



NEWSLETTER

OCTOBER 2017

Dear NTRF Member

PRESERVATION OF PENSION BENEFITS

It is important to note that members resigning from the service of their Employer before they retire and who prefer not to take a portion of their benefit in cash or to transfer their benefit to another approved pension instrument, may leave their withdrawal benefit in the Fund.



This means that the member **will not** contribute to the Fund and **will not be** entitled to any Risk Benefits (death and medical disability cover) while they have preserved their benefit. The member's share account will however grow at the investment return rate earned on the member's preferred investment portfolio. Members who resign from the service of their Employer before age 55 and who have preserved their retirement benefit within the Fund will be able to utilise their benefit for retirement only after attainment of age 55 to retire either within the NTRF or with another provider.

In the event of death prior to the payment of any retirement benefit, the late member's spouse has the option to elect any of the retirement options offered by the NTRF and the total value of the member's share as at the date of his or her death will be available for this purpose. If there is no spouse, the member's total share will be paid to the beneficiaries or to the deceased's estate.

2016 ACTUARIAL VALUATION REPORT

An actuarial valuation was performed as at 31 December 2016 and the subsequent report revealed that the Fund was financially sound and in a position to meet its liabilities towards members.



2016 AUDITED FINANCIAL STATEMENTS

The NTRF once again obtained a "clean" or unqualified audit report for the 2016 financial year. A copy of these audited financial statements is available on request from the offices of the Principal Officer of the Fund.

NOMINATION OF BENEFICIARIES FORM

It is very important to update your information and the nomination of your beneficiaries on a regular basis. The updated form should be submitted to your Human Resources Department for record purposes.



INVESTMENT PERFORMANCE FOR THE PERIOD ENDED 30 SEPTEMBER 2017

The following tables summarise the percentage of actual investment return, **after all costs**, earned on your Fund's respective investment portfolios for the period ended 30 September 2017.

LONG-TERM CAPITAL PORTFOLIO

The Long-Term Capital Portfolio is a market related portfolio that aims to provide an investment return that exceeds headline inflation by 5,0% per annum net of investment manager fees, over a measurement period of at least seven years.

This portfolio is most suitable for members who have a long investment horizon of seven years or more and who are concerned about managing inflation risk.

Years	1	3	5	7	Since Inception 141 months
Portfolio	8,3%	9,1%	13,4%	13,1%	12,6%
Inflation	5,0%	5,2%	5,5%	5,5%	6,1%

STABLE PORTFOLIO

The primary objective of this portfolio is to deliver an investment return that exceeds headline inflation by 3,0% per annum net of investment manager fees, over measurement periods of three years and to limit the extent of capital losses over 12 months. The Stable Portfolio maintains a much lower exposure to equities compared to the Long-Term Capital Portfolio and a correspondingly higher exposure to cash type investments as well as South African investment grade credit (with effect from February 2010). The portfolio is suitable for members who want some participation when equity markets go up, but are concerned about losing capital over shorter periods, with them being closer to retirement.

Years	1	3	5	7	Since Inception 141 months
Portfolio	10,1%	10,0%	12,2%	11,6%	10,7%
Inflation	5,0%	5,2%	5,5%	5,5%	6,1%

MONEY MARKET PORTFOLIO

The Money Market Portfolio aims to provide an investment return of 1,0% per annum in excess of headline inflation net of investment manager fees over measurement periods of at least one year. This portfolio is invested entirely in cash (60%) and enhanced cash (40%) strategies and is expected to provide a return broadly similar to that of the money market.

This portfolio targets positive investment returns and very low risk of losing money, which is suitable for members close to retirement.

Years	1	3	5	7	Since Inception 141 months
Portfolio	9,4%	8,6%	7,7%	7,5%	8,1%
Inflation	5,0%	5,2%	5,5%	5,5%	6,1%

SHARI'AH PORTFOLIO

This Portfolio is diversified by asset class, fund manager and the issuance of Murabahah contracts which are non-interest-bearing loans. This is an acceptable form of credit sale under Islamic religious law that provides a synthetic income component to this Portfolio.

Years	0.5	3	5	7	Since Inception 23 months
Portfolio	2,9%	n/a	n/a	n/a	6,0%
Inflation	5,0%	n/a	n/a	n/a	6,1%

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