GLOBAL BRIEF

FOURTH QUARTER
2015

EDITORIAL COMMENT

Mike Borland, Director, FIRSTGLOBAL GROUP

THE PAST FEW MONTHS FROM A LOCAL AND GLOBAL PERSPECTIVE have been interesting to say the least.

Global markets have been extremely volatile, and South Africa and other Emerging markets have been hit hard - and we have had our own internal issues which have not helped our currency or global confidence in our credit rating. From an SA investor perspective, these turbulent times always present opportunities in asset classes and regions and now is the time to have faith in those Fund managers and advisers who are navigating this course. Smooth seas make poor sailors, and this is most definitely not the first (or the last) time that the World and SA has encountered stormy seas.

Despite the current Rand weakness, there is still merit in investing offshore, briefly stated for its diversification benefits, reduced emerging market risk and reduced currency risk.

In this edition, we include discussion around a number of topics and snippets, which we trust will be informative and of interest. We consider Financial Health and how we should manage ourselves in these times, the possibility that the large outflows of currency from SA could spark a limitation of future allowances, and the NOW certain changes to Retirement fund taxation. In the light of headwinds blowing for SA on the Global stage, we consider an opportunity for SA as the "Gateway to Africa". We also look into ways of staying physically and emotionally afloat at stressful times, and finally we introduce the latest addition to our asset management team and include our Asset Management review.

Ponder on this: *"The world lies in the hands of those who have the courage to dream and who take the risk of living out their dreams - each according to his or her own talent,"* Paulo Coelho.

FINANCIAL HEALTH: HERE'S A THOUGHT…

Hennie Fourie, Managing Director, FIRSTGLOBAL Investment Counsel

IN CHALLENGING ECONOMIC CLIMATES, many financial experts are besieged with the question: what should I be doing differently? Our answer may surprise you: absolutely nothing.

That doesn't mean do nothing; it means do nothing differently. In a bull market, abide by your plan. In a bear market, abide by your plan.

Regardless, focus on timeless principles that can't go out of favour, and be willing to be coached through the tough times so you can be successful despite the market, instead of jumping on some bandwagon when times seem good or bad.

Of course that seems easier said than done. When that bandwagon is rolling along at hyper-speed, and you are the one abiding by your plan, it can seem distinctly un-sexy. Back when you began the financial planning process with us, you discussed your values. You talked about what is important to you in life. Has that changed? This is the only question that should drive a change in your financial plan. And who knows?

Subtle shifts in values do not necessarily require any new action in the financial arena. But if you are feeling that your values have been so affected that it requires a complete review of your financial plan, then by all means pursue this line of thought. Meet with your family and then with us, otherwise, stay the course.

Take a look at where we are today. "Now more than ever", we are encouraged, "don't be greedy or do anything rash". Well, yes we may feel the pull to be impulsive now more than ever, but frankly it is no more important to be level-headed today than it was yesterday. It's always important to be calm, to be decisive according to a plan based on something less transitory than yesterday's mood.

The good news is that while there is much in the media to get our attention and rile us up about our investments, we have the choice to react or not. In this issue, we acknowledge once again that there is more to life than the stock market- and that "more" is what's most important to focus on now.

FOREX ALLOWANCES – DON'T BE CAUGHT NAPPING

Currency Partners

IT'S THE START OF A NEW YEAR, which means that South African resident registered tax payers are entitled to new annual personal allowances for the 2016 calendar year. These are the:

- R1mil Discretionary Allowance (DA); and
- R10mil Foreign Investment Allowance (FIA).

As you may be aware, a Foreign Tax Clearance Certificate (FTCC) is required from SARS to send funds under the FIA.

With the recent all-time lows of the ZAR against the majors and the **imminent threat of a likely downgrade to "Junk" status of the SA economy** by the rating agencies, we are concerned that this could have adverse implications for the existing SA exchange control regulations and in particular, the aforementioned annual allowances.

We fear **a real possibility that the SA Reserve Bank will decrease (or even abolish) the annual personal allowances** in an effort to contain the capital outflows from South Africa which have reached record levels in the last quarter, despite the ever weakening Rand.

Whatever your view may be, **it is highly advisable to get your Foreign Tax Clearance Certificate (FTCC) now**, so that you are in a position to send funds under your annual FIA should you wish to do so later in the year and **don't miss out on favourable market rates** at the time of wanting to proceed because you are unable to do so.

Here are a few important facts and reasons for this:

- Your FTCC is valid for 12 months from date of issue – you don't have to use it now;

- Your annual personal allowances are granted per calendar year (1 Jan – 31 Dec), which can overlap with the aforementioned 12 month validity of your FTCC;

- You do not have to utilise the full balance in one go – you can draw down on the approved balance as often as you like throughout the year;

- You do not have to redeem you investments or have the "cash in a bank account" in order to apply for your FTCC – you can apply with your investment portfolio as is and redeem the investments at a later time when you wish to transact;

- There is no carry-over of any unused balances on the annual allowances. Any unused balance will expire at the end of the current calendar year on 31 Dec;

- There is no donations tax between spouses, so as a couple, you and your spouse have a total of R22mil per calendar year (2 x R1mil DAs + 2 x R10mil FIAs) in annual personal allowances you can utilise to send funds offshore;

- It is possible to apply for amounts greater than the R10mil FIA by way of a "Special Clearance" application with SARS and a "Special Approval" application with the SARB – we can facilitate this for you and it does not trigger an "automatic audit" from SARS as is often incorrectly thought to be the case; and

- We will complete all documentation for you and handle your FTCC application at no charge as part of our hassle free end-to-end FX Service.

So, don't be caught napping and apply for your FTCC now. There is no cost or obligation in doing so and you have nothing to lose.

GREATER INCENTIVES NEEDED TO MAKE SA COMPELLING GATEWAY TO AFRICA

Roxanna Nyiri, Head of Transfer Pricing, BDO South Africa

SOUTH AFRICA MAY NEED TO TAKE BOLDER STEPS to make it more desirable as a holding company destination.

Five years ago, the South African government introduced legislation to incentivise companies to set up their holding companies in South Africa, and establish it as the gateway to investing in Africa. Since then, the take-up by companies has been nominal and countries such as Mauritius and Rwanda remain the more competitive options for routing non-South-African business activities into the rest of Africa, writes Roxana Nyiri, Head of Transfer Pricing at BDO South Africa.

The South Africa Headquarter Company regime offers companies various incentives to set up their headquarters in SA. Some of these include treatment as a non-resident for tax purposes, with no potential exchange control requirements, exemption from dividends tax, and no controlled foreign company rules in certain instances.

The legislation has arguably not been competitive enough to attract a significant number of companies to route their business through South Africa. Today, many continue to structure their African operations via Mauritius.

Mauritius is currently ranked 1st in sub-Saharan Africa on the World Bank's Ease of Doing Business 2016 index and is number 32 of 189 globally.

Rwanda's legislation to encourage foreign direct investment spiralled them to the second spot in the 2016 World Bank Ease of Doing Business Index and is rated one of the least corrupt countries in Africa, according to the 2014 Corruption Perceptions Index.

This does not mean that setting up business in Mauritius is without challenges. For instance, the effective management of the business and key decision making processes need to happen on Mauritian soil. South African entities that establish operations on the island must therefore have the capital, infrastructure and resources to support the revenue generated there. If the economic substance and business purpose cannot be supported their profits earned abroad may be taxed in South Africa.

So it begs the question whether South Africa should up its game to become a preferred investment destination, and if so, how?

Ranked 4th on the World Bank's Ease of Doing Business index in sub-Saharan Africa and 73rd globally, South Africa may need to take bolder steps to make it more desirable as a holding company destination. In addition to creating a stable economy and a strong currency which reflects a sound and encouraging political environment, amendments to the country's tax and exchange control laws would be required to enhance South Africa's competitiveness.

South Africa's skills shortage necessitates the employment of expatriates in certain sectors. Whilst employing expatriates can often be expensive, they often provide critical skills to local entities and multinationals. Expatriates can also provide the required transfer of scarce skills. Without sufficient tax incentives, the burden of the expense to employers increase, which acts as a disincentive.

Typically, the two main expenses for someone living in South Africa are housing and transport.

Currently, expatriates can, in certain circumstances, receive employer provided tax free housing in South Africa for a maximum of 2 years from date of arrival. As many projects outlive 2 years, this benefit then becomes subject to tax. In recognition of this, the Department of Home affairs extended intra-company transfer work permits to 4 years. The Fiscus has not extended to 4 years yet.

Employers and expatriate employees also often experience challenges in obtaining work visas. Although this area has seen abuse in the past, the process needs to be simplified and fast-tracked.

Research and development (R&D) and other incentives also present their own challenges. Although South Africa provides a spectrum of R&D and other incentives, in practice they are often difficult to qualify for and to obtain. There are several criteria that need to be complied with and the application process can in certain instances be seen to be onerous. This impacts the ease of doing business and overcomplicates the processes.

South Africa would need to establish a firm policy on whether and the extent to which it wants to use the tax system and other means to attract foreign direct investment. Various studies have been done which address the pro's and con's of using the tax system as an economic stimulus. To this extent South Africa would need to assess the global trends and perspectives, especially those of the various international development agencies, the IMF, and the World Bank. Considering the international treatment of attracting foreign direct investment should be a critical component in such a study.

The successes (albeit questionable in certain instances) of the Asian countries and select European countries such as Ireland, Luxembourg, and the Netherlands to attract foreign direct investment need to be considered. A classic success story that should never be lost sight of is the re-emerging of the German economy post World War II. Rwanda's story is equally inspiring. Following its devastating civil war, the government made the decision to create an environment that is beneficial to conducting business and identified priority sectors for investment such as ICT, tourism, energy and agriculture.

South Africa can capitalise more on its status as the, or one of the, most sophisticated markets in Africa. South Africa, for example, offers incentives to establish in industrial zones, but the actual success of these zones has not been fully unpacked. South Africa can also, for example, consider incentivising manufacturing or financial services with a preferential tax treatment. These and other incentives can be used to expand the activities of foreign companies in South Africa and can also be used to attract the creation of licensing and IP on South African shores. The benefits of these measures will trickle down to most if not all of the corner stones of a sound economy, such as growth in GDP, the balance of payments, employment, exchange rates, monetary policy, etc.

Creating a prosperous South African economy cannot be done by focusing on one or a limited number of fundamentals. Government would have to revisit their various growth initiatives and plans and take due cogniscance of monetary and fiscal policy measures to assist in these. Focusing purely on tax or fiscal incentives to fuel economic growth without ensuring that the economic fundamentals are adequately addressed will not be the answer.

RETIREMENT TAX REFORM AT LAST BECOMES A REALITY

Sanlam Legal

At long last we have a great deal of certainty on the taxation of Retirement Fund Benefits. Set out below is a summary of the NEW provisions which will take effect 01 March 2016.

There is still some clarification required from SARS on some relatively minor issues.

	Pension Fund	Provident Fund	Pension Preservation Fund	Provident Preservation Fund	Retirement Annuity Fund
Tax deduction allowed in respect of member contribution	Maximum deductible is 27.5% of the greater of: • Remuneration* as defined in the 4th Schedule of the Income Tax Act or • Taxable income* Subject to an overall cap of R350 000 per year *excluding any retirement fund lump sum benefit, retirement fund lump sum withdrawal benefit and severance benefit.	Forms part of the maximum as described under Pension Fund.	Contribution consists of a lump sum transfer from another retirement fund – no further contributions are made to the fund.		Forms part of the maximum as described under Pension Fund.
Tax deduction allowed in respect of employer contributions	Where an employer pays the pension or provident fund contribution for the benefit of its employee (member) it is a taxable benefit for the employee, but also with a deduction for the employee within the limits set out in the column above. The payment for the benefit of the employee is a deductible expense for the employer. The employer deduction is no longer capped.		Contribution consists of a lump sum transfer from another retirement fund – no further contributions are made to the fund.		Where an employer pays the retirement annuity fund contribution on behalf of its employee (member) it is a taxable benefit for the employee, but also with a deduction for the employee within the limits set out under Pension Fund. The payment on behalf of the employee is a deductible expense for the employer.
Retirement date	Specified in the rules of the fund		Anytime from age 55		
Withdrawal	Specified in the rules of the fund – normally cash and/or transfer to another fund				

Fund	Options at Retirement
Pension Fund	Maximum 1/3 lump sum of retirement interest excluding the part thereof in 1 below if applicable. PLUS 1. If there was a transfer from a provident fund, contributions prior to 01/03/2016 to the provident fund plus growth can be taken as a lump sum. The balance must provide a life-long pension. If the total retirement interest excluding the part of the interest in 1 above, if applicable, does not exceed R247 500, the full benefit can be taken as a lump sum.
Provident Fund	Maximum 1/3 lump sum of retirement interest excluding the part thereof in 1 and 2 below if applicable. PLUS 1. Contributions prior to 01/03/2016 plus growth. PLUS 2. For members aged 55 or older at 01/03/2016 contributions on or after 01/03/2016 plus growth if made to the same provident fund of which he/she was a member on 1 March 2016. The balance must provide a pension. If the total retirement interest excluding the part of the retirement interest in 1 and 2 above does not exceed R247 500, the full benefit can be taken as a lump sum. The rules of most provident funds provide that the benefit is a pension, but part or the whole thereof may be taken as a lump sum.
Pension Preservation Fund	Maximum 1/3 lump sum of retirement interest excluding the part thereof in 1 and 2 below if applicable. PLUS If there was a transfer from a provident fund: 1. contributions prior to 01/03/2016 to the provident fund plus growth can be taken as a lump sum.

Fund	Options at Retirement (continued)
Pension Preservation Fund	PLUS 2. for members age 55 at 01/03/2016 it will include contributions on or after 01/03/2016 if made to the same provident fund of which he/she was a member on the latter date plus growth. The balance must provide a life-long pension. If the total retirement interest excluding the part of the interest in 1 and 2 above does not exceed R247 500, the full benefit can be taken as a lump sum.
Provident Preservation Fund	Maximum 1/3 lump sum of retirement interest excluding the part thereof in 1 and 2 below if applicable. PLUS If there was a transfer from a provident fund: 1. contributions prior to 01/03/2016 to the provident fund plus growth can be taken as a lump sum. PLUS 2. for members age 55 at 01/03/2016 it will include contributions on or after 01/03/2016 if made to the same provident fund of which he/she was a member on the latter date, plus growth. The balance must provide a life-long pension. If the total retirement interest excluding the part of the interest in 1 and 2 above does not exceed R247 500, the full benefit can be taken as a lump sum. In such a case a member may elect to buy a pension with the full benefit if the fund rules allow it.
Retirement Annuity Fund	Maximum 1/3 lump sum of retirement interest excluding the part thereof in 1 and 2 below if applicable. PLUS If there was a transfer from a provident fund: 1. contributions prior to 01/03/2016 to the provident fund plus growth can be taken as a lump sum. PLUS 2. for members age 55 at 01/03/2016 it will include contributions on or after 01/03/2016 if made to the same provident fund of which he/she was a member on the latter date, plus growth. The balance must provide a life-long pension. If the total retirement interest excluding the part of the interest in 1 and 2 does not exceed R247 500, the full benefit can be taken as a lump sum.

Fund	Options at Withdrawal
Pension Fund	Full amount in cash; or part in cash and rest as transfer to another retirement fund; or part transfer to a retirement annuity fund and to a preservation fund
Provident Fund	
Pension Preservation Fund	Cash as the one allowed withdrawal; or transfer to another retirement fund other than a provident fund or provident preservation fund (all transfers are tax-free from 1/3/2016, but the definition must still change in future to allow transfers to a provident fund and provident preservation fund)
Provident Preservation Fund	Cash as the one allowed withdrawal; or transfer to another retirement fund
Retirement Annuity Fund	Only a cash withdrawal if the fund value is less than R7 000 or if the member stops contributions and either emigrates*, ends tax residency or leaves SA after expiry of work/visit visa

Future tax law changes should clarify if an earlier deduction or withdrawal from a provident fund or a provident preservation fund will reduce any vested portion (provident fund contributions prior to 01/03/2016 or on or after 01/03/2016 to such fund for a member aged 55 or older on 01/03/2016) that may be taken as a lump sum at retirement.

*The SARS must still indicate with its processes for tax directives if emigration as requirement will be replaced by termination of tax residence.

PHYSICAL HEALTH: THE 7 STRATEGIES FOR HANDLING STRESS

Kathy Sanborne, career expert, coach, and author

IN TIMES OF A DIFFICULT ECONOMY, international tension, and a daily grind that seems busier than ever, how can you avoid sinking under the weight of all the stress?

Take a look at success expert Kathy Sanborn's tips for staying afloat in the sea of life.

1. **Know what you can control and what you can't.** It's clear that you can manage many aspects of your life, but there are other situations that are outside of your control. There is no sense in focusing on circumstances that may occur due to another's actions – you can be in charge of your own behaviour but you have no control

over what anyone else does.

2. **Release any fear about the future:**
Worrying about what could happen tomorrow will not do you a bit of good in handling your challenges today. Let's face it, on any given day there are a variety of unfortunate events that could occur, but that doesn't mean they will. Keep your thoughts firmly focused on the positive things that could unfold for you, and ignore thoughts of worry or negativity.

3. **Exercise at least three times a week:**
It's important to get your body moving in exercise a few times a week or more. If you have a sedentary job (like I do when I'm writing a book or an article), it's crucial to exercise frequently! The more you sit, the harder it is to get motivated to move. Don't let inertia keep you from letting your body stretch and limber up. Make a practice of rewarding yourself with exercise that you enjoy doing.

4. **Spend time alone in quiet thought or meditation:**
A recent study indicates that we don't breathe deeply enough most of the time. If I don't pay attention, my breathing can get shallow as I work or go about my day's activities. Take the time to breathe deeply as you sit in quiet thought each morning. Setting aside a regular time each day for peaceful contemplation will do a lot to keep your stress level down.

5. **Schedule time away from your job or other responsibilities:**
Sometimes you just have to step away from your duties and take time for you. See a movie if you can. You can gain a new perspective by taking a break from the routine for a while.

6. **Monitor your thoughts for any negative chatter, and remove it:**
In my book, 'The Seasons of Your Career', I devote an entire chapter to Career Master Thinking – a method for you to think your way to success. You can train your mind to get rid of any critical of negative chatter, replacing the empty self-talk with positive and helpful thoughts that can lead you to increased success.

7. **Have faith that your destiny is one of accomplishment and joy:**
Each person has a unique destiny of success. Providence is calling out to you, and you'll want to listen and choose the path that calls your name. By believing that there is a perfect place for you in the universe, you're already halfway there to finding it.

INTRODUCING JACY HARRINGTON

Investment Analyst, FIRSTGLOBAL GROUP

WE AT FIRSTGLOBAL ARE PLEASED AND PROUD TO ANNOUNCE the appointment of Jacy Harrington to the Investment Team of First Global Asset Management. She has a huge depth of experience in the international investment stage and she is already adding to the strength and depth of our investment team.

Jacy completed her BComm Hons degree in Financial Risk Management at the University of Stellenbosch, graduating cum laude. After university, she went to London to gain international financial market experience. She started working at Nomura Asset Management within Data Management, from where she moved within a year to the Fixed Income department to become an assistant portfolio manager. During her time in fixed income she also earned her CFA charter.

In 2012, she was promoted to Portfolio Manager, and by the time that she left Nomura she was managing her own fund of $200 million for an institutional client. Jacy decided to return home to South Africa in December 2014 after being away for eight years.

FIRSTGLOBAL ASSET MANAGEMENT: INVESTMENT UPDATE

Klaas Venter, Chief Investment Officer, and Adri Viljoen, Investment Analyst

Jupiter

THE FG IP JUPITER INCOME FUND OF FUNDS returned 0.76% in the final quarter of 2015 and 6.03% over the past 12 months, underperforming both the benchmark Alexander Forbes Short Term Fixed Interest Index (1.62% and 6.46%) and the peer group average return (1.06% and 6.36%) over both periods. The South African Reserve Bank raised the repo rate by 25 basis points in November, citing increased inflationary pressures as one of the reasons for the increase. The majority of the underperformance however came during December when the bond market and listed property securities sold off aggressively in reaction to the replacement of the Finance Minister. We increased exposure to both Nedgroup Flexible Income Fund and Prescient Income Provider Fund during the quarter.

Venus

THE FG IP VENUS CAUTIOUS FUND OF FUNDS returned 3.57% in the final quarter of 2015 and 8.13% over the past 12 months, outperforming the benchmark peer group average return of 2.84% and 7.73% respectively over both periods. The Venus fund's performance remains in the top half of its peers over all rolling three year periods since inception. Returns during the quarter were mainly driven by rand weakness as both local and global markets experienced declines amidst negative investor sentiment and concerns surrounding global growth. We increased exposure to the Old Mutual Global Equity fund during the quarter with the aim to further diversify our offshore exposure.

Saturn

THE FG IP SATURN FLEXIBLE FUND OF FUNDS returned 4.33% in the final quarter of 2015 and 10.42% over the past 12 months, outperforming the benchmark peer group average return of 3.04% and 7.48% respectively over both periods. The Saturn fund's performance remains consistently in the top quartile relative to its peers over all rolling five year periods since inception and is the top performing fund in its category since inception in August 2005. We included two new funds, the Nedgroup Opportunity and SIM Inflation Plus funds during the quarter to increase the defensive nature of the Saturn Fund. Both these funds have demonstrated the successful use of derivative securities for explicit downside protection and will add to the diversification benefits of the Saturn fund.

Neptune

THE FG IP NEPTUNE GROWTH FUND OF FUNDS returned 4.79% in the final quarter of 2015 and 9.28% over the past 12 months, outperforming the benchmark peer group average return of 3.36% and 7.17% respectively over both periods. The Neptune fund's performance is in the top half of its category since inception. We increased exposure to the Rezco and Truffle funds during the quarter. Both these funds have flexible mandates and have been resilient during this recent period of heightened volatility. We remain cautious in our approach to allocate capital to risk assets as investors have not always been rewarded for taking risk during the past year.

Mercury

THE FG IP MERCURY EQUITY FUND OF FUNDS returned 1.93% in the final quarter of 2015 and 4.74% during the past 12 months, outperforming the benchmark FTSE/JSE All Share Index three-month return of 1.68%, but slightly underperforming the index's 2-month return of 5.13%. The fund outperformed the average peer group fund over both periods and was in the second quartile over all rolling 12-month periods in 2015. Basic material companies remained under pressure during the last three months of the year amidst the continuous decline of commodities prices as well as a strong US dollar. Financial stocks sold off sharply in reaction to the replacement of the Finance Minister during the December. The 36One MET Equity Fund was the top performing underlying fund in 2015, benefiting from good stock selection and market timing as well as exposure to offshore assets.

International 131

THE FG IP INTERNATIONAL FLEXIBLE FUND OF FUNDS returned 17.84% in the final quarter of 2015 and 28.05% over the past 12 months, outperforming the benchmark return of 15.16% and 27.62% respectively over both periods. The fund's return was boosted by extreme rand weakness throughout the year as emerging markets fell out of favour with global investors. Global equities (-4%), bonds (-2%) and listed property (-3%) ended the year in negative territory as the falling oil price, growth concerns in China and high valuations weighed on investor sentiment. No changes were made to the underlying funds during the review period. The underlying FGAM Global Funds made some changes, including adding additional income funds as well as regional funds, which focus on Europe and Japan, where the outlook for equity markets are still favourable.

Performance and Quartile Rankings in Sector
for Periods until 31 December 2015

Index	6 Months	Year to Date	1 Year	3 Years*	5 Years*
FG IP Jupiter Income FoF	**2,54%**	**6,03%**	**6,03%**	**6,19%**	**7,10%**
SA Multi Asset Income Category Average	2,92%	6,36%	6,36%	6,05%	6,77%
STEFI Composite Index	3,24%	6,46%	6,46%	5,85%	5,76%
FG IP Venus Cautious FoF	**3,23%**	**8,13%**	**8,13%**	**10,23%**	**10,31%**
SA Multi Asset Low Equity Category Average	3,81%	7,73%	7,73%	9,44%	9,72%
FG IP Saturn Flexible FoF	**5,59%**	**10,42%**	**10,42%**	**12,33%**	**12,42%**
SA Multi Asset Medium Equity Category Average	3,10%	7,48%	7,48%	10,61%	10,54%
FG IP Neptune Growth FoF	**4,93%**	**9,28%**	**9,28%**	not started	not started
SA Multi Asset High Equity Category Average	2,52%	7,17%	7,17%	-	-
FG IP Mercury Equity FoF	***-1,33%***	**4,74%**	**4,74%**	**10,10%**	**12,53%**
SA Equity General Category Average	*-3,07%*	1,67%	1,67%	10,39%	10,98%
FTSE/JSE Africa All Share (Total Return)	*-0,48%*	5,13%	5,13%	12,28%	12,96%
FG IP International Flexbile FoF	**19,70%**	**28,05%**	**28,05%**	**25,52%**	**20,98%**
Foreign - Multi Asset - Flexible Average	19,10%	27,16%	27,16%	25,73%	21,24%
Composite Benchmark	22,29%	27,62%	27,62%	30,73%	32,86%
*Data longer than 12 months are annualised	1ST QUARTILE	2ND QUARTILE	3RD QUARTILE	4TH QUARTILE	

FIRSTGLOBAL GROUP

Quarterly Performance of General Indices

Index	Asset Class	1Q 2015	2Q 2015	3Q 2015	4Q 2015	Year to date 2015
STEFI Composite Index	Local Cash	1,53%	1,56%	1,60%	1,62%	1,62%
Beassa ALBI Total Return	Local Bonds	2,99%	*-1,40%*	1,11%	*-6,43%*	*-6,43%*
FTSE/JSE SA Listed Property (Total Return)	Local Property	13,69%	*-6,23%*	6,24%	*-4,66%*	*-4,66%*
FTSE/JSE Africa All Share (Total Return)	Local shares	5,85%	*-0,20%*	*-2,13%*	1,68%	1,68%
JP Morgan World Govt Bond index (USD)	Global Bonds	*-1,79%*	*-1,68%*	2,03%	*-1,15%*	*-1,15%*
EPRA/NAREIT Global Index (USD)	Global Property	3,37%	*-7,62%*	*-2,25%*	3,48%	3,48%
MSCI AC World (USD)	Global Shares	1,83%	*-0,29%*	*-9,88%*	4,64%	4,64%
US Dollar/South African Rand (+ weaker, - stronger)	Exchange Rate	4,75%	0,17%	13,92%	11,93%	11,93%

Asset Allocation as at 30 November 2015

Fund	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG IP Jupiter Income FoF	0%	3%	28%	59%	10%
FG IP Venus Cautious FoF	16%	9%	16%	36%	23%
FG IP Saturn Flexible FoF	35%	7%	14%	21%	24%
FG IP Neptune Growth FoF	32%	8%	5%	36%	20%
FG IP Mercury Equity FoF	82%	3%	0%	6%	9%
FG IP International Flexbile FoF	0%	0%	0%	3%	97%

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