

NOVARE WEALTH ACCUMULATOR FUND OF FUNDS

Minimum Disclosure Document

As of 2018/08/31

INVESTMENT OBJECTIVE

This is a medium-risk portfolio that aims to deliver income and capital growth over the medium to long-term. This portfolio is designed to minimise volatility and aims to cultivate a smooth return profile whilst minimising drawdowns.

INVESTMENT PROFILE

A collective investment scheme ("CIS") can be described as an investment vehicle which allows investors to pool their money into a portfolio, sharing in the risk and return of the portfolio in proportion to their participatory interest in the scheme.

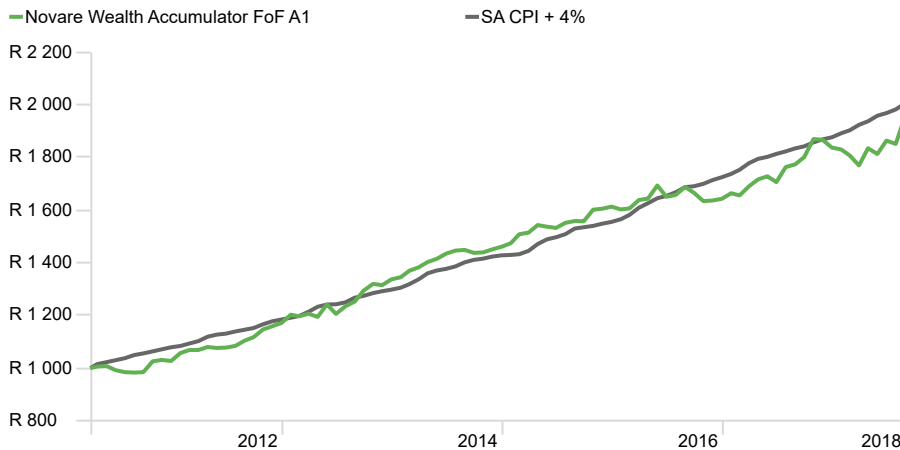
The Novare Wealth Accumulator Fund of Funds invests in other collective investments, these are referred to as the underlying managers.

This portfolio is diversified across all major asset classes and offers real (after inflation) returns but with lower volatility. The portfolio has exposure to risky asset classes, including equity exposure of between 40% and 65%, which is necessary to grow capital over the long term (equities are considered to have the potential for the highest return, but with a higher level of risk over the short term); bonds (which has lower risk than equities because the holder of a bond has the security of knowing that the bond will be repaid in full by government or semi-government authorities at a specific time in the future); and offshore (this exposure could result in additional material risks, such as – potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks and potential limitations on the availability of market information). Returns are likely to be less volatile than that of an equity-only portfolio.

The portfolio adheres to ASISA Classification limits and is in line with Regulation 28.

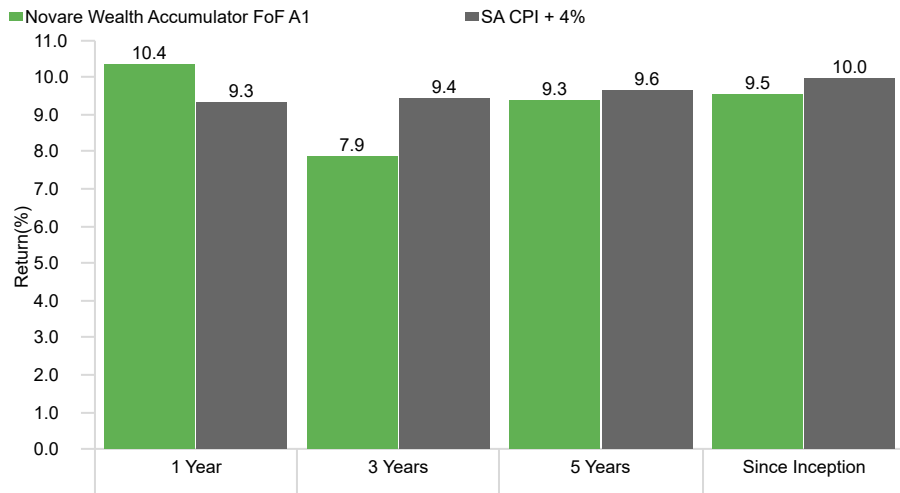
CUMULATIVE FUND PERFORMANCE

Time Period: 2011/04/08 to 2018/08/31



*Performance based on a lump sum of R1 000 invested since inception.

FUND vs OBJECTIVE



*The performance of the fund is based on annualised returns from a monthly return series since the inception of the fund (April 2011).

ABOUT THIS PORTFOLIO

Risk profile

Conservative Moderate Aggressive

Inception Date	2011/04/08
Portfolio Class	A1
Fund Size	R 248 843 787.94
NAV per unit	R 15.96
Number of participatory interest	11 188 295
ASISA Classification	(ASISA) South African MA Medium Equity
Benchmark*	CPI+ 4% net of fees
Objective**	CPI + 4 % over rolling 5 year periods (net of fees)
Minimum lump sum	R 5 000
Minimum monthly investment	R 500
Annual management fee	0.60% (excl. VAT)
Income declaration	Bi-annual (June, December)
Transaction cut-off time	14:00 every business day
Portfolio Valuation	15:00 every business day
TER (Excl. VAT) (%)***	1.02
VAT(%)	0.18
TC (incl. VAT) (%)	0.32
TIC (%)****	1.52
Fund Manager	Novare Investments
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	F: 021-914-7733
Management Company	Novare CIS
	T: 080 066 8273
	F: 086 066 8273

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* The CPI component of the benchmark is based on the South African Headline Consumer Price Index.

** The objective is to outperform the benchmark net of the total investment charge including the underlying managers' respective total investment charges.

*** A higher Total Expense Ratio (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.

**** The TIC refers to the total investment charge made up of the TER (including VAT) and the TC (including VAT).

PERFORMANCE CALCULATIONS

The investment performance is for illustrative purposes only. The investment performance is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date.

Returns are calculated at a NAV to NAV basis and do not take any initial fees into account. This method is applicable to all returns presented in this document. Annualised performance measures the total return of an investment over a period of time, reflected as a time-weighted annual return. Income distributions, prior to deduction of applicable taxes, are included in the performance calculation. Actual annual figures are made available daily at 09:00 in most leading newspapers and Finswitch.

COSTS

The Novare Wealth Accumulator Fund of Funds invests in other collective investments, which levy their own charges, which could result in a higher fee structure for the portfolio. The Total Expense Ratio (TER) of the weighted average underlying manager funds plus the Novare asset management fee totals 1.0% (from 1 June 2015 to 30 June 2018), 1.5% (annualised) reflects the average Net Asset Value of the portfolio incurred as charges, levies and fees related to the management of the portfolio. There are no performance fees charged at the fund level but some underlying managers may charge performance fees.

FUND COMMENTARY

Domestic

The month concluded with yet another sharp sell-off in risky assets, cementing the soured sentiment towards emerging markets (EMs). A currency crisis ensued in Turkey as the lira touched new lows against the U.S. dollar after geopolitical tensions between the U.S. and Turkey intensified that saw sanctions being increased against Turkey by President Trump. This burdened the already-weak lira caused by the Turkish central bank's failure to increase interest rates to combat rising inflation. News of fresh sanctions on Russia also took its toll on the ruble. The final week of the month ushered in more bad news for EMs as Argentinian policymakers endeavoured to shore up the peso by hiking rates while the resignation of Turkey's Deputy Central Bank governor had the market on edge.

The risk-off trade led to the U.S. dollar strengthening as investors fled to safe-haven assets. The contagion effect took hold resulting in other EM currencies selling off aggressively, with the rand among one of the worst performing EM currencies in the month. After starting the month below R13.30 to the U.S. dollar, the rand breached the R15.00 mark against the greenback. For the month, the rand was down 10.6% against the U.S. dollar and depreciated 9.8% and 9.2% against the euro and pound respectively. Other pressure points for the local currency were the continued trade qualms between the U.S. and China along with the uncertainty surrounding the country's property rights, which left investors nervous. With that said, Moody's announced that the country's path of fiscal consolidation had been going according to plan for the current fiscal year.

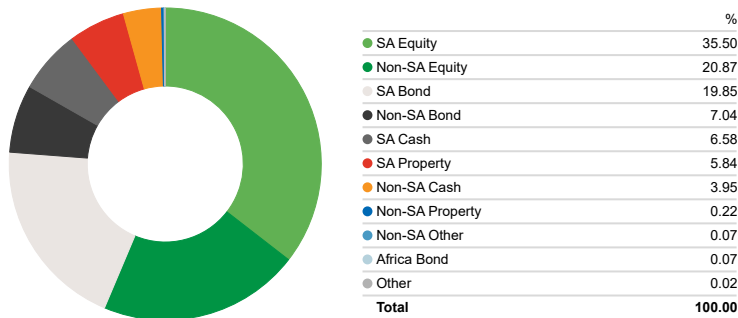
Local bonds tracked the weaker rand with the All Bond Index giving up -1.8% for the month as yields ticked higher. The bond yield on the S.A. 10-year peaked at 9.1% after starting the month at 8.6%. Local equities found support in rand hedge stocks and resource facing counters with the FTSE/JSE All Share Index returning 2.3%, while the Resource 20 and Industrial 25 returned 5.7% and 2.0% respectively. The Financial 15 Index was down marginally by -0.2%. The S.A. listed Property Index was up 2.1% and cash returned 0.5%.

International

Trade concerns coupled with macroeconomic imbalances and doubts about policy stability and credibility in EM countries kept markets volatile with global equities swinging between gains and losses. The MSCI Emerging Market Index shed -2.6% for the month, mirroring investor's aversion to EM assets. Strong corporate earnings and solid economic data boosted market sentiment in developed markets with the MSCI World Equity Index up 1.2% as the S&P 500 and Nasdaq reached record highs on Wall Street, up 3.0% and 5.8% respectively. In Europe, the FTSE 100 was down -3.2%. Concerns persisted regarding the weak lira's impact on European lenders, however, general consensus took the view that it was unlikely to morph into a global financial crisis. Global bonds remained flatlined with the Barclays Global bond Index returning 0.1%. Brent crude returned a strong 4.9%, while gold was unable to capitalise on its safe-haven appeal and shed -1.3% for the month.

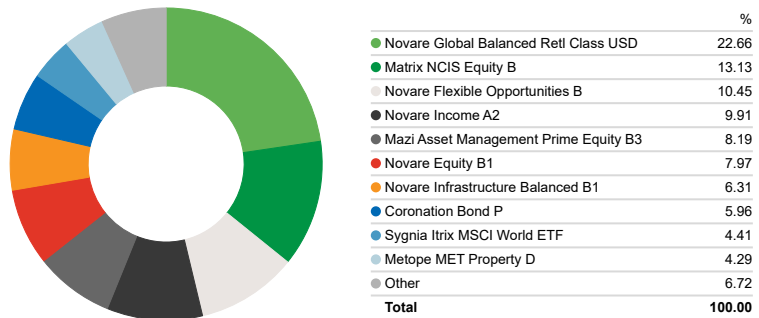
ASSET ALLOCATION

Portfolio Date: 2018/06/30



UNDERLYING FUND EXPOSURE

Portfolio Date: 2018/06/30



ACTUAL PERFORMANCE FIGURES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2018	-0.39	-1.23	-2.10	3.67	-1.19	2.81	-0.67	5.82					6.52
2017	1.29	-0.49	2.09	1.54	0.69	-1.27	3.36	0.56	1.55	3.82	-0.15	-1.59	11.84
2016	-0.66	0.24	1.99	0.31	3.04	-2.53	0.41	1.86	-1.36	-1.88	0.15	0.39	1.85
2015	0.93	2.31	0.43	1.88	-0.41	-0.29	1.25	0.45	-0.06	2.84	0.22	0.49	10.44
2014	0.60	1.82	0.95	1.48	0.88	1.36	0.82	0.19	-0.77	0.12	0.78	0.69	9.25
2013	2.69	-0.49	0.82	-1.00	3.93	-2.87	2.38	1.45	3.37	1.95	-0.35	1.67	14.17
2012	2.95	1.06	0.05	1.06	-0.34	0.13	0.59	1.85	1.22	2.59	1.06	1.07	14.06
2011	—	—	—	—	0.17	-1.53	-0.76	-0.17	0.18	4.18	0.52	-0.40	—

Management Company

The portfolio is owned by Novare CIS (RF) (Pty) Limited (Novare CIS) Registration No.2013/191159/07, an authorised Management Company registered according to the Collective Investment Schemes Control Act (CISCA) and regulated by the Financial Sector Conduct Authority of South Africa. Contact details: P.O. Box 4742, Tyger Valley, 7736, South Africa. Call Centre: 0800 668 273 (0800 Novare). Email: clientservice@novare.co.za. Website: www.novare.com. First Rand Bank Limited Registration No.1929/001225/06 is the appointed trustee, contact number: 011 282 8000. PricewaterhouseCoopers is the auditor for the portfolio. Maitland is the fund administrator of the portfolio. Risk management of the portfolio is done by Novare CIS. Should you have any queries or complaints please contact: Novare CIS on 0800668273 (0800novare) or via email clientservice@novare.com.

Investment Manager

Novare Investments (Pty) Limited (the 'Investment Manager') incorporated under the laws of South Africa, is an authorised financial services provider (FSP 757) under the Financial Advisory and Intermediary Services Act 37 of 2002 and has been appointed by Novare CIS as the Investment Manager of the portfolio. Contact details: P.O. Box 4742, Tyger Valley, 7736, South Africa. Telephone 021 914 7730 Website: www.novare.com. The Investment Manager is a member of the Association for Savings and Investment South Africa. Additional information on the proposed investment is available on the Investment Manager's website at www.novare.com. Source: Benchmark data, obtained from Morningstar, together with portfolio performance. Additional information on the proposed investment may be obtained free of charge on the Investment Manager's website at www.novare.com, this includes brochures, application forms, any annual or yearly reporting.

Disclaimer

Collective Investments are generally medium to long-term investments. Actual investment performance will differ based on the initial fees applicable, the actual investment date, the date of reinvestment and dividend withholding tax. Novare CIS does not provide any guarantee in respect of capital or the return of a portfolio. The value of participatory interests may go down as well as up and past performance is not necessarily an indication of future performance. Collective Investments Schemes trade at ruling prices and can engage in borrowing and scrip lending. Commentary or any forecasts contained in this document are not guaranteed to occur. Novare CIS has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. The 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 TER's. Novare CIS's schedule of fees and charges is available on request. Prices are available on all unit trust fund data information websites. The portfolio will not change its investment strategy or investment policy without prior approval from the Financial Sector Conduct Authority and investors. The liquidity risk management policy is available on request. Nothing in this document will be considered to state or imply that the Fund is suitable for a particular type of investor unless specifically indicated as such. The information contained in this report is provided in good faith and has been derived from sources believed to be reliable and accurate. However, no representation or warranty, express or implied, is made in relation to the accuracy or completeness of this information.

Date Published: 2018/09/07

RISK STATISTICS

Time Period: Since Inception to 2018/08/31

	Portfolio	Objective
Sharpe Ratio*	0.6%	2.4%
Std Dev**	5.5	1.3
Highest annual return***	14.2%	10.9%
Lowest annual return***	1.9%	8.8%

*The Sharpe ratio measures the risk-adjusted annualised returns based on the average excess return above the risk-free rate per unit of risk. The risk-free rate is based on the default rate provided by Morningstar.

**This is the standard deviation of the fund's monthly returns. This is a measure of how much the investment's return varies from its average annualised return since inception.

***These are the highest and lowest annual returns since inception of the fund.

INCOME DISTRIBUTION

This refers to all income from the underlying funds, such as dividends income or interest income, which has been declared over the investment period. The re-investment date of each distribution will be the 15th day of the following month or the next business day if the 15th does not fall on a business day.

Income distributions in the current year - cents per unit

INCOME DISTRIBUTION IN THE PAST 12 MONTHS

Declaration Date	Payment	Cents per unit
2018/06/29	2018/07/02	22.3
2017/12/29	2018/01/02	21.7