

### Investment Objective

The investment objective of the portfolio is to provide investors with stable capital growth while maintaining a moderate level of income. The portfolio maintains a moderate risk profile and is limited to a maximum equity exposure of 40%. The portfolio complies with the investment guidelines governing retirement funds.

Risk Weighting:



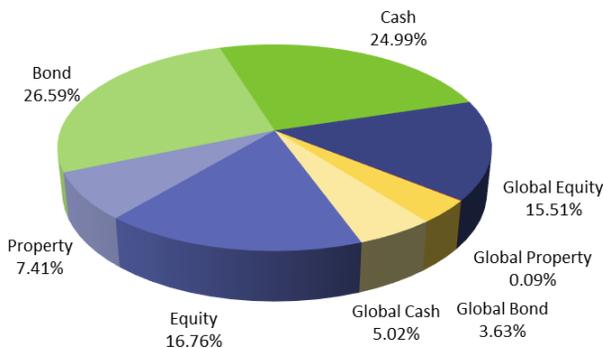
### Investment Commentary

On the first trading day in June, the FTSE/JSE All Share Index fell by 0.3%, registering a 10th consecutive losing day and thereby establishing its longest daily losing streak in history. From a closing high of just over 55,188 on 24 April this year, the index is now trading below 52,000. The looming rise in US interest rates, the impasse between Greece and its funders and the slowdown in China have all been offered as reasons for this pullback in the SA equity market. But, simply stated, our equity market has been very expensive for quite a while now and the retreat is in no way unexpected. For the last five years, our equity market has been boosted significantly by a steadily weakening currency. In the five years from June 2010, the FTSE/JSE All Share Index has risen by only 20% when measured in US dollar terms, but when measured in ZAR terms, it is up by 92% over the same period.

A further characteristic of the South African equity market over the last five years has been the divergence in performance between the Industrial and Financial sectors and the Resources sector. An investment of R100 in the Top 25 Industrial sector shares five years ago would now be worth R306 while the same investment in the Resources sector would now only be worth R88 (before investment of any dividends). The Resources sector has been in a bear-market since early in 2011 as it mirrors the bear-market in the Bloomberg Commodity Index over that same period of time. The current strength in the US dollar against all currencies suggests that the commodity bear-market is not about to end any time soon.

These returns underscore again the most important cornerstone of investment strategy: "time in the market" is essential while "timing the market" is risky. Patience will be rewarded as long-established, structural market characteristics re-emerge even though short-term trends may be upsetting. For the month of May the FTSE/JSE All Share Index returned -4.0%, Resources returned -5.2%, and Financials and Industrials giving returns of -5.8% and -2.9% respectively.

### Asset Allocation



### Performance

	1 year
PFPS Ci Cautious	N/A
Benchmark	N/A

No performance figures are provided as the fund has been in existence for less than a year

This document is not intended to address the personal circumstances of any Financial Services Provider's (FSP's) client nor is it a risk analysis or examination of any client's financial needs. 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 future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to this portfolio and are subject to different fees and charges. A schedule of fees and charges is available on request from CI. CI does not provide any guarantee either with respect to the capital or the return of the portfolio. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. International Investments may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. The portfolio may be closed from time to time in order to manage it more efficiently in accordance with its mandate. A fund of funds is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for the fund of funds. The PFPS portfolios are portfolios established and administered by CI, and PFPS Asset Management (Pty) Ltd has been appointed to manage and market the portfolios. PFPS is an indirect shareholder of CI. As an indirect shareholder, PFPS may earn dividends from time to time and participation in any dividends may be linked to the revenue generated by CI from the PFPS portfolios, and from any other CI portfolios. CI retains full legal responsibility for this co-named portfolio. Additional information on the portfolio may be obtained, free of charge, directly from CI. CI is an affiliate member of the Association for Savings & Investment SA (ASISA).

Total Expense Ratio (TER): For the period from 1 April 2014 to 31 March 2015 the above TER % indicates the percentage of the average Net Asset Value of the portfolio which was incurred as charges, levies and fees related to the management of the portfolio. The ratio does not include transaction costs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER's cannot be regarded as an indication of future TER's.

Performance quoted is for lump sum investment with income distributions, prior to deduction of applicable taxes, included. NAV to NAV figures have been used. The annualised return is the return of the performance period re-scaled to a period of one year. Performance is calculated for the portfolio and individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax.

FSP: PFPS Asset Management (Pty) Ltd, Tel: +27 11 803 3017 Fax: +27 11 803 3560 E-mail: info@pfps.co.za website: www.pfps.co.za  
 Company/Scheme: CI Collective Investments (RF) (Pty) Limited, PO Box 412249, Craighall, 2024; Tel: 0861 000 881, website: www.cicollective.co.za  
 Trustee: FirstRand Bank Limited Tel: (011) 371 2111.

### Portfolio Manager

PFPS Wealth Management and PFPS Asset Management is a Johannesburg based wealth management firm specialising in financial planning and asset management.

PFPS is totally independent and can therefore offer truly objective advice. We provide a personal and confidential service and at all times strive to build lasting relationships with our clients. This service is supported by a range of quality and innovative investment products, complimented by effective tax planning.

In order to enhance PFPS's investment process PFPS has appointed Analytics Consulting to consult to the PFPS Investment Committee on an advisory basis. Analytics Consulting is one of the leading investment consulting operations in South Africa.

### Information Disclosure

ASISA Classification	South African - Multi Asset Low Equity
Risk Profile	Moderate
Benchmark	CPI for all urban areas + 3% over rolling 3 years
Equity Exposure	The Fund will have a maximum effective exposure of 40% for equity and 25% for property
Foreign Exposure	Up to 25% of the assets may be invested offshore and an additional 5% invested in Africa, ex RSA
Launch Date	1 April 2015
Opening NAV Price	100.00 cents per unit
Fund Size	R140 million
Initial Fee	Class A: 0%
Initial Advisory Fee	Maximum 3.42% (Incl VAT)
Annual Service Fee	Class A: 0.684% (Incl VAT)
Annual Advisory Fee	Maximum 1.14% (Incl VAT)
Total Expense Ratio	N/A till 12 months after launch
Income Declaration Dates	31 March, 30 June, 30 September and 31 December
Last Two Distributions (cents per unit)	N/A
Income Reinvestment / Payout Dates	2nd working day in April, July, October and January
Transaction cut-off Time	14:00
Valuation time	24:00
Frequency of pricing	Our NAV prices are published on our website and in the national newspaper daily.

### Underlying Funds

Analytics International Flexible Fund managed by:

- Canaccord Wealth Management and Investec Asset Management

Analytics Ci Managed Equity Fund managed by:

- Coronation Fund Managers, Sanlam Investment Managers, Investec Asset Management, Imara Asset Managers

CI Conservative Strategic Fund managed by:

- Sanlam Investment Managers

CI Diversified Income Fund managed by:

- Coronation Fund Managers and Investec Asset Management

CI Property Index Fund managed by:

- Sanlam Investment Managers

Stanlib Bond Fund

Stanlib Corporate Money Market Fund