

## INVESTMENT POLICY AND OBJECTIVES

A flexible portfolio that aims to provide investors with consistent inflation-beating total returns, whilst minimizing downside risk. The portfolio may invest in financially sound local equity securities, bonds, property shares, property related securities, preference shares, money market instruments and assets in liquid form. The portfolio may also invest in participatory interests and other forms of participation in South African portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the manager and trustees. The portfolio invests in accordance with the Prudential Investment Guidelines.

## INVESTMENT STRATEGY

The Noble PP STANLIB Flexible Fund is a flexible portfolio that aims to provide investors with consistent inflation-beating total returns, whilst minimizing downside risk. The portfolio may invest in financially sound local equity securities, bonds, property shares, property related securities, preference shares, money market instruments and assets in liquid form. The portfolio may also invest in participatory interests and other forms of participation in South African portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the manager and trustee of a sufficient standard to provide investor protection at least equivalent to that in South Africa and which is consistent with the portfolio's primary objective. The manager may make active use of derivatives to reduce the risk that a general decline in the value of equity, property and bonds markets may have on the value of the portfolio. The manager shall have the maximum flexibility to vary assets between the various asset classes to reflect the changing economic market conditions.

## ANNUALISED PERFORMANCE(%)

	1 year	3 years	5 years	Inception
Class A	7.42	6.65	7.77	7.67
Sector	2.10	2.34	6.46	
Benchmark	9.97	10.51	10.55	
Rank (Class A)	6/58	7/52	14/43	
Lowest Return over 12 Rolling Months	7.42	1.69	1.69	0.00
Highest Return over 12 Rolling Months	8.79	9.88	15.82	0.00

\*Annualized Return: is the weighted average compound growth rate over the performance period measured. 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. Figures quoted are from Morningstar for the period ending 31 May 2018 for a lump sum, using NAV-NAV prices and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the upfront manager's charge applicable, the actual investment date and the date of reinvestment of income.

## PRODUCT DETAILS

<b>Portfolio Managers</b>	Piet de Jongh, Pieter Van Zyl
<b>Portfolio Size</b>	R 952.59 million
<b>Sector Classification</b>	South African - Multi Asset - Flexible
<b>Income Distribution</b>	Net revenue is declared on a daily basis and distributed bi-annually.
<b>Income Declaration</b>	30 June & 31 December
<b>Benchmark</b>	CPI + 3%
<b>Launch Date</b>	30 Nov 2010
<b>Minimum Investment</b>	
Lump Sum	R10,000
Debit Order Per Month	R500
<b>ISIN No.</b>	ZAE000151981
<b>JSE Code</b>	NPPFA

## Maximum Portfolio Charges

Upfront Charge: Manager	0.00%
Upfront Charge: Intermediary	3.45%
Total Service Charge	1.44%
Service Charge Intermediary Portion	0.25%

Fees are quoted inclusive of VAT.

## HISTORY

Noble, founded in 1995 as an Asset Management Company, has become one of the leaders in providing clients with structured products and investment opportunities.

We are an approved Discretionary Financial Services Provider registered with the Financial Services Board in terms of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 370 of 2002) (FSB No. 568).

The fund's benchmark changed from CPI+5% to CPI+3%, effective 15 February 2018

## RISK RATING

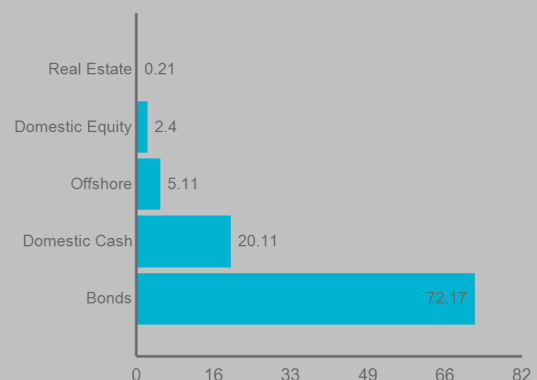
Conservative Moderate **Aggressive**

An assertive investor invests for the long term (at least five years) and requires no income. Typically, this investor is prepared to accept more risk than a moderate investor, but does not want full exposure to equities. The primary investment goal is capital growth.

## INCOME DISTRIBUTION

	Paid in the last 12 months	Paid during 2017	2017 payments as a % of year end price
Class A	9.21 cpu	9.21 cpu	7.30 %

## ASSET ALLOCATION (%)



## MARKET NICHE

The portfolio aims at seeking consistent above average performance over the long term (at least five years), providing investors with consistent inflation-beating total returns whilst minimising downside risk. Typically this investor is prepared to accept more risk than a moderate investor, but does not want full exposure to equities.

## BENEFITS OF MULTI-MANAGED PORTFOLIOS

The potential to be offered the "best of breed" asset managers. The manager of a multi-manager portfolio will seek managers in various sectors and combine them in a single portfolio in an attempt to provide you with superior investment performance. Use of different managers inherently lead to diversification and dilution of risk. Balance between one and many managers, established and emerging managers. Blend the talent of unique individuals and the strength of a team. Multi-management models are able to reduce volatility in a turbulent market, as it is able to use different managers (even in same asset classes). Multi-management portfolios are not necessarily the top performers, but rather deliver consistent returns in the long term. Investing in a multi-manager product enables you to tap into the expertise and investment strategies of a number of different asset managers employed by different asset management companies. Flexibility- enables the portfolio manager to select specialist managers from different investment companies for the various investment disciplines and styles and can replace them relatively easy if they do not perform. Cost effective-able to aggregate asset bases, thus able to negotiate lower underlying portfolio fees or rebates. CGT benefits for discretionary investors.

## RISK

General market risks:

- Price/ demand fluctuations
- Decline in bond yields
- Fluctuating interest rates
- Poor performance of underlying shares and unstable economic conditions.

Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, tax risk, settlement risks and potential limitations on the availability of market information.

## ADDITIONAL INFORMATION

Additional information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge and from the website [www.stanlib.com](http://www.stanlib.com). The prices of unit trust funds are calculated and published on each working day. These prices are available on the Manager's website ([www.stanlib.com](http://www.stanlib.com)) and in the South African printed news media.

Fund exposures comply with the Prudential Investment Guidelines for retirement funds as permitted by Regulation 28 of the Pension Funds Act, effective 21 July 2017.

## CONTACT DETAILS

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## STATUTORY DISCLOSURE AND GENERAL TERMS AND CONDITIONS

Collective investment schemes 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. CIS are traded at ruling prices and can engage in borrowing and scrip lending. An investment in the participations of a collective investment scheme in securities is not the same as a deposit with a banking institution. Participatory interest prices are calculated on a net asset value basis, which is the total value of all assets in the Portfolio including any income accrual and less any permissible deductions from the Portfolio divided by the number of participatory interests in issue. Permissible deductions include brokerage, STT, auditor's fees, bank charges, trustee/custodian fees and the service charge levied by STANLIB Collective Investments Limited ("the Manager"). Where exit fees are applicable, participatory interests are redeemed at the net asset value where after the exit fee is deducted and the balance is paid to the investor.

The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The manager retains full responsibility for the third-party-named portfolio.

A Portfolio of a collective investment scheme in securities may borrow up to 10% of the market value of the Portfolio to bridge insufficient liquidity as a result of the redemption of participatory interests, and may also engage in scrip lending. A schedule of fees and charges and maximum commissions is available on request from the Manager. Commission and incentives may be paid and if so, would be included in the overall costs. A fund of funds is a portfolio that invests in portfolios of collective investment schemes which levy their own charges which could result in a higher fee structure for these portfolios. The Manager reserves the right to close certain Portfolios from time to time in order to manage them more efficiently. More details are available from the Manager.

Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The Manager undertakes to repurchase participatory interests at the price calculated according to the requirements of the Collective Investment Schemes Control Act, 2002, and on the terms and conditions of the relevant Deeds. Payment will be made within 14 days of receipt of a valid repurchase form. Any capital gain realised on the disposal of a participatory interest in a collective investment scheme is subject to Capital Gains Tax (CGT). The Manager is obliged to report on the weighted average cost method for CGT purposes. Liberty is a full member of the Association for Savings & Investment SA (ASISA). STANLIB is a member of the Liberty group of companies.

This portfolio is valued on a daily basis at 15h00. Investments and repurchases will receive the price of the same day if received prior to 15h00.

As Noble Private Portfolios (Pty) Ltd (Noble) did not do a full needs analysis in respect of a particular investor, the investor understands that there may be limitations on the appropriateness of any information in this document with regard to the investor's unique objectives, financial situation and particular needs. The information and content of this document are intended to be for information purposes only and STANLIB Collective Investments (RF) (Pty) Limited (STANLIB) nor Noble do not guarantee the suitability or potential value of any information contained herein. STANLIB and Noble do not expressly or by implication propose that the products or services offered in this document are appropriate to the particular investment objectives or needs of any existing or prospective client.

Contact details of Trustees:

Standard Chartered Bank, 4 Sandown Valley Crescent, Sandton, 2196. Telephone 011 291 8042. Please note that in most cases where the FSP is a related party to Noble Private Portfolios Pty(Ltd) and/or STANLIB, Noble Private Portfolios 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 the client. Such fees are paid out of the portfolio's service charge and ranges anything between (excl VAT): STANLIB - Up to 0.35%; Noble PP - Up to 0.85%; Distributor - Up to 0.00%; LISP - Up to 0.25%; Service Fee (Excl. VAT) - Up to 1.00%

The Total Expense Ratio (TER) for this class or portfolio is indicated above. For the period from 01 Jan 2015 to 31 Mar 2018 each TER is the annualised percent of the average Net Asset Value of the portfolio incurred as charges, levies and fees. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

## QUARTERLY COMMENTARY

World Economy

The overall US trade deficit in goods and services with the world widened by +12% in 2017 to \$566bn, the highest in 9 years. The gap between Chinese goods imported by the US and American goods exported to China rose to a record high of \$375bn in 2017. The MSCI Emerging Markets Index is outperforming the developed market index, which is very unusual. The Trump's trade tariff attacks have undone all the recovery efforts in markets since the initial correction lows. Trump said he had ordered U.S. trade officials to consider tariffs on an extra \$100 billion of imports from China, escalating tensions with Beijing. China's commerce ministry said it has initiated a World Trade Organization (WTO) dispute resolution procedure over US tariffs on its import of steel and aluminum. The U.S. economy created the fewest jobs in six months in March, but a pickup in wage gains pointed to a tightening labor market, which should allow the Federal Reserve to raise interest rates further this year.

SA Economy

South Africa's current account deficit widened more than expected to 2.9% of GDP in the fourth quarter due to a smaller trade surplus driven by a rally in the currency late last year, central bank said. Moody's decided to keep South Africa's credit rating unchanged at Baa3 and revised the outlook from negative to stable. SA consumer inflation in February 2018, dropped to 4.0%. The South African Revenue Service (Sars) collected R1.216-trillion for the 2017/18 financial year, representing growth of R72.4-billion, or 6.3%, year-on-year. This was, however, lower than the R1.217-trillion target set by the National Treasury during the 2018 Budget speech. The seasonally adjusted Absa Purchasing Managers' Index (PMI) dropped back below the neutral 50-point mark in March. The latest Standard Bank Purchasing Managers' Index (PMI) shows that South Africa's private sector activity slowed in March, with the index having decreased to 51.1 points, from 51.4 in February. The domestic new-vehicle market expanded for the first time this year as March new-vehicle sales inched up 1.1%, to 49 233 units, compared with the same month last year.

Trends and Opportunities

- Four interest rate hikes are still expected in the USA in 2018.
- UK productivity picks up strongly in the second half of 2017
- More SA interest rate cuts are possible due to the low inflation numbers.

## Total Expense Ratio, Transaction Costs & Total Investment Charge

**Total Expense Ratio (TER):** This shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over a rolling three years (where applicable) and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

**Transaction Costs (TC):** The percentage of the value of the fund as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts fund 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 Fund, investment decisions of the investment manager and the TER.

**Total Investment Charges (TIC):** The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expenses, these costs (the TER & TC) should not be deducted from the fund returns. It is the sum of the TC & TER.

## TER and Transaction Costs Breakdown

Fund Class	12 Month TER	36 Month TER	36 Month TC	36 Month TIC
A1	1.25%	1.24%	0.06%	1.3%
A2	0.00%	2.25%	0.06%	2.31%
A	1.53%	1.49%	0.06%	1.55%

TER + TC = TIC

Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market and FX Costs (where applicable)