

Fund Managers Thoughts

Despite the All Share Index bouncing back in April, SA Inc. underperformed in a period of Rand weakness. US dollar strength and the US 10yr yield approaching 3% resulted in a risk off environment for emerging markets. Post a great first quarter performance being biased SA Inc, we expected a minor pull back with both SA bank and retail sectors giving back some gains made earlier in the year. We believe that both sectors will be early cycle beneficiaries under the new leadership with significant pent up demand from the SA consumer and remain positioned for an improving South Africa. The Capricorn SCI Balanced Fund expectedly underperformed in April returning 1.9%, while its ASISA benchmark returned 3.5%. Offshore tech stocks rebounded after a subdued start to 2018, with Nvidia, Amazon and Alibaba leading the way while India ETF and NMC Healthcare also performed well in April.

Fund Managers



Matthew Auerbach

Fund Manager
M.COM, CA(SA), CFA
15 yrs industry experience



Seten Naidoo

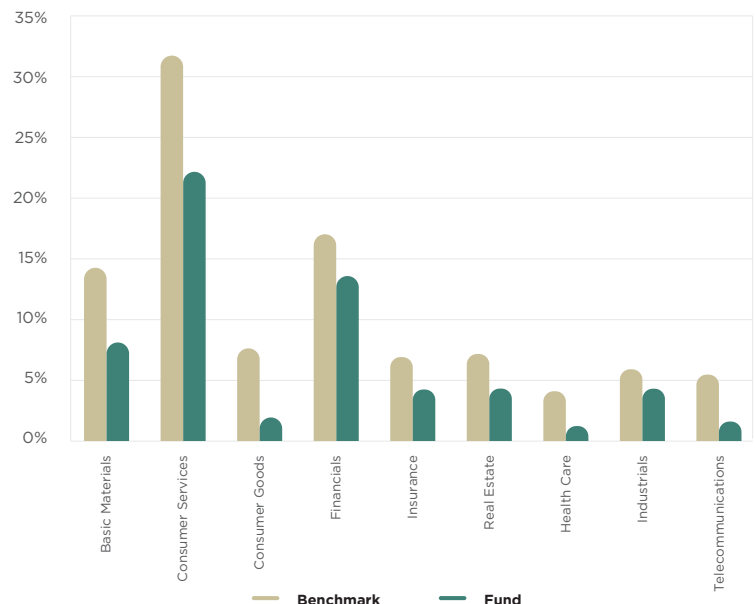
Fund Manager / Analyst
BBuSci (Fin Hons)
8 yrs industry experience
Top rated equity analyst

Positioning Our Portfolio

We believe that all the data points to improving South African economic sentiment, including the highest FNB/BER consumer confidence reading since its inception over 2 decades ago. The All Share remains cheaper than historical levels. We remain biased towards an SA Inc portfolio, favouring bank, retail and SA industrial sectors and believe we will see positive upward earnings revision in 2018. We have introduced Al Rajhi (Saudi Arabian Bank) and reduced NMC Healthcare in our offshore portfolio as Al Rajhi looks likely to benefit from an up weighting of Saudi Arabia in the MSCI EM Index while sector tailwinds remain favourable in the country as it formalises its banking system.



Sector weightings: Benchmark vs Fund



Date: as at 30/04/2018 Source: Capricorn Fund Managers (Pty) Ltd

The information contained in this document are the views of the fund manager and does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act, and should be read in conjunction with the MDD. Use of or reliance of this information is at own risk. Independent professional financial advice should be sought before making any investment decision. Past performance is not necessarily a guide to future performance.

Why choose our fund

The Capricorn Sanlam Collective Investments Balanced Fund is a well-diversified portfolio housing moderate risk qualities with the primary objective of capital preservation, while generating long term real returns. The portfolio invests in a combination of equities, bonds, money market instruments, listed property as well as international equities and fixed interest investments to diversify return streams and reduce risk. This fund has a maximum equity exposure of 75% and maximum allocation of 25% to offshore asset classes. The fund is Reg 28 compliant, therefore suitable for pension funds and retirement savings.

Fund Facts

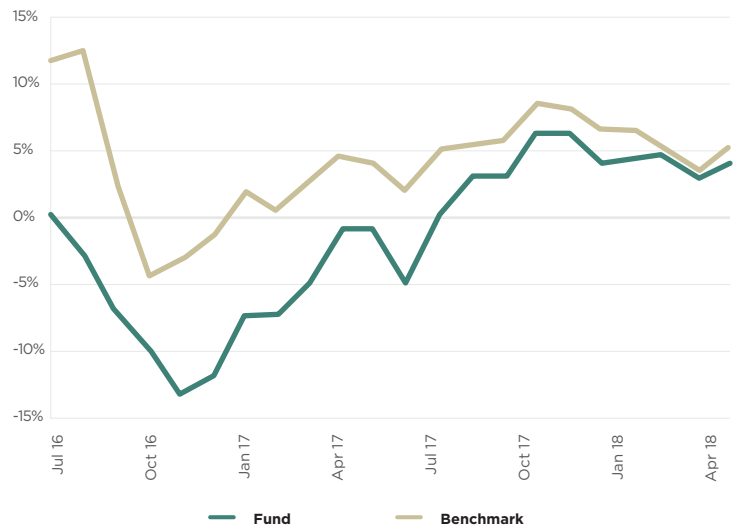
Portfolio Size	R413m
Minimum Investment	R100,000
Manager Annual Fee	1.02%
Launch Date	01/07/2016
Benchmark	Asisa Multi Asset High Equity

Date: 30/04/2018 Source: Capricorn Fund Managers (Pty) Ltd
 *Annualised Return is calculated from the historical returns of the fund since inception and is the annual growth rate that gets you from the initial investment value to the ending investment value if you assume that the investment has been compounding annually over the time period.

Cumulative Performance Since Inception

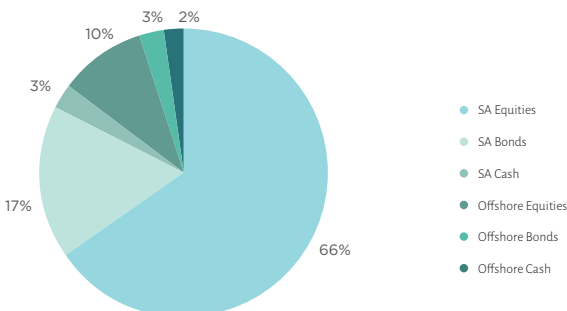


Annualised Performance Since Inception



Date: as at 30/04/2018. Source: Capricorn Fund Managers (Pty) Ltd

Equity Asset Allocation



Date: as at 30/04/2018. Source: Capricorn Fund Managers (Pty) Ltd
www.capricornfundmanagers.com

Largest Holdings

- | | |
|--------------------|--------------------------|
| Naspers | Sanlam |
| Firstrand | Balwin |
| The Foschini Group | Mr Price Group |
| Standard Bank | Britain American Tobacco |
| Shoprite Holdings | Barclays Group |

Historical Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Benchmark
2016							(0.0%)	(0.5%)	(1.4%)	(1.5%)	(2.5%)	(0.4%)	(6.1%)	(0.9%)
2017	1.8%	(0.5%)	1.2%	2.8%	(0.2%)	(3.9%)	5.0%	3.3%	(0.2%)	5.1%	0.5%	(3.1%)	11.9%	9.9%
2018	0.8%	1.1%	(2.4%)	1.9%									1.3%	0.3%

Date: as at 30/04/2018 (net of fees). Source: Capricorn Fund Managers (Pty) Ltd

Important information

Sanlam Collective Investments (RF) (Pty) Ltd registered and approved Manager in Collective Investment Schemes in Securities. Collective investment schemes are generally medium- to long-term investments. Past performance is not necessarily a guide to future performance, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager on request. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Performance is calculated for the portfolio and the individual investor performance may

differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. Performance fees are calculated at 20% above the benchmark performance (Asisa Multi Asset High Equity). Lump sum investment performances are being quoted. Sanlam Collective Investments retains full legal responsibility for this co-named portfolio. The portfolio management of the fund is outsourced to Capricorn Fund Managers, an authorised financial services provider in terms of the FAIS Act. The Manager has a right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. The information contained within this document has been prepared by Capricorn Fund Managers (Pty) Ltd and is unaudited.

Contact Information

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