

# GTC Fixed Income Fund

## Minimum Disclosure Document

28 February 2018



### 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 investment objectives.

### Risk profile of the fund

Low risk

### Performance (%)

	Since Inception	5 Years*	3 Years*	1 Year	6 Month	3 Months
GTC Fixed Income Fund Class B'	7.43	6.93	7.33	8.33	3.98	1.96
ALBI 1-3 years'	6.58	5.54	6.50	8.29	4.07	4.04
STEFI Call'	5.15	4.44	4.99	5.27	2.53	1.24
STEFI'	5.68	4.99	5.61	5.93	2.85	1.39

\*Annualised

'Stated performance is after fees have been deducted

### Other points to note with regards to performance reported above:

- The figures refer to the average yearly return of an investment over a given time period. Returns for periods 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.

### Performance history (%)

	Highest monthly return per annum (%)				Lowest monthly return per annum (%)			
	Portfolio: Class B	Cash - ALBI 1-3 yr (STEFI CALL)	Cash (STEFI)	Portfolio: Class B	Cash - ALBI 1-3 yr (STEFI CALL)	Cash (STEFI)		
2018*	0.70	1.00	0.43	0.47	0.62	0.91	0.38	0.46
2017	0.74	2.08	0.45	0.51	0.63	-0.31	0.39	0.44
2016	0.79	1.64	0.95	0.51	0.49	-0.06	-0.07	0.39
2015	0.65	1.77	0.38	0.42	0.22	-1.60	0.30	0.35

\*return reflects the highest and lowest monthly return achieved from January to the current month

### Fund facts:

Multi manager:	GTC
Fund classification:	SA - Multi Asset - Income
Investment managers:	Taquanta
Benchmark:	Alexander Forbes MM Index
Management company:	GTC Management Company
Inception date:	July 2007
Trustee:	Societe General
Fund size:	R1 049 104 142
Target return:	Better of SteFI Call Rate and ALBI 1-3years
Income declaration:	28 February, 31 May, 31 Aug, 30 Nov
Income distribution:	Third day of the following month
Value distributed:	<b>May 2017:</b> 2.1864 <b>Aug 2017:</b> 2.0725 <b>Nov 2017:</b> 2.1385 <b>Feb 2018:</b> 1.9747
Current NAV & dealing prices:	Class B: R 1.0726

### Total Investment Charges

as at 28 February 2018

<b>Total Expense Ratio (TER)</b>	<b>0.85%</b>
Weighted TER portion of underlying	0.85%
Performance Fee	0.00%
<b>Transaction Costs (TC)</b>	<b>0.00%</b>
<b>Total Investment Charges (TIC)</b>	<b>0.85%</b>

**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.

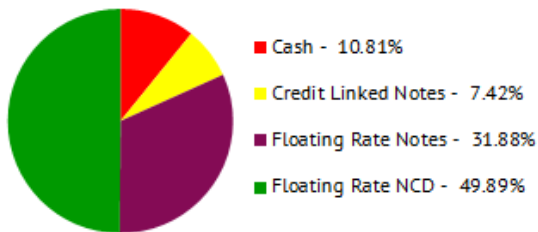
**TIC:** Transaction costs are a necessary cost in administering the Financial Product returns. It should be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

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### Asset class exposure



### Exposure by Years to Maturity

1 - 3yrs	15.80
3 - 7yrs	46.22
7 - 12yrs	36.03
>12yrs	1.96
<b>Total</b>	<b>100.00</b>

### Top 10 fixed income holdings (%)

Nedbank (non putable) FRN 14082019	5.83
FirstRand Bank Ltd NCD 15/07/2022	5.34
Standard Bank NCD 18/07/2022	5.34
Nedbank Capital (pty) Ltd. Frn 05-feb-2019	4.27
FirstRand NCD 22/09/2021	3.89
Absa NCD 11/09/2019	2.91
Nedbank Capital (pty) Ltd. Frn 07-jan-2021	2.91
Standard Bank of South Africa Stepped Note 18/01/2	2.91
South African National Roads Agency Ltd. Frn 19-...	2.83
Absa Bank Ltd. Frn 17-mar-2018	2.57
<b>Total</b>	<b>38.80</b>

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### Contact Us

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#### Trustees: Société Générale

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### Disclaimer

This is a minimum disclosure document and 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. Forward pricing is used. The manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. 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 investment or lump sum investment performances are quoted. Income distributions are included in the calculations. 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. One can also obtain additional information on GTC products on the website and all price related queries or information is readily available on request. Fund of funds are portfolios that invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the fund of funds. 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. 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*