

### Investment Objectives and Strategy

The Fund aims to provide regular and stable income that targets long term inflation beating returns, while managing the risk of capital loss in the short term. Investments to be included may, apart from assets in liquid form, consist of equity and non-equity securities, fixed interest instruments (including, but not limited to, bonds, corporate bonds, inflation linked bonds, convertible bonds, cash deposits and money market instruments), debentures, preference shares and property securities as well as any other income enhancing securities consistent with the objective. Equity exposure will be limited to a maximum of 10%. The Manager may include participatory interests and other forms of participation of local and global collective investment schemes, or other similar schemes operated in territories with a regulatory environment which is at least equivalent to that in South Africa. The Fund will be managed within the requirements of retirement funds prudential investment guidelines.

### Fund Statistics

Inception Date	2014/07/22
Fund Size	R 136 312 434
NAV	1.01
Ticker	NMIF
Benchmark	110% of STeFi Call
ASISA Sector	(ASISA) South African MA Income
Risk & Investment Term	Low, 3mths - 1yr
Portfolio Manager	Northstar Fixed Income Team
Annual Management Fee	1.14% (incl. VAT)
Manager's Upfront Charge (max)	0% (incl. VAT)
FSP Upfront Comm (max)	3.42% (incl. VAT)
Total Expense Ratio (TER) *	
Date of Income Declaration	31 Mar / 30 Jun / 30 Sep / 31 Dec
Minimum Lumpsum Investment	R10 000
Minimum Monthly Investment	R500
Valuation Time	15h00
Transaction Time	14h00

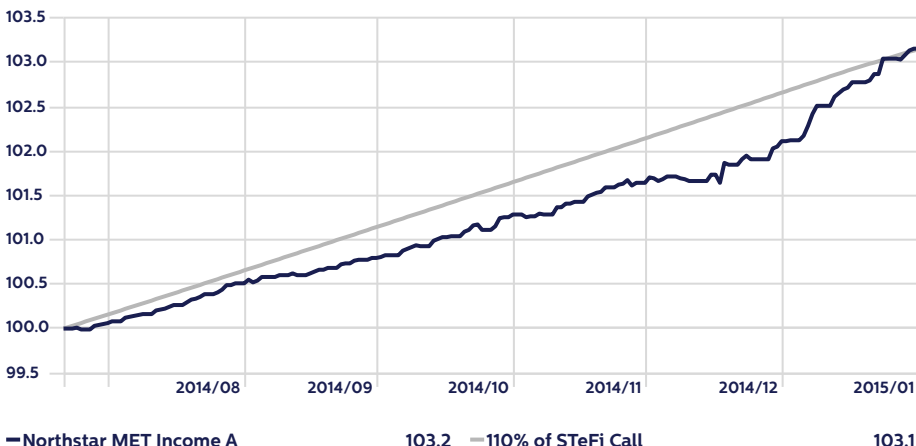
\* No TER has been calculated due to the fund not having been in existence for a minimum of 12 months. The TER is disclosed as a percentage of the average Net Asset Value of the portfolio that were incurred as charges, levies and fees related to the management of the portfolio. The TER is adjusted for significant subsequent portfolio restructurings and/or fee changes. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TERs.

### Disclaimer

Collective Investment Schemes (CIS) in securities are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. All CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request. Commission may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. MET Collective Investments (RF) (Pty) Ltd reserves the right to close and reopen certain portfolios from time to time in order to manage them more efficiently. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of participatory interests apply to certain portfolios, which are subject to different fees and charges. Performance figures quoted are from Morningstar, as at the date of this factsheet for a lump sum investment, using NAV-NAV prices with income distributions reinvested. Service charges and investment manager charges are calculated and accrued on the daily marketed value of the investment and paid out monthly. MET Collective Investments (RF) (Pty) Ltd is the Manager of the MET Collective Investments Scheme, and a full member of the Association for Savings and Investment SA. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, MET Collective Investments (RF) (Pty) Ltd does not accept any responsibility for any claim, damages, loss or expense, howsoever arising, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of MET Collective Investments Limited (RF) (Pty) Ltd's product.

### Investment Growth

Time Period: 2014/07/22 to 2015/01/31



### Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2015	1.02												
2014								0.45	0.28	0.49	0.35	0.46	

### Risk Statistics (3 Years)

Time Period: 2012/02/01 to 2015/01/31

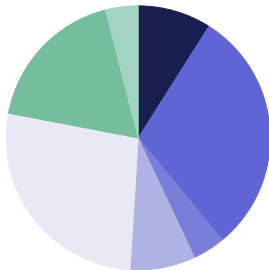
	Fund	Benchmark
Std Dev		0.1
Sharpe Ratio (arith)		4.4
Max Drawdown (12 months)		

### Income Distribution

2015/01/02 0.17 cents/unit

### Asset Allocation

Portfolio Date: 2015/01/31



	%
● Cash	9.0
● Fixed Rate NCDs	30.0
● Floating Rate NCDs	4.0
● Commercial Paper	8.0
● Floating Rate Notes (FRNs)	27.0
● Fixed Coupon Bonds	18.0
● Inflation Linked Bonds (ILBs)	4.0
<b>Total</b>	<b>100.0</b>

Modified Duration (excl. ILBs): 0.71

Effective Yield: 6.79%

### Regulation 28 Compliance & Intended Maximum Limits

Compliant	Equity	Property	Equity & Property	Foreign	Africa	Cash	Debt
YES	10%	15%	25%	20%	5%	100%	100%

### Investment Philosophy

Northstar Asset Management undertakes a rigorous and structured approach to analysing fixed income opportunities. We use proprietary systems to assess all instruments in our investment universe and manage our portfolios with an active bias. Our investment decision is based on detailed interest rate research (duration management and curve positioning), prudent fundamental credit analysis and vigorous liquidity management.

### FAIS Conflict of Interest Disclosure

Please note that in most cases where the FSP is a related party to Northstar Asset Management Pty (Ltd) and/or MET Collective Investments (RF) (Pty) Ltd, the Northstar Asset Management Pty (Ltd) and/or distributor earns additional fees apart from the FSP's client advisory fees. It is the FSP's responsibility to disclose additional fees to you as the client. Such fees are paid out of the portfolio's service charge and range anything between (excl VAT):

CIS Manager: Up to 0.15%  
Northstar Asset Management: Up to 0.60%  
Distributor/LISP: Up to 0.25%

**Total Management Fee: 1.00%**

### Contact Details

Custodian:  
Standard Executors & Trustees: Tel 021 441-4100

Management Company:  
MET Collective Investments, 268 West Avenue, Centurion, 0157; PO Box 7400, Centurion, 0046  
Call Centre Tel: 0860 111 899, Fax (012) 675-3889  
Email: ci.clientservice@momentum.co.za  
Registration No: 1991/03741/06

Fund Manager:  
Northstar Asset Management  
An authorised financial services provider, FSB No. 601  
Tel: 021 810-8400  
Email: admin@northstar.co.za  
Address: Suite 1A, Ground Floor, Madison Place, Alphen Office Park, Constantia Road, Constantia, 7806

### Deposit Details

Deposits can be made at any First National Bank:  
Account Holder: Met Collective Investments Ltd - METCI Client Deposit Trust  
Account Number: 623 614 33784  
Branch Code: 253 145  
Bank: First National Bank  
Please fax deposit slip to: (012) 675 3889  
or email to: ci.clientservice@momentum.co.za

**met**  
collective investments

A member of MMI Holdings

Source: Morningstar Direct

### Monthly Commentary

#### Taking stock...

The global landscape has shifted significantly since November 2014, which has prompted the SARB to hit the brakes on the very modest hiking cycle in South Africa. This has, in turn, prompted us to pause and take a closer look at the South African economy and the way in which it is being influenced by local and global macro-economics.

Local dynamics are firmly in favour of keeping rates steady at this juncture – GDP growth remains constrained with consensus estimates at 2.3%. Inflation estimates received a boost from the lower oil price with consensus for 2015 at 3.8% and the troubling current account deficit has also been revised upwards to an average of -4.3% in 2015. These measures paint a decidedly rosier picture of the economy as opposed to one year ago.

Delving deeper into these headline numbers reinforces the more positive view from the demand side of the economy. Expectations for household consumption and fixed investment are significantly firmer than 2014, forecast at 2.2% and 3% for 2015 respectively. The risks however, stem largely from the supply side of the economy. Manufacturing will remain capped as electricity constraints place pressure on this sector. Similarly, the mining sector is facing power constraints as well as a significant downturn in the commodity cycle.

There is a risk of a reversal of these positive influences on inflation, as most of the positive revisions were premised on the freefall in oil prices. The SARB acknowledges this risk, and hence their patience with regards to lowering interest rates – they are waiting to assess the second-round effects on inflation and the subsequent impact on GDP growth.

Globally, the trend of easy monetary policy continues as 12 central banks across the world have cut rates in 2015 or announced some form of quantitative easing. The US and UK stands out in this crowd with firm guidance towards higher rates by year-end. Global risks are mounting however, Greece and Russia being good examples as to why it is dangerous to relax.

Drawing definitive conclusions from these conflicting indicators worldwide and locally is a formidable task. We at Northstar are taking a similar approach to the SARB as we await opportunities patiently. With volatility bound to be elevated over the coming year, we believe that a measured approach will prove to be a profitable strategy.