

**ELEMENT ABIL RETENTION FUNDS**

Refer to the Element website [www.elementim.co.za](http://www.elementim.co.za) for details regarding the creation of Element ABIL Retention Funds as well as updates with respect to ABIL.

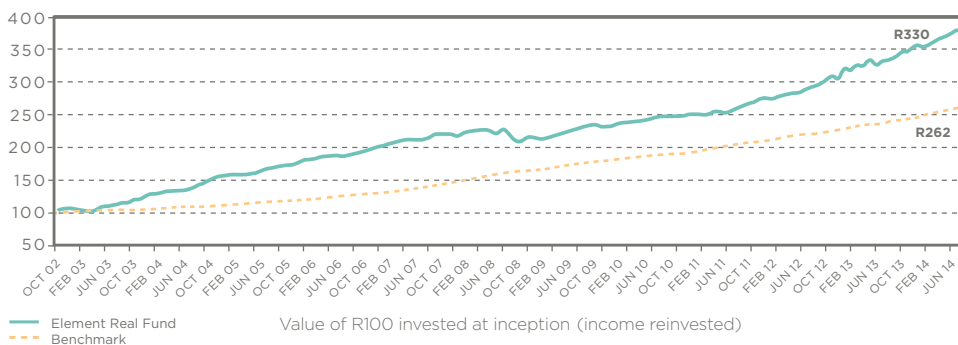
**FUND OBJECTIVE**

The Element Real Income Fund is a South African Multi Asset fund that will provide investors with the opportunity to achieve moderate capital appreciation with a high level of income. The fund is actively managed and aims to achieve the highest sustainable income payout that is possible without eroding the fund's inflation adjusted capital base. The fund aims to grow this income and the underlying capital of the fund in line with inflation (CPI). The fund complies with the legislation governing retirement funds i.e. Regulation 28 of the Pension Funds Act (Act 24 of 1956). Element Investment Managers signed the United Nations Principles for Responsible Investment (PRI) in May 2006. In signing the PRI, we have committed to adopt and implement them where consistent with our fiduciary responsibilities. We believe that this improves our ability to meet commitments to investors as well as better align our investment activities with the broader interests of society. Element Investment Managers is the first South African investment manager to sign the PRI.

**SUITABLE FOR INVESTORS WHO:**

- ✘ Are nearing retirement or who have already retired
- ✘ Seek a reasonable income with some capital growth
- ✘ Are risk averse
- ✘ Require the preservation of capital over any rolling three-year period

**TRACK RECORD**



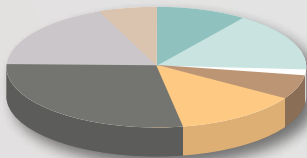
**PERFORMANCE (Net of fees)**

<sup>1</sup>Performance has been calculated using a weighted average of the Element Real Income Fund Class A and the Element Real Income ABIL Retention Fund Class A.

	Fund	Benchmark
Since inception (un-annualised)	259.7%	161.7%
Since inception (annualised)	11.4%	8.5%
5 year (annualised)	9.3%	8.3%
3 year (annualised)	11.6%	8.9%
Last 12 months	8.0%	9.3%

**ASSET ALLOCATION**

Local Equity	9%	Nominal Bonds	13%
Listed Property	19%	Money Market incl. Cash	28%
Commodity ETF	1%	Foreign Equity <sup>3</sup>	19%
Preference Shares	6%	Foreign Income <sup>3</sup>	5%



<sup>3</sup>Hedged Currency Exposure: 6.8%

**INCOME DISTRIBUTION (Last 12 months)**

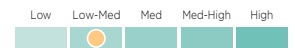
Date	Distribution (cpu)	Local Dividend (cpu)	Foreign Dividend (cpu)	Local Interest (cpu)	Foreign Interest (cpu)
September 13	1.88	0.17	0.06	1.51	0.14
December 13	2.18	0.52	0.16	1.23	0.27
March 14	1.15	0.38	0.00	0.70	0.07
June 14	2.91	0.55	0.23	2.06	0.07

The Element Real Income Fund declares a distribution quarterly.

**STATUTORY INFORMATION**

Figures quoted are from Element Investment Managers (Pty) Limited, for the period ended August 2014, for a lump sum investment, using NAV-NAV with income distributions reinvested. Stats SA replaced CPIX with CPI from January 2009. Benchmark figures quoted are CPIX+3% up to December 2008 and CPI+3% thereafter. Collective Investment Schemes in Securities (CIS) 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. CIS prices are calculated on a Net Asset Value (NAV) basis, which is the total value of all assets in the portfolio, including any income accrued and less all permissible deductions from the portfolio. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of participatory interests apply to this portfolio and are subject to different fees and charges. A schedule of fees, charges and maximum commissions is available on request from Element Unit Trusts Limited. Commission and incentives may be paid and if so, would be included in the overall costs. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. This portfolio is valued daily at 15h00 and forward pricing is used. The Fund may be closed to new investments at any time in order to be managed in accordance with its mandate. Element Unit Trusts Limited is a full member of the Association for Savings & Investment SA (ASISA).

**RISK PROFILE**



**PORTFOLIO MANAGERS**

Terence Craig  
Jeléze Hattingh  
René Prinsloo

**LAUNCH DATE**

October 2002

**CURRENT SIZE**

R258 million

**NAV PRICE**

197.93 cents

**BENCHMARK**

CPI+3%

**FUND CLASSIFICATION**

South African Multi Asset  
Low Equity

**FUND INFORMATION**

**Minimum investment**

R5 000 lump sum  
R500 debit order

**Maximum initial advisor fee**

3.42% (incl. VAT)

**Annual management fee**

1.37% (incl. VAT)

**TER**

1.62%<sup>2</sup>

**TOP 10 SHARE HOLDINGS**

(excl. pref shares)

SHARE	% OF FUND
SASOL	0.8
GOLD FIELDS	0.7
ANGLOS	0.7
BHP BILLITON	0.5
GLENCORE	0.5
MURRAY & ROBERTS	0.4
NG PLATINUM ETF	0.4
MTN GROUP	0.4
TONGAAT	0.4
ASTRAPAK	0.4
<b>TOTAL</b>	<b>5.2</b>

<sup>2</sup>The Element Real Income Fund Class A has a Total Expense Ratio (TER) of 1.62% pa. This means 1.62% of the average Net Asset Value of the portfolio was incurred as charges, levies and fees. A 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 TERs.

**CONTACT DETAILS**

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