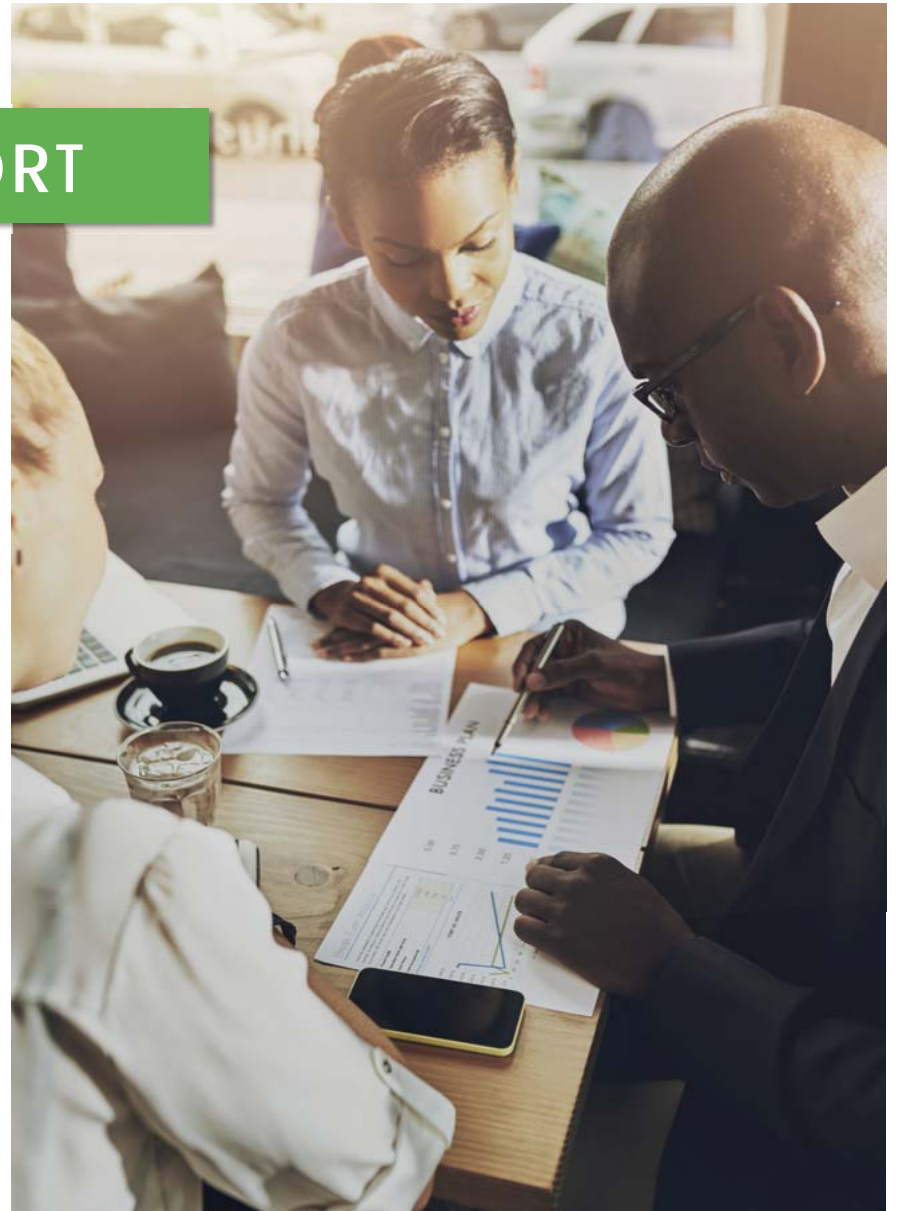


MONTHLY INVESTMENT REPORT

ANGLICAN CHURCH OF SOUTHERN AFRICA PENSION FUND

31 March 2017

NOVARE[®]



FINANCIAL OVERVIEW

After much speculation and anticipation, President Jacob Zuma announced the reshuffle of his cabinet. The restructuring saw the removal of both then Finance Minister Pravin Gordhan as well as his deputy Minister Jonas. The now former Minister of Home Affairs, Malusi Gigaba, will now lead the Finance Ministry, joined by Sifiso Buthelezi as the new deputy. The market reaction was negative as the local unit lost over 8% against the greenback in the week of Gordhan's firing. The rand gave back 2.4% against the dollar for the month but has appreciated 8.3% year-to-date. Despite being immersed in South African politics, the local currency found support in the improved global emerging market backdrop, favourable terms of trade, a narrowing in the current account deficit and attractive carry trade.

As widely expected the South African Reserve Bank (SARB) kept the repo rate unchanged at 7%, as the central bank stated that the inflation outlook has improved, with one of the supportive factors being the stronger rand. The SARB Governor highlighted that the positive gains witnessed over the past few months have been threatened by the recent local political developments, presenting the currency as an upside risk to the inflation outlook. Headline inflation print for February moderated to 6.3% year-on-year, from 6.6% in January, which was in line with expectations. The country's current account deficit narrowed to 1.7% of GDP in 4Q16, from 3.8% in 3Q16, bringing the average for the year to 3.1%, down from 4.1% in 2015.

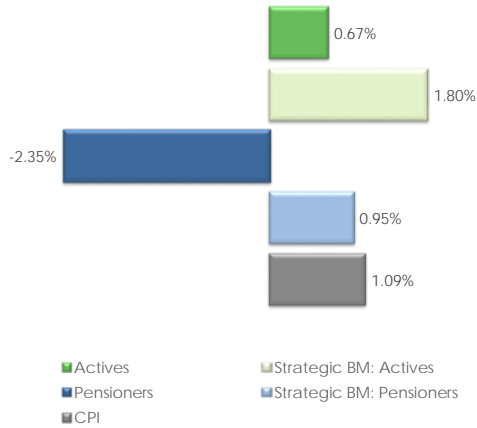
In terms of market moves, foreigners were net sellers of JSE equities, however, the FTSE/JSE Share Index still managed to return 2.6% for the month, outperforming other asset classes. The local bourse found support from the Resources 20, which was up 3.3% for the month as well as the Industrial 25 which returned 4.6% for the month. The Financial 15 Index was a laggard as it declined by -0.8% in March. Following the political uncertainty around former Finance Minister Gordhan, the yield on the S.A. 10-year bonds peaked at 9% - up from 8.3% in the preceding week. The local bond market continued to attract investors due to the globally favourable emerging market backdrop. Unfortunately, the unfolding political developments reversed the positive trend and bond yields started to tick up again. For the month, the All Bond Index returned 0.4%, while the South Africa Listed Property Index and cash gave back 0.1% and 0.6% respectively.

FINANCIAL OVERVIEW

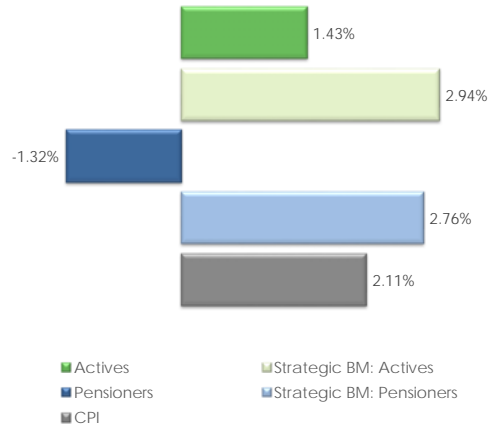
South African Market (Rand)	Level	1 month (%)	3 months (%)	6 months (%)	YTD (%)	12 months (%)
ALSI	7 250.08	2.68	3.78	1.60	3.78	2.53
CAPI	41 969.32	2.32	3.28	1.90	3.28	2.70
SWIX	18 728.84	2.24	3.30	-0.03	3.30	1.59
Top 40	6 287.65	3.30	3.90	0.78	3.90	0.72
Africa Resource 20	1 995.61	3.34	1.93	0.84	1.93	16.11
Africa Financial 15	7 652.65	-0.87	-1.94	1.18	-1.94	-3.67
Africa industrial 25	12 910.94	4.66	7.12	1.34	7.12	-1.31
Africa Mid Cap	15 988.68	-0.13	1.12	2.15	1.12	7.98
Africa Small Cap	21 346.80	0.16	4.54	5.15	4.54	13.47
All Bond Index	546.60	0.40	2.46	2.82	2.46	11.02
Stefi Composite	362.78	0.63	1.84	3.75	1.84	7.56
Africa SA Listed Property	2 131.86	0.11	1.37	2.64	1.37	1.46
MSCI Global Equity (R)	24 858.72	2.97	3.70	5.03	3.70	2.93
Global Bonds (R)	6 804.17	3.08	-0.42	-9.11	-0.42	-11.67
Rand Dollar Exchange Rate	13.41	2.14	-2.03	-2.22	-2.03	-8.48
Global Equity (US\$)	Level	1 month (%)	3 months (%)	6 months (%)	YTD (%)	12 months (%)
S&P 500	2 362.72	-0.04	5.53	8.97	5.53	14.71
NASDAQ	5 911.74	1.48	9.82	11.29	9.82	21.39
MSCI Global Equity (\$)	1 853.69	0.82	5.85	7.42	5.85	12.47
MSCI Emerging Markets (\$)	958.37	2.35	11.14	6.08	11.14	14.53
Global Bond (US\$)	Level	1 month (%)	3 months (%)	6 months (%)	YTD (%)	12 months (%)
Global Bonds (\$)	507.38	0.91	1.64	-7.05	1.64	-3.48
Commodity Prices	Level	1 month (%)	3 months (%)	6 months (%)	YTD (%)	12 months (%)
Brent Oil (USD/Barrel)	53.53	-4.09	-5.79	7.06	-5.79	33.66
Platinum (USD/oz)	950.50	-7.09	5.26	-7.40	5.26	-2.76
Gold (USD/oz)	1 249.10	0.03	8.56	-4.79	8.56	1.33

EXECUTIVE SUMMARY

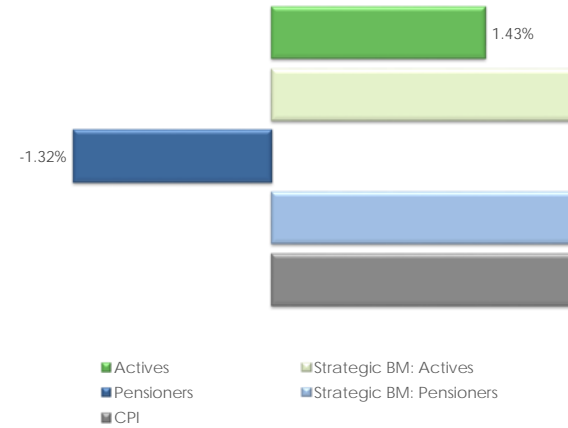
Monthly Return for March 2017



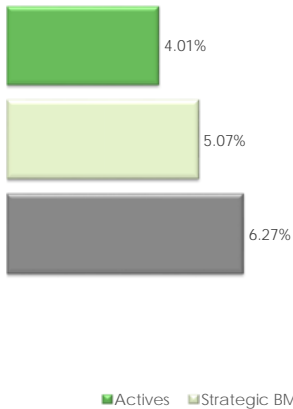
3 Month Return up to 31 March 2017



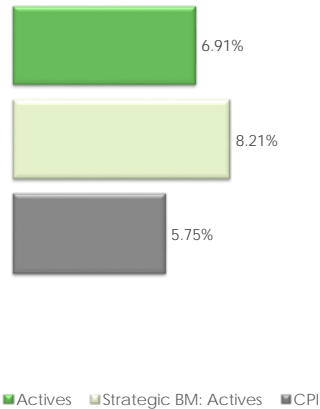
Return from the beginning of the financial year to 31 March 2017



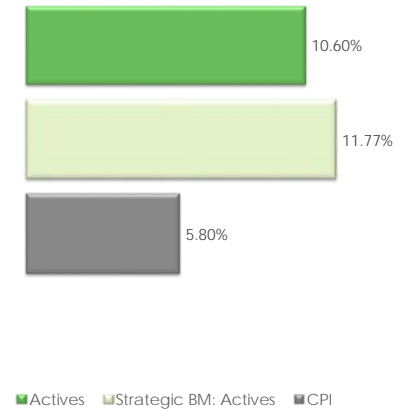
Return for the last 12 months up to 31 March 2017



Return for the last 3 years up to 31 March 2017



Return for the last 5 years up to 31 March 2017



Notes:

CPI, in the charts above and throughout the report, is shown as a 1-month lag

Novare has been tasked to report on the Pensioners and Active portfolio returns separately effective 1 July 2016. The active member portfolio has taken on the historical returns. While the pensioner portfolio returns will have an inception date of 1 July 2016.

FUND SPECIFIC ANALYSIS

The Cash Flow Table below, gives an indication of the Rand value that has been added to the Anglican Church Of Southern Africa Pension Fund. The added values is divided between cash in/out flows and the return achieved on the Fund's investments over the various periods.

	1 month	3 month	QTD	YTD	12 months	Last 3 years	Last 5 years
Market value at start	1 196 801 485	1 189 104 013	1 189 104 013	1 189 104 013	1 212 574 505	1 063 147 805	853 105 224
Net Cash Flow	(5 221 908)	(7 921 908)	(7 921 908)	(7 921 908)	(121 212 505)	(535 096 019)	(613 298 179)
Return	(8 078 864)	2 318 608	2 318 608	2 318 608	92 138 713	655 448 927	943 693 668
Current market value	1 183 500 713	1 183 500 713	1 183 500 713	1 183 500 713	1 183 500 713	1 183 500 713	1 183 500 713

MOST RECENT STRATEGIC CHANGES

Date	Transferred from	Transferred to	Amount (R)
30 September 2016	Liberty	Cape Town BA	2 000 000
01 July 2016	Metope	Bank Account	5 000 000
15 June 2016	Metope	Bank Account	5 000 000
14 June 2016	Metope	Bank Account	10 000 000
02 June 2016	Foord	Bank Account	5 000 000
13 May 2016	Bank Account	Colourfiled	110 521 618
06 April 2016	FG IDB	Bank Account	43 322 058
23 February 2016	Bank Account	Colourfiled	270 000 000
04 February 2016	Bank Account	Colourfiled	9 000 000
04 February 2016	Bank Account	Colourfiled	82 581 642
23 January 2016	Allan Gray	Bank Account	270 000 000
23 January 2016	FG CPF	Bank Account	9 000 000

FUND SHARE STRUCTURE



Equity Managers	Allan Gray	Foord Equity
Type of Mandate	Active	Active
Benchmark	AFGLMW	ALSI
Inception Date	01 July 2001	01 January 2013
Ann return since incept.	15.77%	10.98%
Benchmark	14.27%	9.51%

Notes:

The fund has equity exposure via the Allan Gray Global balanced Fund.

PORTFOLIO MARKET VALUES AND RETURNS

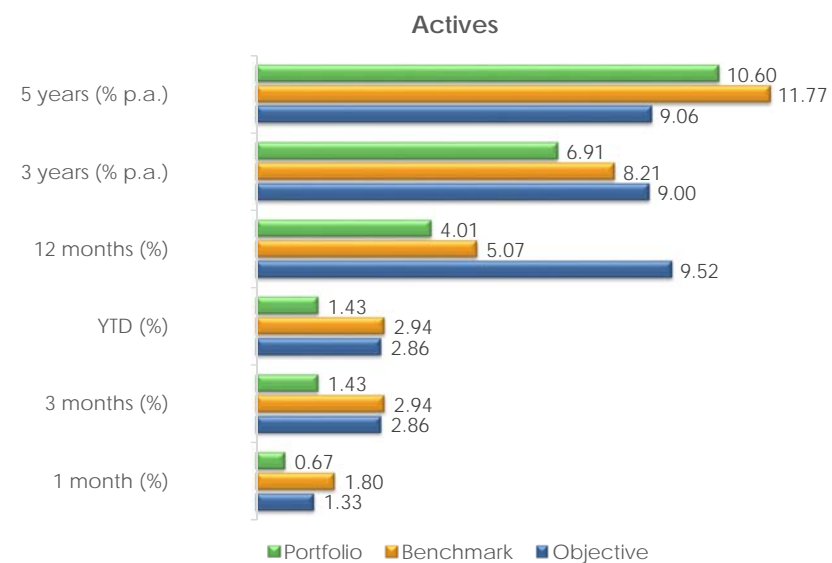
The table below shows the portfolio returns of the Anglican Church Of Southern Africa Pension Fund for various periods and compares it with the respective benchmarks.

	Market value (R)	Weight (%)	1 month (%)	3 months (%)	YTD (%)	12 months (%)	3 years (% p.a.)	5 years (% p.a.)
Actives	663 923 701	56.1	0.67	1.43	1.43	4.01	6.91	10.60
Benchmark			1.80	2.94	2.94	5.07	8.21	11.77
			-1.14	-1.52	-1.52	-1.05	-1.31	-1.17
Pensioners	519 577 011	43.9	-2.35	-1.32	-1.32	-	-	-
Benchmark			0.95	2.76	2.76	-	-	-
			-3.31	-4.08	-4.08	-	-	-

The table below shows the portfolio returns of the Anglican Church Of Southern Africa Pension Fund for various periods and compares it with the respective objectives.

Actives		0.67	1.43	1.43	4.01	6.91	10.60
Objective		1.33	2.86	2.86	9.52	9.00	9.06
CPI + 3.25%		-0.66	-1.44	-1.44	-5.51	-2.10	1.54
Pensioners		-2.35	-1.32	-1.32	-	-	-
Objective		1.26	2.63	2.63	-	-	-
CPI + 2.25%		-3.61	-3.95	-3.95	-	-	-
Total Fund	1 183 500 713	100					

PORTFOLIO MARKET VALUES AND RETURNS (continued)



Notes:

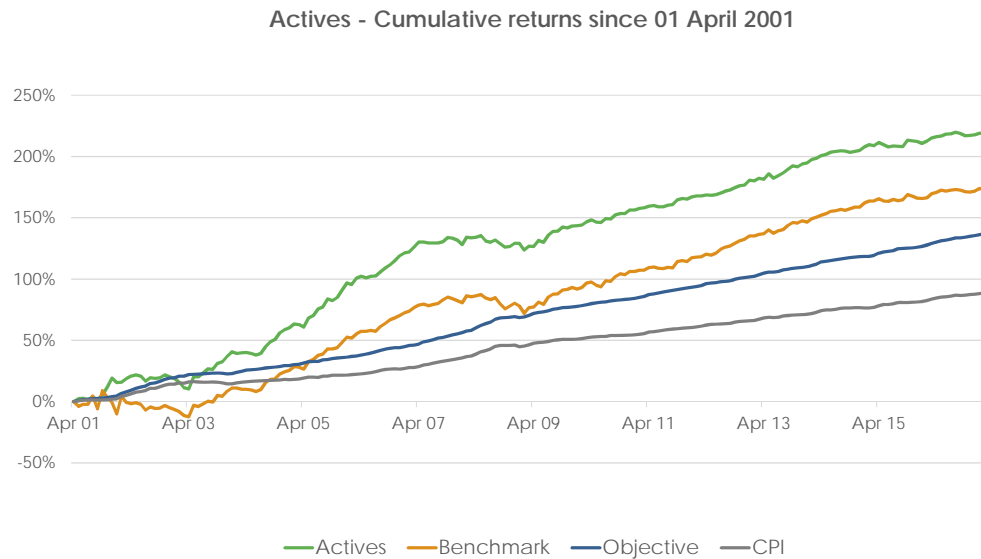
Returns over periods longer than a year represent annualised returns.

Novare has been tasked to report on the Pensioners and Active portfolio returns separately effective 1 July 2016. The active member portfolio has taken on the historical returns. While the pensioner portfolio returns will have an inception date of 1 July 2016.

LONGER TERM RETURNS

Longer term returns should be used to assess the Anglican Church Of Southern Africa Pension Fund performance when compared to benchmark as short term market volatility may distort short term performance measurement.

The cumulative graph below shows the Active portfolio performance since 1 April 2011 against its benchmark and objective. It also shows the performance against



Notes:

Novare has been tasked to report on the Pensioners and Active portfolio returns separately effective 1 July 2016. The active member portfolio has taken on the historical returns. While the pensioner portfolio returns will have an inception date of 1 July 2016.

MANAGER PERFORMANCE

The table sets out the individual manager returns for the Anglican Church Of Southern Africa Pension Fund and compares them with their respective benchmarks over the various periods.

Asset Class	Manager	Inception date	Market value (R)	Weight (%)	1 month (%)	3 months (%)	QTD (%)	YTD (%)	12 months (%)	3 years (% p.a.)	5 years (% p.a.)	Since Incept (% p.a.)	
SA Equity	Allan Gray AFGLMW	2001 07 01	347 987 743	29.40	1.82	2.90	2.90	2.90	10.08	11.61	15.18	15.77	
					-1.89	-0.80	-0.80	-0.80	0.86	6.54	11.80	14.27	
					3.71	3.70	3.70	3.70	9.22	5.07	3.39	1.50	
	Foord Equity ALSI	2013 01 01	163 870 041	13.85	1.01	1.82	1.82	1.82	1.81	5.76	-	-	10.98
					2.68	3.78	3.78	3.78	2.53	5.98	-	9.51	
					-1.67	-1.96	-1.96	-1.96	-0.73	-0.22	-	1.47	
SA Bonds	Colourfield All Bond Index	2016 02 01	487 401 893	41.18	-3.78	-2.53	-2.53	-2.53	1.84	-	-	2.80	
					0.40	2.46	2.46	2.46	11.02	-	-	12.80	
					-4.18	-4.99	-4.99	-4.99	-9.18	-	-	-10.00	
SA Property	Metope Africa SA Listed Property	2007 07 01	73 135 312	6.18	0.58	1.92	1.92	1.92	1.61	16.80	17.52	15.17	
					0.11	1.37	1.37	1.37	1.46	14.48	15.81	14.56	
					0.47	0.56	0.56	0.56	0.15	2.32	1.72	0.61	
SA Cash	Liberty Standard Money Market Stefi Composite	2002-02-01	9 749 834	0.82	0.66	2.02	2.02	2.02	6.07	3.43	4.43	5.41	
					0.63	1.84	1.84	1.84	7.56	6.77	6.19	7.93	
					0.03	0.19	0.19	0.19	-1.49	-3.34	-1.76	-2.52	
	Liberty Liquid Stefi Composite	2002-02-01	(4 547 513)	-0.38	-	-	-	-	-	-	-	-	-
					-	-	-	-	-	-	-	-	
					-	-	-	-	-	-	-	-	
SA Alternatives	Mayibentsha Focused CPI + 4.5%	2011 07 01	17 445 994	1.47	0.88	2.37	2.37	2.37	3.85	4.79	8.29	9.14	
					1.42	3.15	3.15	3.15	10.77	10.25	10.31	10.25	
					-0.54	-0.78	-0.78	-0.78	-6.92	-5.46	-2.02	-1.11	
	Futuregrowth CPF CPI + 4%	2007 05 01	19 965 558	1.69	1.06	2.55	2.55	2.55	27.16	17.83	14.91	13.45	
					1.38	3.04	3.04	3.04	10.27	9.75	9.81	10.24	
					-0.32	-0.48	-0.48	-0.48	16.89	8.07	5.10	3.21	
International	Novare Global 60% MSCI / 40% JPM	2004 03 01	68 491 851	5.79	3.84	4.97	4.97	4.97	6.84	15.06	19.01	12.21	
					3.01	2.04	2.04	2.04	-3.06	10.54	16.66	10.46	
					0.83	2.93	2.93	2.93	9.91	4.52	2.34	1.76	
Total Fund			1 183 500 713	100									

Notes:

The market values and performances in the table above have been received from the respective managers.

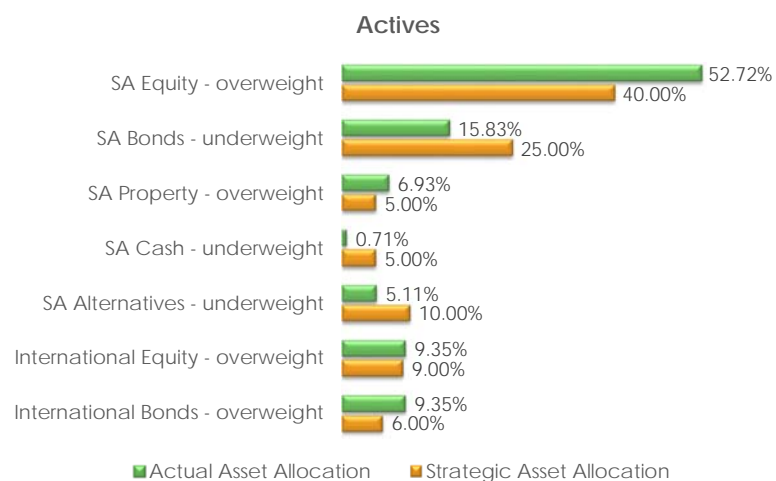
ASSET ALLOCATION

Asset Class	Manager	Actives	Pensioners	Total Fund
SA Equity	Allan Gray	253 961 346	94 026 397	347 987 743
	Foord Equity	132 135 949	31 734 092	163 870 041
SA Bonds	Colourfield	115 971 025	371 430 868	487 401 893
SA Property	Metope	50 749 658	22 385 655	73 135 312
SA Cash	Liberty Liquid	(4 547 513)	-	(4 547 513)
	Liberty Standard Money Market	9 749 834	-	9 749 834
SA Alternatives	Futuregrowth CPF	19 965 558	-	19 965 558
	Mayibentsha Focused	17 445 994	-	17 445 994
International	Novare Global	68 491 851	-	68 491 851
Total Fund		663 923 701	519 577 011	1 183 500 713

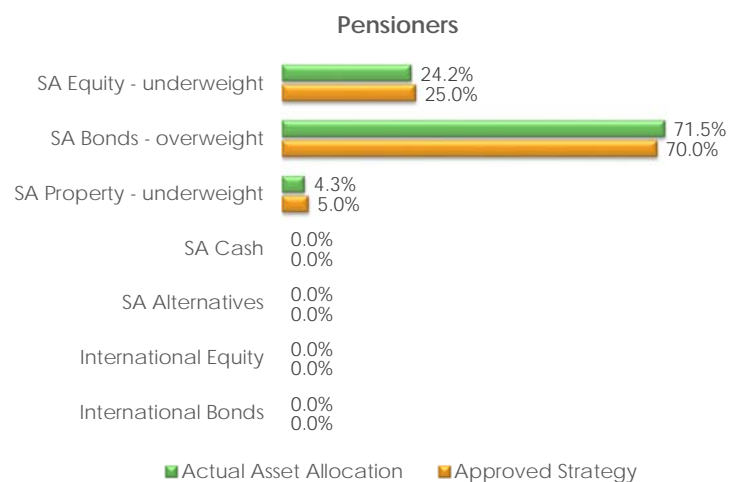
Notes:

The market values in the table above have been received from the respective managers.
The fund has equity exposure via the Allan Gray Global balanced Fund.

ASSET ALLOCATION



Actives	TACTICAL LIMITS		
	Asset Class	Lower Limit	Upper Limit
	SA Equity	25.0%	55.0%
	SA Bonds	5.0%	40.0%
	SA Property	0.0%	15.0%
	SA Cash	0.0%	10.0%
	SA Alternatives	5.0%	15.0%
	International Bonds	0.0%	25.0%
	International Equity	0.0%	25.0%



Pensioners	TACTICAL LIMITS		
	Asset Class	Lower Limit	Upper Limit
	SA Equity	0.0%	40.0%
	SA Bonds	50.0%	100.0%
	SA Property	0.0%	10.0%
	SA Cash	0.0%	20.0%
	SA Alternatives	0.0%	0.0%
	International Bonds	0.0%	0.0%
	International Equity	0.0%	0.0%

Notes:

The fund has equity exposure via the Allan Gray Global balanced Fund.

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