

Returns achieved

30 NOVEMBER 2017



SPECIALIST INVESTMENT SERVICES

third  **circle**
Asset Management

Stochastic Portfolio Optimisation
Through Simulation **SPOTS**



Third Circle Asset Management (Pty) Ltd, registration number 2004/007420/07, is an authorised financial services provider, FSP number 24202, under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.

2017 Hugo L. Snyman. All rights reserved.

 powered by third circle asset management

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

Third Circle Asset Management (Pty) Ltd, registration number 2004/007420/07, is an authorised financial services provider, FSP number 24202, under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.

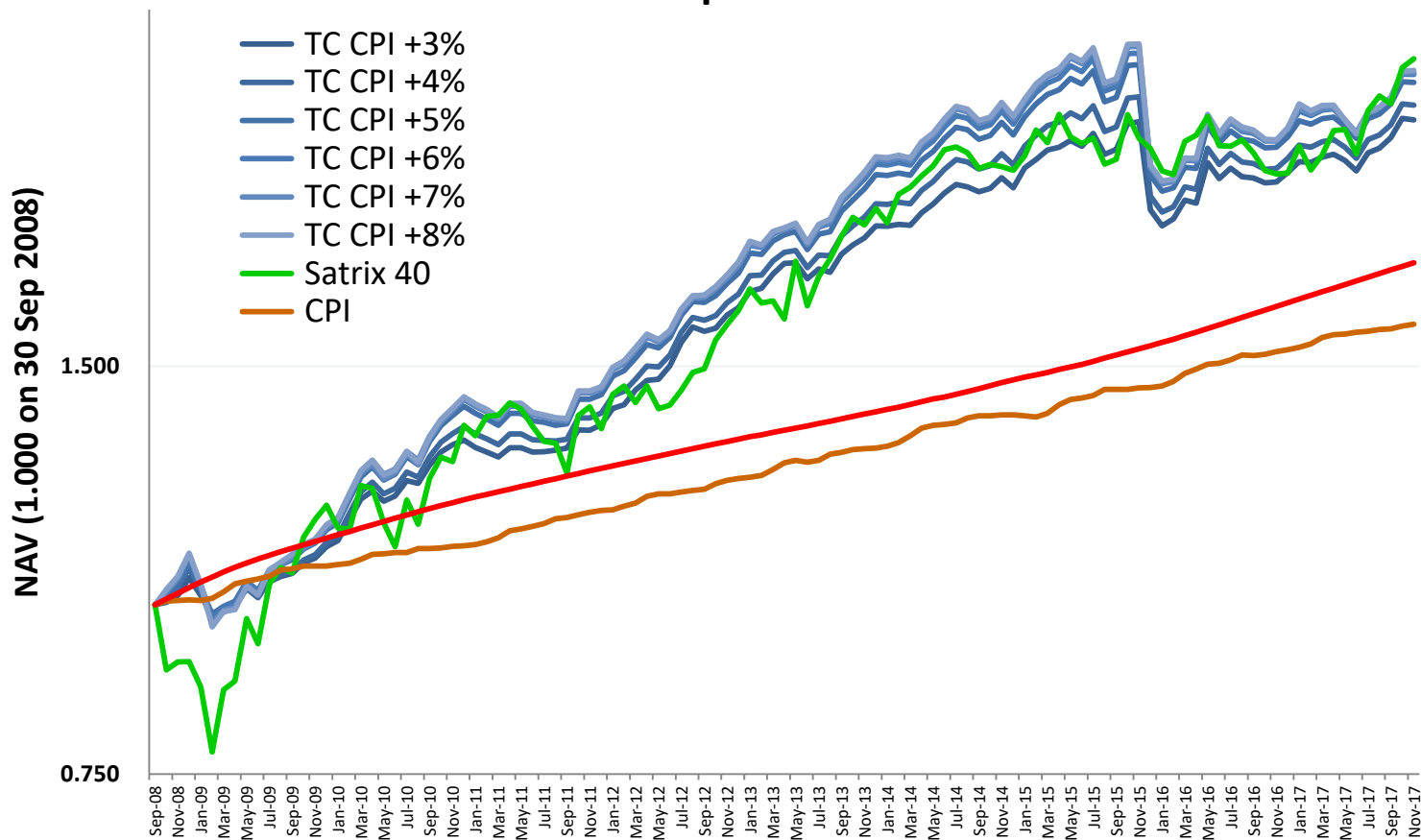
Comparative track record 30 NOVEMBER 2017: net returns achieved before platform and advisor fees

Return targets	CPI +3%	CPI +4%	CPI +5%	CPI +6%	CPI +7%	CPI +8%	All share index
Minimum and maximum equity exposure	0%<40%	0%<47%	0%<54%	0%<61%	0%<68%	0%<75%	
Average equity exposure (modeled/actual combined, since 1 Jan 1994)	35%	40%	47%	52%	58%	64%	
1 year return	11.10%	11.39%	11.68%	11.97%	12.26%	12.55%	22.52%
2 year returns (per annum)	0.15%	-0.70%	-1.49%	-1.78%	-2.21%	-2.21%	10.42%
3 year returns (per annum)	3.33%	2.79%	2.29%	2.10%	1.83%	1.83%	9.19%
4 year returns (per annum)	5.13%	4.86%	4.62%	4.53%	4.39%	4.40%	10.47%
5 year returns (per annum)	6.85%	6.95%	7.06%	7.14%	7.21%	7.19%	12.62%
Realised annualised return since inception (1 Oct 2008)	9.41%	9.71%	10.17%	10.33%	10.36%	10.42%	13.76%
Model/actual combined annualised return (1 Jan 1994)	15.84%	16.45%	17.12%	17.60%	18.01%	18.48%	14.51%
Current drawdown	-0.27%	-1.39%	-2.96%	-3.54%	-4.38%	-4.37%	0.00%
Drawdown targets	<5.00%	<7.50%	<10.00%	<12.50%	<15.00%	<17.50%	
Since 1 Oct 2008, 90% of realised drawdowns have been better than	-7.83%	-9.61%	-11.14%	-11.75%	-12.60%	-12.70%	-16.04%
2 year annualised standard deviation of monthly returns	5.38%	5.89%	6.44%	7.02%	7.62%	8.23%	11.60%
Scenario planning:							Probability of
Estimated returns per annum over a rolling three year period							outperformance
Nightmare scenario - there is a 90% probability of exceeding these levels	4.3%	4.2%	4.2%	3.9%	3.4%	2.9%	90%
Likely scenario - there is a 50% probability of exceeding these levels	7.4%	8.3%	9.3%	10.1%	10.9%	11.8%	50%
Optimistic scenario - there is a 10% probability of exceeding these levels	11.6%	12.7%	14.0%	15.5%	16.6%	18.0%	10%

Third Circle Asset Management (Pty) Ltd, registration number 2004/007420/07, is an authorised financial services provider, FSP number 24202, under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.

2017 Hugo L. Snyman. All rights reserved.

Value development over time



MONEY ANCHOR PROFILER®

We know that investor behaviour is driven by the conflict between avoiding pain (potentially losing money) and the achievement of pleasure (gaining wealth through investments growing).

The Money Anchor Profiler® (MAP) offers an indication of both how much pain an investor may be able to stomach emotionally without becoming overanxious, and how much emotional value they attach achieving elevated levels of growth.

INVESTOR FEAR AND GREED

Fear of Draw downs	Greed for Growth
<-05.00%	Potential growth CPI+3%
<-07.50%	Potential growth CPI+4%
<-10.00%	Potential growth CPI+5%
<-12.50%	Potential growth CPI+6%
<-15.00%	Potential growth CPI+7%
<-17.50%	Potential growth CPI+8%



Third Circle Asset Management (Pty) Ltd, registration number 2004/007420/07, is an authorised financial services provider, FSP number 24202, under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.

2017 Hugo L. Snyman. All rights reserved.

powered by third circle asset management

THIRD CIRCLE WRAP FUND (Holdings Summary)

	Third Circle Wrap Fund					
	CPI + 3%	CPI + 4%	CPI + 5%	CPI + 6%	CPI + 7%	CPI + 8%
Absa Property Equity Fund	5.5%	5.8%	6.2%	6.6%	6.9%	7.3%
BCI Income Plus Fund	9.8%	9.2%	8.6%	8.0%	7.4%	6.8%
Coronation Global Emerging Markets Flexible Fund	9.5%	9.5%	9.5%	9.5%	9.5%	9.4%
Coronation JIBAR Plus Fund	4.9%	5.9%	7.0%	8.1%	9.2%	10.2%
Investec Managed Fund	0.0%	1.5%	3.1%	4.6%	6.2%	7.7%
Nedgroup Investments Flexible Income Fund	9.8%	7.8%	5.9%	3.9%	2.0%	0.0%
Old Mutual Global Equity Fund	7.2%	7.2%	7.1%	7.1%	7.1%	7.1%
Prescient Income Provider Fund	9.3%	7.4%	5.6%	3.7%	1.9%	0.0%
Sanlam India Opportunities Feeder Fund	4.0%	4.2%	4.4%	4.5%	4.7%	4.9%
Sanlam Select Strategic Income	9.5%	7.6%	5.7%	3.8%	1.9%	0.0%
STANLIB Absolute Plus Fund	11.7%	10.5%	9.4%	8.3%	7.2%	6.1%
STANLIB ALSI 40 Fund	13.4%	16.6%	19.9%	23.1%	26.4%	29.6%
STANLIB European Equity Feeder Fund	5.3%	5.2%	5.0%	4.9%	4.7%	4.6%
STANLIB Inflation Plus 3% Fund	0.0%	1.2%	2.4%	3.6%	4.8%	6.0%
Cash	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

THIRD CIRCLE WRAP FUND (Asset Allocation)

	Third Circle Wrap Fund					
	CPI + 3%	CPI + 4%	CPI + 5%	CPI + 6%	CPI + 7%	CPI + 8%
SA Equity	16.5%	20.2%	23.9%	27.5%	31.2%	34.9%
SA Cash	22.1%	21.8%	21.4%	21.1%	20.7%	20.4%
SA Non-cash Fixed Income	23.3%	20.1%	16.8%	13.6%	10.3%	7.1%
SA Property	6.6%	6.6%	6.7%	6.8%	6.8%	6.9%
International Equity	25.1%	25.5%	25.9%	26.3%	26.8%	27.2%
International Fixed Income (short duration)	2.9%	2.7%	2.6%	2.4%	2.2%	2.0%
International Fixed Income (longer duration)	3.3%	2.9%	2.5%	2.1%	1.8%	1.4%
International Property	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Stochastic Portfolio Optimisation
Through Simulation



Third Circle Asset Management (Pty) Ltd, registration number 2004/007420/07, is an authorised financial services provider, FSP number 24202, under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.

Sterk tweede helfte van jaar bied redes om te glimlag

Na die frustrasie van die afgelope paar jaar, met lae rentekoerse en 'n rigtinglose aandelemarkt wat sedert vroeg 2015 letterlik geen opbrengs gebied het nie, het Suid-Afrikaanse beleggers uiteindelik in die derde kwartaal van 2017 rede tot opgewondenheid gekry. Vanuit 'n baie negatiewe laagtepunt einde Junie, het die plaaslike markte uiteindelik begin meemaak aan die sterk opwaartse momentum wat die groot meerderheid van die res van die planeet se markte ervaar.

Hiermee saam kan ons ook met groot vreugde en dankbaarheid berig dat die Third Circle portefeuljes dié kans met beide hande aangegryp en baie doeltreffend benut het. Oor die derde kwartaal het die portefeuljes baie sterk vertoon, beide in absolute terme, en relatief tot vergelykbare alternatiewe fondse in hul betrokke kategorië:

Derde kwartaal 2017			
Third Circle portefeulje	Opbrengs	Vertoning relatief tot alternatiewe	Kategoriegemiddeld
Inflasie + 3%	5.80%	# 5 uit 158 alternatiewe	3.49%
Inflasie + 4%	5.93%	# 4 uit 158 alternatiewe	3.49%
Inflasie + 5%	6.05%	# 5 uit 84 alternatiewe	4.63%
Inflasie + 6%	6.18%	# 3 uit 84 alternatiewe	4.63%
Inflasie + 7%	6.30%	# 20 uit 196 alternatiewe	4.95%
Inflasie + 8%	6.43%	# 16 uit 196 alternatiewe	4.95%

Oktober en November was ook 'n baie lonende periode vir beleggers, met al die portefeuljes wat tot en met 30 November tussen 3% en 4.6% gegroei het oor dié periode.

Soos hierbo genoem, is hierdie opgewaartse beweging meerendeels gedryf deur sterk wêreldmarkte, 'n tendens wat 'n goeie kans het om voort te duur na die einde van die jaar toe. Die Suid-Afrikaanse mark het op 'n groot deel van hierdie lopies uitgemis en is steeds waarskynlik aan die goedkoop kant geprys indien die plaaslike ekonomiese omgewing nie weselik verswak nie.

'n Groot risikofaktor plaaslik is die geknoeiery en faksiepolitiek rondom die regerende party se leiersverkiesing middel-Desember, en die vraag kan gevra word of markte nie moontlik te optimisties is oor die kans van 'n positiewe verandering daar nie.

Met die oog op die bogenoemde slaggate is die Third Circle portefeuljes baie defensief geposisioneer vir Suid-Afrikaanse risiko: plaaslike aandeleblootstelling is sterk geweeg in die guns van maatskappye wat meerendeels in die buiteland hul inkomstes verdien, en blootstelling tot SA staatseffekte, genoteerde eiendom en ander bates wat polities sensitief is, is baie beperk of totaal afwesig uit die portefeuljes.

Daarteenoor word die maksimum wetlik toegelate buitelandse blootstelling geneem. Met hierdie skuiwe in plek is ons oortuig dat, in die ongewenste geval van 'n politieke storm en gepaardgaande markskommeling na jaareinde toe, die portefeuljes hul waarde goed sal kan beskerm – maar nie ten koste van aantreklike opbrengste in meer gunstige tye nie, soos die afgelope paar maande se vertonings dui.

Groete, en 'n Geseënde Kersfees en voorspoedige nuwe jaar word u toegewens,
Die Third Circle-span

DISCLOSURE DOCUMENT

(IN TERMS OF ACT NO. 37, 2002 FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002) FAIS ACT 2002.

Third Circle Asset Management (Pty) Ltd (TCAM) is a registered financial services provider licensed by the Financial Services Board under license no.: 24 202. Physical address: Suite 2, Regency Pavilion, c/o Regency and Viceroy str, Route 21 Office Park, Irene, Pretoria, South Africa | Tel: 086 111 4560 | www.thirdcircle.co.za

As an independent asset management company we focus on value added discretionary investment management services, both for the individual as well as institutions. TCAM is wholly owned by its management. We are a multi manager of collective investment schemes, all of which are in conjunction with respected banking establishments.

- ◊ TCAM is a pioneer in the field of aligning a person's asset allocation with a person's money personality (Money Anchor Profiling - MAP).
- ◊ TCAM have done this in such a way that a seamless integration is maintained between the client's wishes, personality traits and the eventual design of the client's portfolio.
- ◊ TCAM does not give financial advice.
- ◊ TCAM does not directly or indirectly hold more than 10% of an insurer's shares.
- ◊ TCAM did not receive more than 30% of the last year's asset management fees and remuneration from one institution.
- ◊ TCAM is not an associated company of any insurer.
- ◊ TCAM has Professional Indemnity Insurance.

FULL DUE DILIGENCE REPORT IS AVAILABLE ON REQUEST.

BUSINESS ASSOCIATES



Absa Investment Management Services (AIMS)



Glacier Financial Solutions (Pty) Ltd



Momentum Wealth

LISP'S specializes in the administration and management of unit linked investments as well as in multi investment management. LISP'S cater for discretionary saving investments, retirement solutions, guaranteed offerings and offshore investing on single investment platforms thereby providing a full spectrum of investment solutions with access to the complete range of South African unit trust funds as well as select offshore unit trusts. By complementing their administrative capabilities with investment expertise, LISP'S have uniquely positioned themselves as new generation investment houses and has independent status facilitates complete objectivity in providing optimal investment solutions.

aims.absa.co.za | www.sanlam.co.za | www.momentumwealth.co.za

Compliance: Keycomply, PO Box 752415, Gardenview 2047, Tel: 083 4698 166.

E-mail: profile@keycomply.co.za | Registration No. 2011/095962/23, Practice No. 6090

External Auditors: Malan du Preez, 42 Lebombo Drive, Ashlea Gardens, 0081 | Tel: (012) 340-0700

Internal Auditors: Massyns & Associates, Registered Accountants - 211 Lange Street, Nieuw Muckleneuk, Pretoria 0181, South Africa | Phone: +27 (12) 346 0661

Attorneys: Bester en Rhoodie, Route 21 Corporate Office Park, 62 Regency Lane, Irene | Tel: (012) 345 1410 Bank: ABSA

COMPLAINTS: We appreciate it when clients communicate with us when they are dissatisfied with our services. This enables us to resolve any problems immediately and helps us to continuously offer a professional service. If a complaint is not amicably resolved, a client is welcome to obtain a complaints procedure from our offices.

DETAIL OF THE FAIS OMBUD: BAOBAB HOUSE, EASTWOOD OFFICE PARK

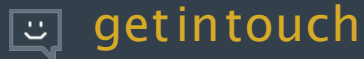
PO Box 74571, Lynwood Rd, Lynwood Ridge, PRETORIA, 0040 Tel: (012) 470 9080 | Fax: (012) 348 3447

Third Circle Asset Management (Pty) Ltd, registration number 2004/007420/07, is an authorised financial services provider, FSP number 24202, under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.

2017 Hugo L. Snyman. All rights reserved.

powered by third circle asset management

get in touch



Regency Pavilion, Suite 2, corner of Regency and Viceroy streets,
Route 21 Corporate Office Park, Irene, Pretoria, South Africa

Office: 086 111 4560 | tcam@3rdcircle.co.za

www.thirdcircle.co.za

HUGO	082 551 7127
JACOBUS	082 818 2044
JOHAN	082 821 2678



To determine your unique Money Anchor Profile visit:

www.moneyanchor.co.za



Third Circle Asset Management (Pty) Ltd, registration number 2004/007420/07, is an authorised financial services provider, FSP number 24202, under the Financial Advisory and Intermediary Services Act (No. 37 of 2002). This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please be advised that there may be representatives acting under supervision.

2017 Hugo L. Snyman. All rights reserved.

powered by third circle asset management