

GTC Fixed Income Minimum Disclosure Document

30 June 2016



Investment mandate and objective

The primary investment objective of the Fund is to generate real positive returns over time through the active management of a combination of money market, bond and income generating instruments. The strategy and investment mandate of the fund has a focus on income generation, with downside protection of capital.

Investment features:

The Fund will primarily invest in a range of fixed income securities including instruments guaranteed by the Republic of South Africa, gilts, semi-gilts, loan stock, preference shares, debentures, debenture stock, debenture bonds, unsecured notes, financially sound listed property investments, participatory interest in collective investment schemes and any other instruments guaranteed by the Republic of South Africa which are considered consistent with the fund's primary objective. Taquanta Asset Management is our preferred investment manager mandated to achieve the above.

Performance (%)

	1 Year	2 Years*	3 Years*	4 Years*	5 Years*
GTC Fixed Income Class B ¹	6.90	7.37	6.40	5.97	5.94
SteFi Call Rate ¹	4.59	4.24	3.94	3.76	3.75
ALBI 1-3 year ¹	5.91	5.44	4.98	4.47	5.34
SteFi ¹	5.26	4.98	4.60	4.38	4.33

¹Stated performance is after fees have been deducted
*Annualised.

Other points to note with regards to performance reported above:

- Performance before June 2012 based on actual manager return in constructed blend. Performance from 1 June 2012 reports NAV to NAV.
- The figures refer to the average yearly return of an investment over a given time period. Returns for period less than one year are not annualised
- Lump sum investment performances quoted.
- Performance is calculated for the portfolio; individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax.
- Offshore assets were added to the Fund with effect from 1 September 2015

Performance history (%)

Year	Highest monthly return per annum (%)				Lowest monthly returns per annum (%)			
	Portfolio: Class B	SteFi Call Rate	SteFi	ALBI 1-3years	Portfolio: Class B	SteFi Call Rate	SteFi	ALBI 1-3years
2016*	0.67	0.43	0.48	1.64	0.53	0.34	0.39	0.02
2015	0.65	0.37	0.42	1.77	0.22	0.27	0.35	-1.60
2014	3.00	0.33	0.40	1.56	-0.77	0.25	0.28	-1.34
2013	0.62	0.27	0.31	0.97	0.26	0.22	0.26	-0.70
2012	0.53	0.32	0.34	1.23	0.31	0.25	0.30	0.09
2011	1.30	0.31	0.37	2.05	0.14	0.27	0.31	-0.76
2010	0.95	0.43	0.49	0.89	0.30	0.32	0.38	0.17
2009	1.02	0.79	0.83	1.12	0.52	0.41	0.47	-0.09
2008	1.76	0.82	0.86	3.56	-0.08	0.68	0.70	-1.53
2007	1.14	0.71	0.72	1.42	0.01	0.52	0.51	-0.88

*2016 return reflects the highest monthly return achieved from January to the current month

Risk Profile of the Fund

Low Risk

Fund facts:

Investment manager/s:	Taquanta
Fund classification:	SA - Multi Asset - Income
Benchmark:	Alexander Forbes MM Index
Trustee:	Societe General
Auditors:	KPMG Inc
Management company:	GTC Management Company
Target:	Better of SteFi Call Rate and ALBI 1-3years
Inception date:	July 2007
Fund size:	R766 959 142
Income declarations:	28 Feb, 31 May, 31 Aug, 30 Nov
Income distribution:	Third day of the following month
Value distributed:	Aug 15 Nov 15 Feb 16 May 16
Class B:	1.5503 1.8635 1.8502 2.0365
Current NAV & dealing prices:	Class B: R1.0545
Valuation:	Priced a day in arrears

Risk/Reward

This is considered to be a low risk portfolio with an expected range of returns around the benchmark

Total Investment Charges

as at 31 March 2016

Total Expense Ratio (TER)	1.45%
Weighted TER portion of underlying	1.45%
Performance Fees	0.00%
Transaction Costs (TC)	0.00%
Total Investment Charges (TIC)	1.45%

TER: expenses relating to the administration of the Financial Product. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not be necessarily an accurate indication of future TERs.

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

TIC: Transaction costs are a necessary cost in administering the Financial Product returns. It should 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.

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30 June 2016



Asset class exposure (%)

Asset Class	April	May	June
Cash	5.23	3.31	0.84
Credit Linked Notes	12.25	12.19	11.99
Floating Rate Notes	56.16	58.44	60.75
Floating Rate NCD	26.36	26.06	26.42

Portfolio commentary: Quarter 2

Locally the All Share Index was up 0.44% (ZAR) over the quarter with Resources (6.40%) benefitting from a shift to commodity exposed counters while Financials (-4.34%) sold off. The All Bond Index returned 4.40% with the longer end of the curve (12+years) returning 4.73%. Property returned 0.43% and cash 1.78%.

NAV Values

	April	May	June
Fund Units	702,517,399	703,927,928	726,857,686
Fund NAV	R746,189,470	R737,431,300	R766,959,142
Class NAV [B]	R36,726,809	R37,715,837	R42,354,125

Mandate Compliance

The fund remains within the reporting regime as at the date of this report.

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Contact Us

Managers: GTC

GTC @Grant Thornton, The Wanderers Office Park, 52 Corlett Drive, Illovo
Tel: (010) 597 6800
E-mail: info@gtc.co.za, web: www.gtc.co.za

Asset Manager: Taquanta Asset Managers (Pty) Limited

7th Floor, Newlands Terraces, Boundary Road, Newlands, Cape Town.
Tel: (021) 681 5189

Trustees: Société Générale

160 Jan Smuts Avenue, 2nd floor, Rosebank, Johannesburg, 2096
Tel: (011) 448 8800

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. Commission and incentives may be paid and if so, will be included in overall costs. Forward pricing is used. The manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Income is re-invested on the re-investment date. 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. Recurring investments or lump sum investment performance. Income distributions are included in the performance calculations prior to deduction of applicable taxes. Performance numbers and graphs are sourced from GTC. 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. 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. One can also obtain additional information on GTC products on the website and all price related queries or information is readily available on request. GTC Management Company (RF) (Pty) Ltd is registered as a Collective Investment Scheme Manager in terms of Section 5 of the Collective Investment Schemes Control Act and is a member of ASISA.

MDD Issue date: 16th working day of every month