

GRYPHON ALL SHARE TRACKER FUND - 31 JULY 2017

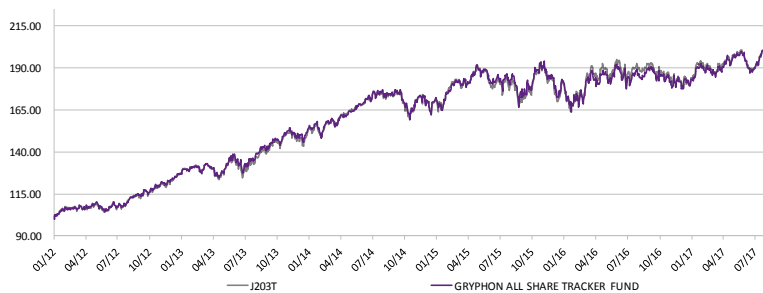
FUND PROFILE

The Gryphon All Share Tracker Fund provides low cost exposure to the equity market and applies the concept of indexation in order to track the performance of the South African All Share Index after accounting for all costs and fees related to the management of the fund. The fund is always fully invested to ensure that unit holders will get long term capital appreciation in line with the market.

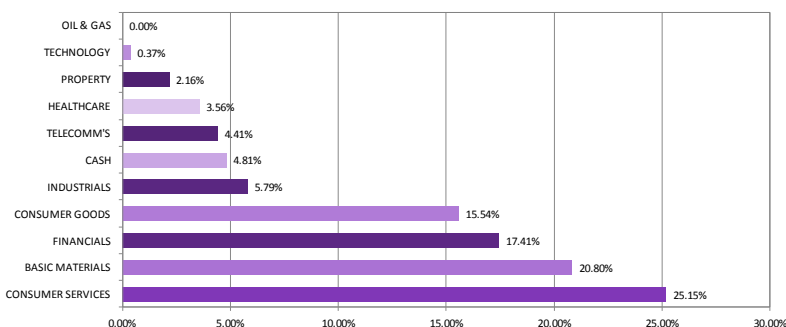
KEY FEATURES

It is a well documented fact that the average active fund underperforms the market by a substantial margin due to higher fees, problematic stock selection and liquidity constraints. Passive fund management makes use of indexation to ensure that individual positions will always be held in the same proportion as the index, which in itself is also the benchmark to which returns will be compared. The Tracker fund makes use of sampling to keep trading costs down and eliminates potential disaster scenarios. Sector exposure is neutral as prescribed by the index and risky stock selection is not pursued.

CUMULATIVE PERFORMANCE OVER 5 YEARS (BASE OF 100)



SECTOR EXPOSURE



Further information regarding the Gryphon All Share Tracker fund is available on our website www.gryphon.com or by contacting us on 021 915 5100 or at invest@gryphon.com.

Risk Profile



TOP 10 HOLDINGS

NASPERS	18.40%
BHP BILLITON	7.53%
COMPAGNIE FIN. RICHEMONT	7.49%
ANGLO AMERICAN	3.53%
MTN GROUP	3.43%
SASOL	3.21%
STANDARD BANK	2.84%
STEINHOFF	2.76%
BRITISH AMERICAN TOBACCO	2.66%
OLD MUTUAL	2.53%
TOTAL	54.38%

FUND DETAILS

Sector Classification:
South African-Equity-General

Portfolio Managers:
Abri Du Plessis
M.Comm (Econometrics)
Casparus Treurnicht
B.Comm (Hons),CFA

Benchmark:
South African All Share Index Total Return

Inception Date:
30 June 2002

Portfolio size:
R171 232 932

Charges:
Initial Fee:
0.00%

Annual Management Fee:
0.23% (Incl. VAT)

Tracking Error:

Monthly Annualized:
1.65%

Total Expense Ratio (TER):
0.35% (30 June 2017)

Transactional Cost (TC):
0.18% (30 June 2017)

Total Investment Charges (TER + TC):
0.53% (30 June 2017)

Lowest Actual Annual Figure:
-37.82%

Highest Actual Annual Figure:
66.41%

Income Declarations:
Twice per year on the 1st of October and the 1st of April or subsequent business day.

Payment date:	Cents per unit:
3-Apr-17	7.68
3-Oct-16	8.29

ADMINISTRATION

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Website: www.gryphon.com

Physical Address:
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Southgate
Tyger Valley
7536

Postal Address:
Private Bag X20
Tyger Valley
7536

Valuation:
The Fund is valued daily at 15:00. Instructions must reach us before 14:00 to ensure same day value processing.

Minimum Lump Sum:
R2,000

Minimum Monthly Premium:
R200

Trustee:
Standard Chartered Bank
5th Floor
4 Sandown Valley Crescent
Sandton
2196
Tel: +27 11 217 6600
Fax: +27 11 217 6601

Administration Manager:
Prescient Fund Services

JSE Code:
PTST

Annualized Total Return Figures as at 31 July 2017

	1 Year	3 Years	5 Years	10 Years	Inception (2002/06/30)
Gryphon All Share Tracker Fund	9.85%	5.31%	13.12%	9.64%	14.32%
Benchmark	7.59%	5.47%	13.12%	9.96%	14.83%

GRYPHON MARKET COMMENTARY – 31 JULY 2017

THE PAST

INTERNATIONAL

Global equity markets continued to rally. Cyclical sectors and cyclical regions led the performance, with Emerging Markets continuing to set the pace. Software, Insurance and Resources were amongst the leaders while the laggards included Health Care and Consumer Staples. Central Bankers continued to provide an environment conducive to risk assets. The dollar weakened and commodities rallied. Internal squabbles and struggles within the Trump administration have not concerned markets. Strong earnings have soothed markets concerns about the lack of delivery of proposed healthcare legislative changes and tax reform.

LOCAL

The local market ended the last day of the month of July at an all-time high, returning +7.65% for the month. This month therefore makes equities the best asset class year-to-date in the local market. As with international markets Resources lead the rally, on the back of rising commodity prices and good results and a resumption of dividends from Anglos. A surprise rate cut from the Reserve Bank also buoyed the market. Were it not for regulatory and political uncertainty our currency would have reflected the strength of commodities as do the Canadian and Australian currencies. South Africans would have benefitted!

THE PRESENT

EQUITY INDICES	MTD	YTD	12m	CURRENCIES / COMMODITIES	Value	MTD	YTD	12m	BONDS	Value	YTD BPS Δ	12M BPS Δ
MSCI WORLD (USD)	2%	12%	14%	ZAR vs USD	13.17	-1%	4%	5%	USA BOND 10 YEAR	2.30%	-16	82
MSCI EMERGING MARKETS (USD)	5%	24%	22%	ZAR vs GBP	17.38	-2%	-4%	5%	USA BOND 2 YEAR	1.35%	19	68
DOW JONES INDUSTRIAL	3%	12%	22%	ZAR vs EUR	15.57	-4%	-8%	0%	GERMAN BOND 10 YEAR	0.55%	44	73
S&P 500	2%	12%	16%	ZAR vs AUD	10.54	-5%	-7%	0%	GERMAN BOND 2 YEAR	-0.66%	14	1
UK FTSE 100	1%	3%	10%	EUR vs USD	1.18	3%	12%	6%	UK BOND 10 YEAR	1.29%	5	49
JAPANESE NIKKEI 225	-1%	2%	20%	GBP vs USD	1.32	1%	7%	0%	UK BOND 2 YEAR	0.27%	16	16
GERMAN DAX	-1%	8%	18%	YEN vs USD	110.36	2%	6%	-8%	RSA 10 YEAR	8.75%	-18	13
FRENCH CAC 40	-1%	5%	15%	GOLD	1270	2%	10%	-6%	RSA 3 YEAR	7.42%	-69	-43
AUSTRALIAN ASX	0%	1%	2%	PLATINUM	940	1%	4%	-18%	RSA REPO RATE	6.75%	-25	-25
JSE ALL SHARE	7%	11%	8%	IRON ORE	74	13%	-7%	24%	RSA PRIME LENDING RATE	10.25%	-25	-25
JSE TOP 40	8%	13%	9%	COPPER	6347	7%	15%	31%	RSA LONG TERM GILT	8.75%	-18	13
JSE ALL SHARE SWIX	6%	10%	5%	NICKEL	10235	10%	2%	-2%				
				BRENT OIL	52.72	8%	-7%	22%				

THE FUTURE

INTERNATIONAL

Global central bankers continue to adopt a measured approach to raising interest rates and scaling back their balance sheets. Inflation globally remains muted. However, the impact of central bank action on bond yield curves requires investors to consider yield gaps, i.e. the difference between long bonds and shorter term bonds rather than the absolute levels of these instruments. Commodity prices and exports from export-oriented economies indicate a sustained pick-up in world growth and trade. Commodities as well as commodity stocks and currencies are likely to benefit.

LOCAL

Car sales for July reflected some signs of "life"; however we remain concerned that this is more a function of a very low base rather than a resurrection of the South African consumer. The impending earnings release season will give us an indication of the true state of the consumer. The recent decision by Pick 'n Pay, to reduce staff, causes us to question what the true growth prospects for the sector are. Globally retailers are under intense pressure, a function of the aggressive expansion of the past few years and the relentless move to online purchases by consumers. While South African consumers are a few years behind in this trend, the direction is nevertheless clear!

OUR FUNDS

RISK	GRYPHON FUND	POSITIONING
LOW	Money Market Fund	Conservatively managed, superb yield.
↑	Dividend Income Fund	Enhanced before tax yield of over 10.00%. A stable interest rate cycle increases the attraction.
	Prudential Fund of Funds	Aggressively exposed to SA equities. Regulation 28 compliant.
	Flexible Fund of Funds	Aggressively exposed to SA equities.
	All Share Tracker Fund	Lowest cost, superbly diversified exposure to equities.
HIGH	Global Equity Fund	Low cost exposure to the internationally diversified with associated currency benefit.

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