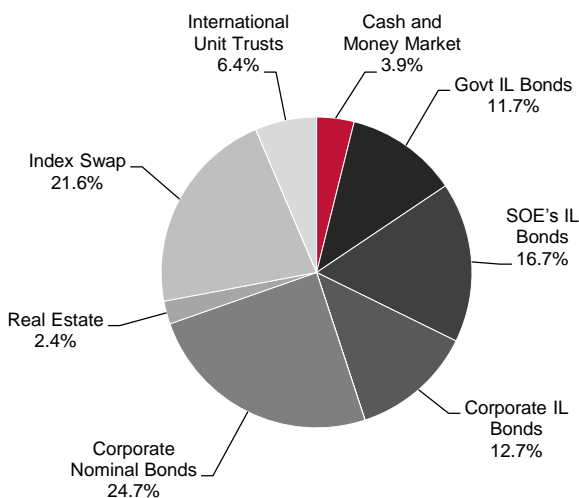
	1 Year	2 Year	Since inception (annualised)	Since inception (cumulative)
Fund	5.5%	8.9%	6.6%	16.0%
Benchmark	8.0%	16.8%	8.0%	19.6%

Growth of ZAR100 000 investment since fund inception



## SECTOR ALLOCATIONS

As at 31/10/2014



## FAIS CONFLICT OF INTEREST DISCLOSURE

Please note that in most cases where the FSP is a related party to Saffron Wealth (Pty) Ltd and/or MET Collective Investments (RF) (Pty) Ltd, Saffron Wealth (Pty) Ltd and/or the distributor earns additional fees apart from the FSP's client advisory fees. It is the FSP's responsibility to disclose additional fees to you as a client. Such fees are paid out of the portfolio's service charge and range as follows (excl VAT):

CIS Manager	Up to 0.10%
Saffron Wealth (Pty) Ltd	Up to 0.90%
Distribution	Up to 0.25%
LISP Rebate	Up to 0.25%
Performance fee	100% to investment manager
<b>Total Service Charge</b>	<b>1.00%</b>

## MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fund 2014	-1.87%	1.47%	1.29%	0.97%	1.08%	0.91%	0.34%	-0.64%	0.37%	0.90%		
Fund 2013	0.05%	0.41%	1.06%	1.74%	-0.38%	-4.03%	0.89%	-2.15%	2.22%	0.96%	-0.05%	0.63%
Fund 2012							3.52%	0.51%	1.45%	0.96%	0.90%	1.67%

## DISCLOSURES

This document is for information purposes only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance upon the information. \*The TER has been calculated using data from 1 July 2013 until 30 June 2014. The TER is disclosed as a % of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio and underlying portfolios. The TER is adjusted for significant subsequent portfolio restructurings and / or fee changes. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TERs. \*Please note that under a new fund classification system for the unit trust industry, effective 1 January 2013, the fund has been included in a new category, South African – Multi Asset – Income (previously Domestic – Fixed Interest – Varied Specialist) to better reflect the nature of the underlying assets. This information is factually correct as at December 2012. Custodian: Standard Executors & Trustees: Tel (021) 441-4100. MET Collective Investments (RF) (Ltd) Pty, 268 West Avenue, Centurion 0157; PO Box 7400, Centurion 0046; Fax (012) 675-3889; Call Centre Tel: 0860 111 899; Email: C.clientservice@momentum.co.za; Registration No 1991/03741/06. Collective Investment Schemes (CIS) in securities are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. All CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request. Commission may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. MET Collective Investments (RF) (Ltd) Pty reserves the right to close and reopen certain portfolios from time to time in order to manage them more efficiently. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of participatory interests apply to certain portfolios, which are subject to different fees and charges. Performance figures quoted are from Morningstar/MoneyMate, as at the date of this factsheet for a lump sum investment, using NAV-NAV prices with income distributions reinvested. Service charges and investment manager charges are calculated and accrued on the daily market value of the investment and paid out monthly. MET Collective Investments (RF) (Ltd) Pty is the Manager of the MET Collective Investments Scheme, and a full member of the Association for Savings and Investment SA. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, MET Collective Investments (RF) (Ltd) Pty does not accept any responsibility for any claim, damages, loss or expense, howsoever arising, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of MET Collective Investments (RF) (Ltd) Pty.

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