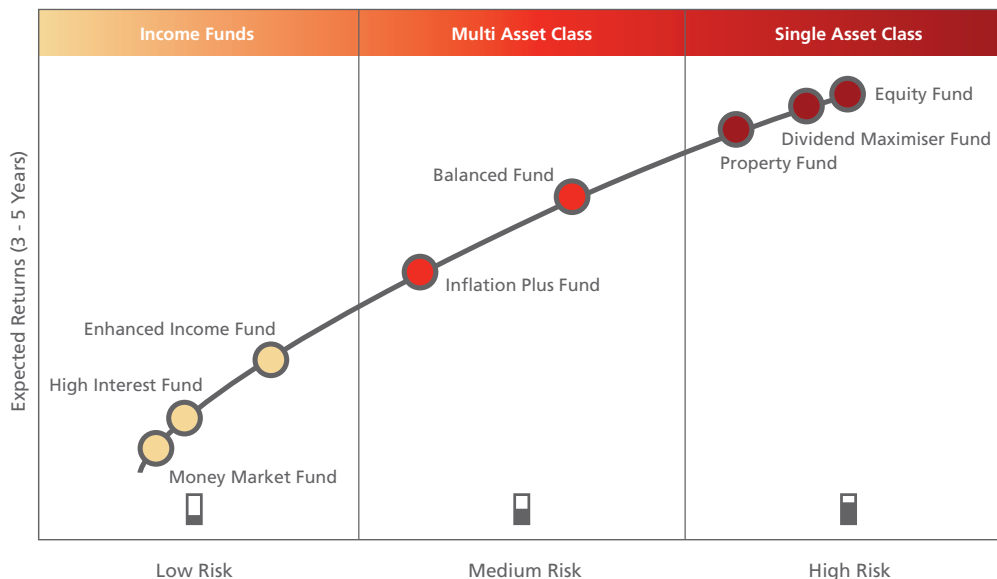


PRUSPECTIVE

PRUDENTIAL FUNDS' REVIEW & MARKET PERFORMANCE AS AT 31 MAY 2015



Prudential Solution Funds



SA Market Performance

Equity:

The FTSE/JSE All Share (ALSI) declined 4.0% on a total return basis for the month and over the 12 months gained 8.5%. Small Caps (down 0.7%) outperformed Large Caps (down 4.0%) and Mid Caps (down 4.7%).

The best-performing sectors were Oil & Gas Producers (up 13.8%), Forestry & Paper (up 11.2%) and Electronic & Electrical Equipment (up 7.4%). The worst performing sectors were Gold Mining (down 17.9%), Fixed Line Telecommunications (down 15.2%) and Coal Mining (down 13.6%).

Over a 10-year period, Industrials (up 23.0% p.a.) outperformed Financials (up 17.2% p.a.) and Resources (up 9.1% p.a.). The composition of the ALSI as at the end of the month was Industrials 62.4%, Resources 14.6% and Financials the remaining 23.0%.

Bonds:

The All Bond Index declined 0.7% for the month and over the 12 months gained 9.5%. The Inflation-linked Bond Index declined 1.9% and over the 12 months gained 6.1%.

Property:

The SA Listed Property Index declined 5.9% for the month and over 12 months gained 31.7%.

Cash:

Cash returned 0.5% for the month and over the 12 months returned 6.3%. Over a 10-year period, inflation in the form of ECPI has been 6.2% p.a.

International Market Performance

The Rand weakened 3.0% against the US Dollar and 1.8% against the Euro in May 2015.

The MSCI World Index gained 0.4% on a total return basis in US Dollar terms for the month and over 12 months gained 6.3%. The MSCI Emerging Markets Index declined 4.0% for the month and over the 12 months gained 0.3%.

The best-performing emerging market index from the selection of international equity indices for the month was the MSCI India (up 2.8%), while the worst-performing was the Bovespa (down 11.9%).

The best-performing developed market index from the selection of international equity indices for the month was the NASDAQ 100 (up 2.4%), while the worst-performing was the DAX 30 (down 2.5%).

The US Dollar Platinum price declined 3.7% for the month and over the 12 months declined 22.9%. The US Dollar Gold price declined 1.8% for the month and over the 12 months declined 5.5%. Brent Crude gained 4.7% for the month and over the 12 months declined 41.9%.

Asset Class Preference for Retail Multi-Asset Class Funds: Five-Year Time Horizon

Overweight	<ul style="list-style-type: none"> Foreign Equity Foreign Corporate Bonds SA Bonds
Neutral	<ul style="list-style-type: none"> SA Cash SA Equity SA Inflation-linked Bonds
Underweight	<ul style="list-style-type: none"> Foreign Sovereign Bonds Foreign Cash SA Listed Property

Disclaimer

Prudential Portfolio Managers Unit Trusts Ltd (Registration number: 1999/0524/06) is an approved CISA management company (#29). Assets are managed by Prudential Investment Managers (South Africa) (Pty) Ltd, which is an approved discretionary Financial Services Provider (#45199). The Trustee's/Custodian details are: Standard Bank of South Africa Limited - Trustee Services & Investor Services, 20th Floor, Main Tower, Standard Bank Centre, Heerengracht, Cape Town. Collective Investment Schemes (unit trusts) are generally medium-to long-term investments. Past performance is not necessarily a guide to future investment performance. Unit trust prices are calculated on a net asset value basis. This means the price is the total net market value of all assets of the unit trust fund divided by the total number of units of the fund. Any market movements – for example in share prices, bond prices, money market prices or currency fluctuations - relevant to the underlying assets of the fund may cause the value of the underlying assets to go up or down. As a result, the price of your units may go up or down. Unit trusts are traded at the ruling forward price of the day, meaning that transactions are processed during the day, before you or the Manager know what the price at the end of the day will be. The price and therefore the number of units involved in the transaction are only known on the following day. The unit trust fund may borrow up to 10% of the fund value, and it may also lend any scrip (proof of ownership of an investment instrument) that it holds to earn additional income. A Prudential unit trust fund may consist of different fund classes that are subject to different fees and charges. Where applicable, the Manager will pay your financial adviser an agreed standard ongoing adviser fee, which is included in the overall costs of the fund. A Collective Investment Schemes (CIS) summary with all fees and maximum initial and ongoing adviser fees is available on our website. One can also obtain additional information on Prudential products on the Prudential website. The Manager may, at its discretion, close your chosen unit trust fund to new investors and to additional investments by existing investors to make sure that it is managed in accordance with its mandate. It may also stop your existing debit order investment. The Manager makes no guarantees as to the capital invested in the fund or the returns of the fund. Excessive withdrawals from the fund may place the fund under liquidity pressure and, in certain circumstances, a process of ring fencing withdrawal instructions may be followed. The Fund may hold foreign securities including foreign CIS funds. As a result, the fund may face material risks. The volatility of the fund may be higher and the liquidity of the underlying securities may be restricted due to relative market sizes and market conditions. The fund's ability to settle securities and to repatriate investment income, capital or the proceeds of sales of securities may be adversely affected for multiple reasons including market conditions, macro-economic and political circumstances. Further, the return on the security may be affected (positively or negatively) by the difference in tax regimes between the domestic and foreign tax jurisdictions. The availability of market information and information on any underlying sub-funds may be delayed. Fund prices are published daily on the Prudential website. These are also available upon request. The 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. Purchase and repurchase requests must be received by the Manager by 13h30 (11h30 for the Money Market Fund) SA time each business day. All online purchase and repurchase transactions must be received by the Manager by 10h30 (for all Funds) SA time each business day.

Sources: Morningstar & Deutsche Bank

PRUSPECTIVE

PRUDENTIAL FUNDS' REVIEW & MARKET PERFORMANCE AS AT 31 MAY 2015



FUND	FUND DESCRIPTION	ASSET ALLOCATION								REG 28 COMPLIANT	INTENDED MAXIMUM LIMITS				PERFORMANCE HISTORY #					ADDITIONAL INFORMATION	
		DOMESTIC				FOREIGN					Equity	Listed property	Offshore (excl. Africa)	Africa (excl. SA)	1 month	1 year	3 years	5 years	10 years		
Income																					
		Equity	Listed property	Bonds*	Cash	Equity	Listed property	Bonds*	Cash		Equity	Listed property	Offshore (excl. Africa)	Africa (excl. SA)	1 month	1 year	3 years	5 years	10 years	Current annualised yield**	
Low Risk	Prudential High Interest Fund (South African - Interest Bearing - Short Term)	A low risk fund that offers a high level of income in excess of current account or money market yields. (Investment horizon 3-12 months).																			
		0.0%	0.0%	5.9%	94.1%	0.0%	0.0%	0.0%	0.0%	Yes	0%	0%	0%	0%	0.4%	5.7%	5.7%	N/A	N/A	6.2%	
Low - Med Risk	Prudential Enhanced Income Fund (South African - Multi Asset - Income)	A low to medium risk income solution fund that offers higher income returns together with moderate capital growth. (Investment horizon 1-3 years).																			
		0.1%	1.9%	28.0%	57.5%	1.0%	0.5%	10.2%	0.8%	Yes	10%	25%	20%	5%	0.2%	7.6%	8.1%	8.7%	N/A	5.6%	
Multi-Asset																					
																				Top Holdings**	
Med Risk	Prudential Inflation Plus Fund (South African - Multi Asset - Low Equity)	A low to medium risk multi-asset class fund which protects against inflation by targeting a return of CPI+5% p.a. before fees and costs. (Investment horizon 3+ years).																			
		20.2%	6.3%	38.1%	9.9%	16.3%	0.0%	6.7%	2.5%	Yes	40%	25%	25%	5%	-1.3%	11.7%	15.5%	14.4%	13.2%	1. RSA 210 2. RSA 197 3. RSA 186 4. Naspers 5. Pru Money Market Fund	4.5% 4.1% 3.9% 3.3% 3.2%
Med Risk	Prudential Balanced Fund (South African - Multi Asset - High Equity)	A medium risk multi-asset class fund which offers a steady growth of capital and income over the medium to long-term. (Investment horizon 5+ years).																			
		39.2%	2.3%	11.1%	22.0%	21.2%	0.0%	4.2%	0.0%	Yes	75%	25%	25%	5%	-1.5%	12.3%	18.8%	16.4%	14.9%	1. Pru High Interest Fund 2. Naspers 3. RSA 186 4. SPDR S&P 500 ETF 5. First Eagle Amundi Intl. Fund	15.0% 6.5% 3.9% 3.4% 3.1%
Property																					
Med - High Risk	Prudential Enhanced SA Property Tracker Fund (South African - Real Estate - General)	A medium to high risk fund, which provides medium to long-term capital growth through efficient cost-effective exposure to SA listed property shares. (Investment horizon 5+ years).																			
		0.0%	99.0%	0.0%	1.0%	0.0%	0.0%	0.0%	0.0%	No	0%	100%	0%	0%	-5.7%	31.5%	21.3%	20.6%	N/A	1. Growthpoint 2. Redefine Properties 3. Hyprop 4. New Europe Property 5. Capital Property	18.0% 13.0% 9.7% 8.8% 7.9%
Equity																					
High Risk	Prudential Dividend Maximiser Fund (South African - Equity - General)	A high risk domestic equity fund which aims to provide medium to long-term capital growth together with a dividend yield higher than the market average. (Investment horizon 7+ years).																			
		71.7%	1.7%	0.0%	0.6%	25.1%	0.0%	0.0%	0.9%	No	100%	10%	25%	5%	-2.2%	9.4%	20.3%	18.0%	18.7%	1. Naspers 2. British American Tobacco 3. Old Mutual 4. Firstrand 5. Sanlam Global Financial Fund	5.1% 4.7% 4.2% 3.7% 3.7%
High Risk	Prudential Equity Fund (South African - Equity - General)	A high risk domestic equity fund which invests in shares that offer value and medium to long term growth. (Investment horizon 7+ years).																			
		79.8%	2.5%	0.0%	2.2%	15.5%	0.0%	0.0%	0.0%	No	100%	10%	15%	0%	-2.9%	10.0%	21.1%	18.9%	19.1%	1. Naspers 2. British American Tobacco 3. Old Mutual 4. Standard Bank 5. Firstrand	7.5% 5.5% 5.0% 4.0% 3.9%

* Bonds may include Corporate Bonds, Government Bonds and Inflation-linked bonds.

** The current annualised yield is calculated by dividing the annual income of each holding in the portfolio by that holdings' current market price. This does not make any allowances for capital returns. This is a nominal yield for the A Class Funds.

■ Top quartile in category - Morningstar, 1-month performance not included

* Source: Morningstar, annualised (A Class performance).

** Top Holdings updated quarterly