

THE TRIATHLON IP FUND

February 2018

FUND INFORMATION

Inception date	3 June 2011
Sector	South African - Multi Asset - Flexible
Risk profile	Aggressive
Minimum investment	Lump sum: R10 000; Monthly: R1 000
Asset composition	Equity, Fixed Interest and Cash
Benchmark	90% J400 & 10% Cash
Fund Size	R 149,060,349
Income declaration	Bi-annual (Mar / Sep)

Distributions (Class D):	CPU
Sep 2017	14.78

OBJECTIVE

The Triathlon IP Fund is a moderate to high risk, flexible fund. The objective of this portfolio is to achieve capital appreciation over the medium to long term. There will be no limitations on the relative exposure of the portfolio to any asset class.

APPLICATION

The fund is suitable for use by investors with a long term investment horizon who are comfortable with shorter term volatility as well as the risk associated with a fund mandated to achieve real long term growth. Through its flexible mandate, investors are looking to the manager to make tactical asset allocation decisions in the achievement of the mandate.

DESCRIPTION

The fund will typically be invested in an equity portfolio of high conviction positions. The manager has full flexibility to vary this position through tactical asset allocation to other asset classes.

FUND MANAGEMENT



Tony Bell
BCom (Hons), MBA
CIO/Portfolio Manager
Vunani Fund Managers

Global financial markets are shifting gears. Forward gear shifts focus on improved economic growth, improved corporate earnings, low unemployment in developed economies and low borrowing rates in the US, Eurozone and Japan. But an equal number of reverse shifts are developing; rising inflation, monetary tightening, labour constraints (higher wages) and subtle but important shifts in the tectonic plates of politics and trade.

Within our asset allocation framework we remain overweight domestic and foreign equities, nominal bonds and cash while significantly underweight domestic inflation linkers. So far this has been the correct approach. We anticipate that we will lighten long duration nominal bonds as the "Ramaphosa rally" comes to an end and as US bonds potentially send us another signal that trouble may be brewing within US financial markets. Based on this key signal we have already raised cash in the foreign component of your portfolio where applicable.

Time will tell whether recent developments within the domestic political landscape are net positive. We remain cautious as the balance of power has yet to tilt towards the light. The lack of any meaningful follow through on the rand or nominal bond yields suggests that, while the market has re-priced the Zuma put it remains sanguine on the Ramaphosa call option.

An analysis of factors affecting the adherence to the policy objective is contained in the fund manager commentary together with performance as reported. A detailed listing of changes from the previous quarter is available on request from info@miplan.co.za or clientservices@ipmc.co.za

Collective Investment Schemes are generally medium to long term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes 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 from the manager. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager retains full legal responsibility for the Fund, regardless of Co-Naming arrangements. Transaction cutoff time is 14:30 daily. Each portfolio may be closed for new investments. Valuation time is 15:00 (17h00 at quarter end). Prices are published daily and available in newspapers countrywide, as well as on request from the Manager. IP Management Company (RF) Pty Ltd is the authorised Manager of the Scheme – contact 021 673 1340 or clientservices@ipmc.co.za. Standard Bank is the trustee / custodian – contact compliance-IP@standardbank.co.za. Additional information including application forms, the annual report of the Manager and detailed holdings of the portfolio as at the last quarter end are available, free of charge, from clientservices@ipmc.co.za. IP Management Company is a member of ASISA. A statement of changes in the composition of the portfolio during the reporting period is available on request. The performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The fund is invested in portfolios of collective investment schemes that levy their own charges, and which could result in a higher fee structure for the fund.

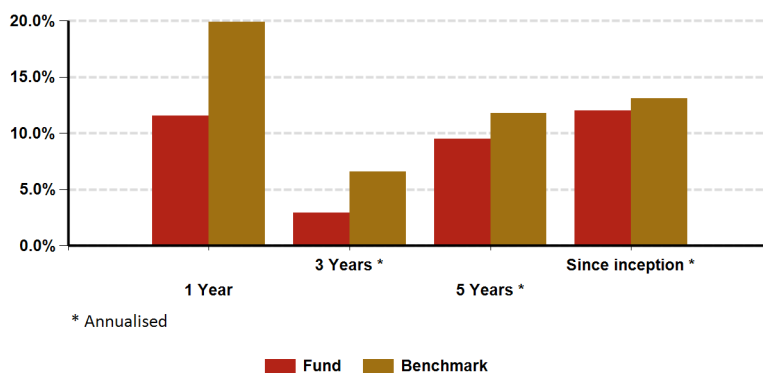
	JSE Code	Annual mngmt fee (excl. VAT)	TER* (%)	TC (%)	TIC (%)	NAV	Units in Issue
Class C	TIFCC	0.75%	1.03	0.48	1.51	1,937	6,991
Class D**	TIPFD	0.65%	0.79	0.52	1.31	1,938	7,685,180

Total Expense Ratio (TER) of the value of the financial product was incurred as expenses relating to the administration of the financial product. **Transaction Cost (TC)** of the value of the financial product was incurred as costs relating to the buying and selling of the assets underlying the financial product. **Total Investment Charges (TIC)** of the value of the financial product was incurred as costs relating to the investment of the financial product. Period (annualised) from 01 Jan 2015 to 31 Dec 2017.

**Class D TER: The Total Expense Ratio (TER) and Transaction Costs cannot be accurately determined because of the short life span of the Financial Product. Calculations are based on actual data where possible and best estimates where actual data is not available.

* A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not 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. Inclusive of the TER of 1.03%, a performance fee of 0% of the net asset value of the class of Financial Product was recovered.

FUND PERFORMANCE



THE TRIATHLON IP FUND

February 2018

RISK AND RETURN STATISTICS to 28 February 2018

PERFORMANCE				
	FUND	BMK	RANK	QRTL
1 Year	11.6%	19.9%	13/62	1
3 Years *	3.0%	6.6%	41/58	3
5 Years *	9.5%	11.8%	16/47	2
Since inception *	12.0%	13.1%		
Information ratio	-0.2			
Active returns (since inception)	-1.0%			
	Period	Performance		
Highest return	2012	28.2%		
Lowest return	2016	-3.3%		

* Returns are annualised if period is longer than 12 months.

Annualised returns is the weighted average compound growth rate over the performance period measured. Fund returns shown are based on NAV-NAV unit pricings calculated from INET for a lump-sum investment with income distribution reinvested (after fees and cost).

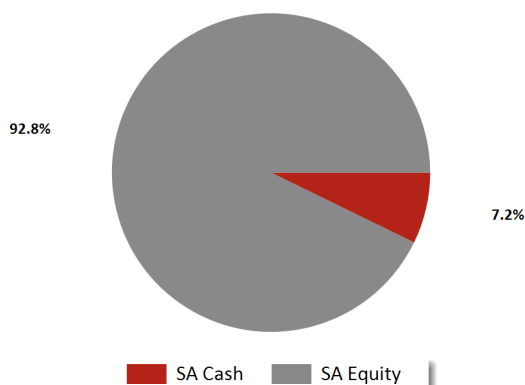
Source for ranking and quartile: Profile Data and Financial Express.

TOP 10 SA EQUITY HOLDINGS

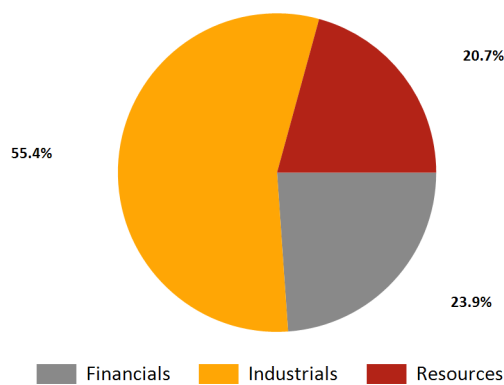
	% OF EQUITY
Naspers	17.1%
RMB Holdings	8.0%
Discovery Ltd	5.7%
Compagnie Financiere Richemont AG	5.6%
Mr Price Group	5.0%
Anglo American	4.7%
AVI	4.2%
Standard Bank Group	4.1%
BHP Billiton	4.0%
Clicks Group Ltd	4.0%

PORTFOLIO STRUCTURE as at 28 February 2018

EFFECTIVE ASSET ALLOCATION



SA EQUITY SECTOR ALLOCATION



CONTACT DETAILS

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The portfolio may include foreign investments and the following additional risks may apply: liquidity constraints when selling foreign investments and risk of non-settlement of trades; macroeconomic and political risks associated with the country in which the investment is made; risk of loss on foreign exchange transactions and investment valuation due to fluctuating exchange rates; risk of foreign tax being applicable; potential limitations on availability of market information which could affect the valuation and liquidity of an investment. All of these risks could affect the valuation of an investment in the fund.

Disclosure: MI-PLAN has a 37% ownership interest in IP Management Company (RF) (Pty) Ltd. IP Management is a registered Collective Investment Manager in terms of CISCA and performs administrative functions on co-branded MI-PLAN IP unit trusts for which it receives contracted fees. In terms of its licence, IP Management Company may not conduct any other business other than the business of running a Collective Investment scheme. Accordingly, all intermediary service and advice where applicable, is provided by MI-PLAN in terms of its licence for which remuneration is paid from the fees mandated in the supplemental deed and disclosed herein. MI-PLAN offers investors a unique liability matching offering that matches the clients portfolio to their unique needs as documented at www.miplan.co.za. The complexity and uniqueness of this process and variability of each client's needs, required that technology be used to embed MI-PLAN's intellectual property in the financial service offering. In delivering this financial service, software is provided by MI-PLAN to advisers that determines a liability matched asset allocation, constructed using MI-PLAN IP funds. The design of the MI-PLAN software is based on the premise that the 25% allocated to MI-PLAN funds that provides the client with a foundation on which to choose other funds as mapped into the MI-PLAN software. As it's important to match the choice of product with the advice benchmark included in the MI-PLAN software should less than 25% of the clients product choice be directed to funds that are not similar to the MI-PLAN suite of funds, that a risk of a disconnect exists between the benchmark created and product choice. No fee is charged for the software and no obligation is placed on the advisor to offer, continue to offer, or offer to a minimum number of clients, this financial service. There are no other conditions placed on the advisors for the continued use of such technology that may influence the objective performance of the advisor. The advisor's obligations to render unbiased, fair advice in the best interests of you, the client, remains with your advisor. Your advisors obligation is to compare this financial offering against all others and ensure it is the most appropriate for your needs.

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