

# PRUSPECTIVE AS AT 30 JUNE 2017



**PRUDENTIAL**  
INVESTMENT MANAGERS

## PRUDENTIAL FUNDS' REVIEW & MARKET PERFORMANCE

### SOUTH AFRICAN MARKET

#### EQUITY

| FTSE/JSE ALL SHARE (ALSI) |   |      |
|---------------------------|---|------|
| 1 Month                   | ▼ | 3.5% |
| 12 Months                 | ▲ | 1.7% |
| Large Caps                | ▼ | 3.6% |
| Mid Caps                  | ▼ | 3.5% |
| Small Caps                | ▼ | 2.8% |

#### BEST-PERFORMING SECTORS

|                                    |   |      |
|------------------------------------|---|------|
| Software & Computer Services       | ▲ | 6.1% |
| Electronic & Electrical Equipment  | ▲ | 4.0% |
| Real Estate Investments & Services | ▲ | 1.6% |

#### WORST-PERFORMING SECTORS

|                               |   |       |
|-------------------------------|---|-------|
| Fixed-line Telecommunications | ▼ | 12.5% |
| Gold Mining                   | ▼ | 9.5%  |
| Coal Mining                   | ▼ | 8.9%  |

#### 10 YEAR PERIODS

|             |   |           |
|-------------|---|-----------|
| Industrials | ▲ | 15.3% p.a |
| Financials  | ▲ | 10.1% p.a |
| Resources   | ▼ | 2.6% p.a  |

#### COMPOSITION OF ALSI

|             |       |
|-------------|-------|
| Industrials | 61.2% |
| Financials  | 25.8% |
| Resources   | 13.1% |

#### BONDS

| ALL BOND INDEX |   |      |
|----------------|---|------|
| 1 Month        | ▼ | 0.9% |
| 12 Months      | ▲ | 7.9% |

#### INFLATION-LINKED BOND INDEX

|           |   |      |
|-----------|---|------|
| 1 Month   | ▼ | 0.2% |
| 12 Months | ▼ | 0.1% |

#### PROPERTY

| SA LISTED PROPERTY INDEX |   |      |
|--------------------------|---|------|
| 1 Month                  | ▲ | 0.3% |
| 12 Months                | ▲ | 2.8% |

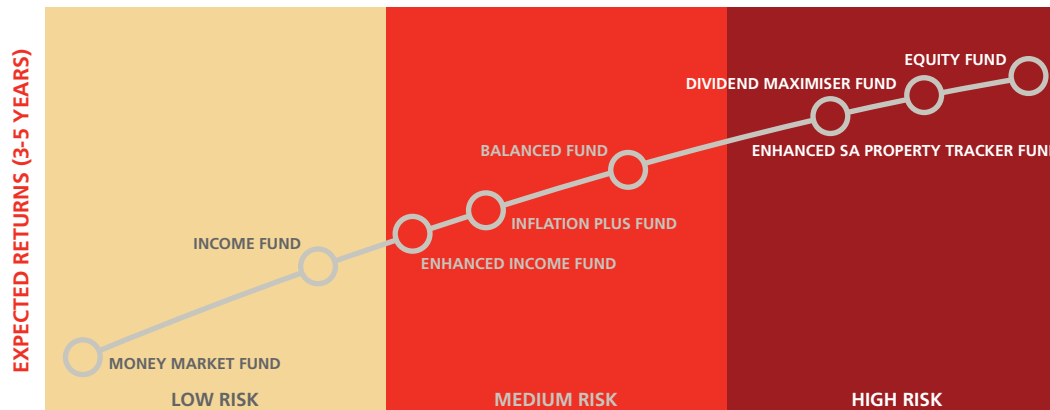
#### CASH

|           |   |      |
|-----------|---|------|
| 1 Month   | ▲ | 0.6% |
| 12 Months | ▲ | 7.6% |

#### INFLATION/SACPI

|          |   |           |
|----------|---|-----------|
| 10 Years | ▲ | 6.1% p.a. |
|----------|---|-----------|

### PRUDENTIAL SOLUTION FUNDS



### INTERNATIONAL MARKET (IN US\$)

| MSCI WORLD INDEX (NET) |   |       |
|------------------------|---|-------|
| 1 Month                | ▲ | 0.4%  |
| 12 Months              | ▲ | 18.2% |

#### MSCI EMERGING MARKETS INDEX (NET)

|           |   |       |
|-----------|---|-------|
| 1 Month   | ▲ | 1.0%  |
| 12 Months | ▲ | 23.7% |

#### EMERGING MARKETS\*

| BEST-PERFORMING INDEX FOR THE MONTH |   |      |
|-------------------------------------|---|------|
| MSCI Turkey                         | ▲ | 4.1% |

#### WORST-PERFORMING INDEX FOR THE MONTH

|                   |   |      |
|-------------------|---|------|
| MSCI South Africa | ▼ | 3.7% |
|-------------------|---|------|

#### DEVELOPED MARKETS\*

| BEST-PERFORMING INDEX FOR THE MONTH |   |      |
|-------------------------------------|---|------|
| Dow Jones Industrials               | ▲ | 1.7% |

#### WORST-PERFORMING INDEX FOR THE MONTH

|            |   |      |
|------------|---|------|
| Nasdaq 100 | ▼ | 2.4% |
|------------|---|------|

#### EXCHANGE RATES\*\*

|                   |   |      |
|-------------------|---|------|
| ZAR per US Dollar | ▼ | 0.6% |
| ZAR per Euro      | ▲ | 0.7% |
| ZAR per Pound     | ▼ | 0.1% |

#### RISK

### COMMODITIES (IN US\$)

| PLATINUM PRICE |   |      |
|----------------|---|------|
| 1 Month        | ▼ | 2.5% |
| 12 Months      | ▼ | 9.6% |

#### GOLD PRICE

|           |   |      |
|-----------|---|------|
| 1 Month   | ▼ | 2.2% |
| 12 Months | ▼ | 6.1% |

#### BRENT CRUDE PRICE

|           |   |      |
|-----------|---|------|
| 1 Month   | ▼ | 4.8% |
| 12 Months | ▼ | 3.5% |

### ASSET CLASS PREFERENCES: 5-YEAR PERIOD\*

#### \*AS IMPLEMENTED IN THE INFLATION PLUS FUND

|             |                           |
|-------------|---------------------------|
| OVERWEIGHT  | Foreign Cash              |
|             | SA Bonds                  |
|             | SA Equity                 |
|             | SA Listed Property        |
|             | Foreign Equity            |
| NEUTRAL     | Foreign Corporate Bonds   |
|             | n/a                       |
| UNDERWEIGHT | Foreign Sovereign Bonds   |
|             | SA Inflation-linked Bonds |
|             | SA Cash                   |

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#### LEGEND

- ▲ Positive % move over the period
- ▼ Negative % move over the period
- \* From the selection of international equity indices
- \*\* Declines/negative % change indicate an improving currency

#### DISCLAIMER

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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 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. 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. 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.

| RISK LEVEL         | PRUDENTIAL FUND   | ASSET ALLOCATION |              |        |      |         |              |        |      | INTENDED MAXIMUM LIMITS |              |                       |                 | PERFORMANCE HISTORY |        |         |         |          | RETURNS SINCE INCEPTION <sup>#</sup> |               | ADDITIONAL INFORMATION   |  |
|--------------------|---|------------------|--------------|--------|------|---------|--------------|--------|------|-------------------------|--------------|-----------------------|-----------------|---------------------|--------|---------|---------|----------|--------------------------------------|---------------|--|--|
|                    |   | DOMESTIC         |              |        |      | FOREIGN |              |        |      | EQUITY                  | LISTED PROP. | OFFSHORE (EX. AFRICA) | AFRICA (EX. SA) | 1 MONTH             | 1 YEAR | 3 YEARS | 5 YEARS | 10 YEARS | HIGHEST RETURN                       | LOWEST RETURN | CURRENT ANNUALISED YIELD**   |  |
|                    |   | EQUITY           | LISTED PROP. | BONDS* | CASH | EQUITY  | LISTED PROP. | BONDS* | CASH |                         |              |                       |                 |                     |        |         |         |          |                                      |               |  |  |
| LOW RISK           | <b>INCOME FUNDS</b>   |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               |  |  |
|                    | <b>Income Fund ***</b><br>South African - Interest Bearing - Short Term<br>Investment horizon: 1-2 years<br><a href="#">Fact Sheet</a>          |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               | NA   |  |
| LOW - MEDIUM RISK  | <b>MULTI-ASSET FUNDS</b>  |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               |  |  |
|                    | <b>Enhanced Income Fund</b><br>South African - Multi Asset - Income<br>Investment horizon: 1-3 years<br><a href="#">Fact Sheet</a>              |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               | 6.5%   |  |
|                    | <b>Inflation Plus Fund</b><br>South African - Multi Asset - Low Equity<br>Investment horizon: 3+ years<br><a href="#">Fact Sheet</a>            |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               | 1. Pru WW Real Return Fund 19.5%<br>2. Pru Corporate Bond Fund 7.0%<br>3. Pru WW Strat Real Return Fund 5.3%<br>4. RSA (R202) 3.2%<br>5. Naspers 2.8%        |  |
| MEDIUM RISK        | <b>Balanced Fund</b><br>South African - Multi Asset - High Equity<br>Investment horizon: 5+ years<br><a href="#">Fact Sheet</a>                 |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               | 1. Pru WW Real Return Fund 19.2%<br>2. Pru High Interest Fund 10.2%<br>3. Pru WW Strat Mngd Fund 7.0%<br>4. Naspers 5.1%<br>5. British American Tobacco 5.0% |  |
| MEDIUM - HIGH RISK | <b>PROPERTY/EQUITY FUNDS</b>  |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               |  |  |
|                    | <b>Enhanced SA Property Tracker Fund</b><br>South African - Real Estate - General<br>Investment horizon: 5+ years<br><a href="#">Fact Sheet</a> |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               | 1. Growthpoint Properties 16.0%<br>2. Redefine Properties 13.3%<br>3. New Europe Property 9.8%<br>4. Fortress Income Fund 7.6%<br>5. Hyprop 7.6%             |  |
|                    | <b>Dividend Maximiser Fund</b><br>South African - Equity - General<br>Investment horizon: 7+ years<br><a href="#">Fact Sheet</a>                |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               | 1. Naspers 8.2%<br>2. iShares MSCI ACWI 5.5%<br>3. M&G Global Dividend Fund 5.5%<br>4. British American Tobacco 5.3%<br>5. Pru Global Equity Fund 5.3%       |  |
| HIGH RISK          | <b>Equity Fund</b><br>South African - Equity - General<br>Investment horizon: 7+ years<br><a href="#">Fact Sheet</a>                            |                  |              |        |      |         |              |        |      |                         |              |                       |                 |                     |        |         |         |          |                                      |               | 1. Pru Global Equity Fund 15.9%<br>2. Naspers 8.7%<br>3. British American Tobacco 5.9%<br>4. Old Mutual Plc 4.5%<br>5. Standard Bank Group Ltd 3.9%          |  |

\* Bonds may include Corporate bonds, Government bonds and Inflation-linked bonds. \*\* The portion of the return of the Fund that is attributed to income generated over the last 12 months, assuming the investor reinvests all distributions and incurs no transaction fees or taxes. \*\*\* The Prudential Income Fund was launched on 6 December 2016.

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

\* 12-month rolling performance figure. \*\* Top holdings updated quarterly.