



MONTHLY PORTFOLIO REPORT

January 2015

STRATEGIC OUTCOMES

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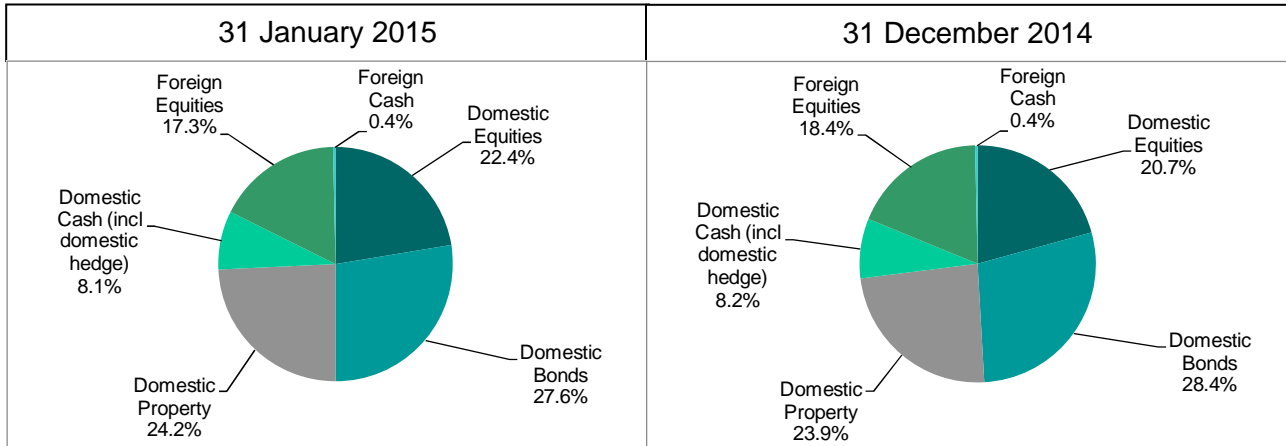
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Asset allocation and forward portfolio income yield

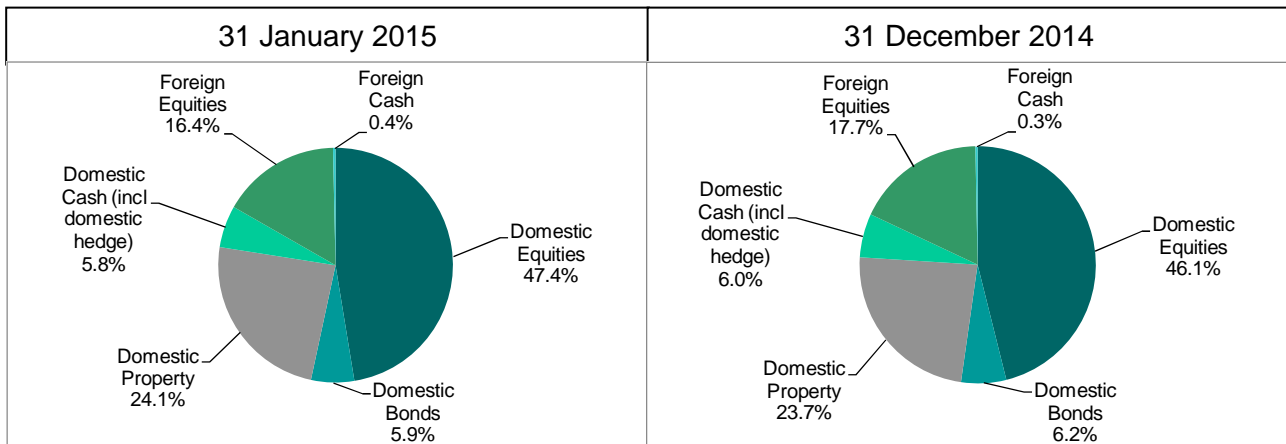
Plexus Wealth BCI Conservative Fund



Forward portfolio income yield: 6.0% (gross)
 3 year compound annual growth rate: 7.3%

Domestic Equities exposure increased slightly at the expense of Foreign Equities.

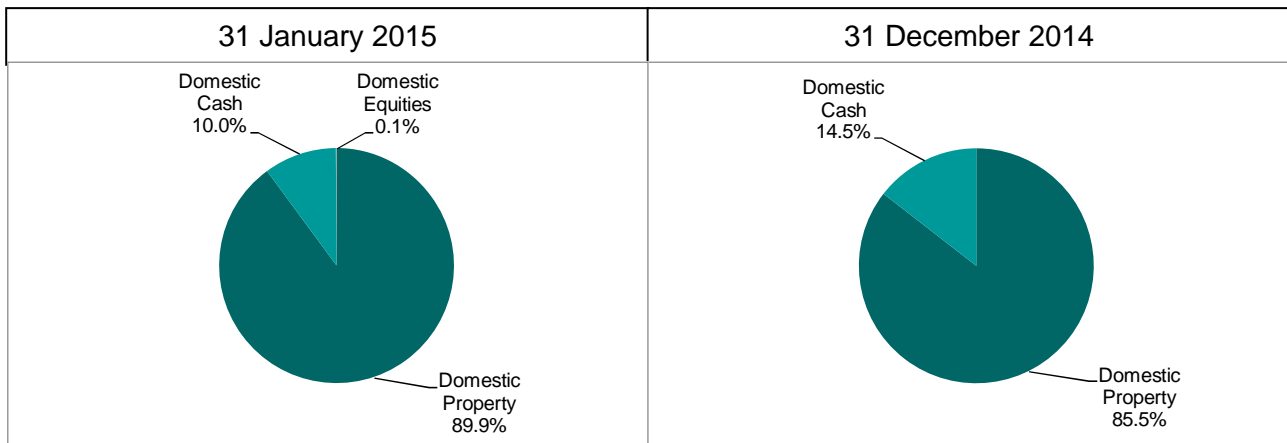
Plexus Wealth BCI Balanced Fund



Forward portfolio income yield: 4.7% (gross)
 3 year compound annual growth rate: 8.1%

Domestic Equities exposure increased slightly at the expense of Foreign Equities.

Plexus Wealth BCI Property Fund



Forward portfolio income yield: 5.2% (gross)
 3 year compound annual growth rate: 8.9%

Domestic Property exposure increased at the expense of Domestic Cash, and a small holding was acquired in Domestic Equities.

Notes:

The Plexus Wealth BCI Property Fund is managed by Plexus Wealth KZN. The Plexus Wealth BCI Conservative Fund and the Plexus Wealth BCI Balanced funds are managed by Grindrod Asset Management.

The gross forward income yield is the amount of income (before costs and withholding taxes), expressed as a percentage of the current price, which the portfolio is expected to deliver to investors over the next 12 months. The income growth is the expected per annum growth in the income paid to investors over the next three years. These are estimates based upon our expectations of all income (dividends, interest and distributions) to be received by the portfolio for payment to investors, assuming market conditions do not change materially over the 12-month and three-year periods. The gross forward income yield and income growth rate are indicative only and are not guaranteed. These are Grindrod Asset Management estimates.

Performance and risk statistics

Performance to 31 January 2015					
Fund / ASISA sector	1 Month	3 Months	6 Months	1 Year	
				Fund	Benchmark
Plexus Wealth BCI Conservative Fund	3.6%	7.6%	13.0%	22.9%	8.5%
SA Multi-Asset Low Equity	1.7%	3.6%	4.2%	10.7%	
Plexus Wealth BCI Balanced Fund	4.5%	9.1%	15.0%	29.3%	10.7%
SA Multi-Asset High Equity	1.9%	4.2%	3.6%	12.5%	
Plexus Wealth BCI Property Fund	7.0%	14.0%	28.7%	52.8%	46.4%
SA Real Estate General	6.5%	11.5%	24.0%	42.8%	

Source: MoneyMate

Note: The Plexus Wealth BCI Property Fund is managed by Plexus Wealth KZN. The Plexus Wealth BCI Conservative Fund and the Plexus Wealth BCI Balanced funds are managed by Grindrod Asset Management.

The performance of the Plexus Wealth BCI Funds has proved to be excellent over the past one year and shorter periods, both against their respective benchmarks and comparable ASISA sectors. **In fact, over the one-year period, the Plexus Wealth BCI Conservative Fund, the Plexus Wealth BCI Balanced Fund and the Plexus Wealth BCI Property Fund all rank second in their respective ASISA sectors.**

Since inception performance to 31 January 2015 (annualised)			
Plexus Wealth BCI Fund	Fund	Benchmark	SA Multi-Asset Low Equity
Conservative Fund (inception date 11/06/2009)	12.5%	8.3% (CPI + 3%)	10.6%
			SA Multi-Asset High Equity
Balanced Fund (inception date 24/06/2009)	15.3%	10.4% (CPI + 5%)	14.1%
			SA Real Estate General
Property Fund (Inception date 12/06/2009)	23.2%	23.5% (FTSE/JSE SA Listed Property Index)	21.5%

Source: MoneyMate

Note: Performance figures quoted are sourced from MoneyMate for the current period for lump-sum investments including income distributions at NAV to NAV basis and do not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance may differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income.

Risk statistics to 31 January 2015			
Plexus Wealth BCI Fund	Inception date	Volatility (standard deviation of returns)	Maximum drawdown (since inception)
Conservative Fund	11/06/2009	4.40%	-5.50%
Balanced Fund	24/06/2009	6.43%	-6.57%
FTSE/JSE All Share Index		12.48%	-13.25%
Property Fund	12/06/2009	10.62%	-18.29%
FTSE/JSE SA Listed Property Index		11.54%	-20.02%

Source: MoneyMate and I-Net Bridge

Performance of financial markets

Equities

US equity markets started the new year firmly on the back foot as investors weighed the impact of a stronger US dollar and lower oil prices on corporate profits. According to FactSet, the blended earnings growth rate of the 277 S&P 500 companies that had reported fourth-quarter earnings at the end of January was 2.1%. If one removes Apple's numbers the rate falls to just 0.3%. In Europe, equity investors were buoyed by the ECB's decision to spend up to €60 billion a month purchasing both private and public securities in an effort to stimulate growth and combat deflation. The ECB's actions also helped boost emerging-market equities during January, as investors appeared happier to take on more risk while central banks continued to provide stimulus.

Equity Indices (International)	1 Month	3 Months	1 Year
MSCI World (\$)	-1.9%	-1.8%	5.0%
MSCI Emerging Markets (\$)	0.6%	-5.4%	2.7%
Dow Jones Industrial	-3.7%	-1.3%	9.3%
S&P500	-3.1%	-1.1%	11.9%
Nasdaq	-2.1%	0.1%	13.0%
London FTSE100	2.8%	3.1%	3.7%
German Dax	9.1%	14.7%	14.9%
French CAC	7.8%	8.8%	10.5%
Japanese Nikkei	1.3%	7.7%	18.5%
Hong Kong Hang Seng	3.8%	2.1%	11.2%

Source: I-Net Bridge

South Africa's equity market followed other emerging markets higher in January, gaining 3.1%, with Financials and Industrials the top-performing sectors once again. The Resources sector was able to register a small gain in January, but is down 18.6% over the past 12 months. With the price of petrol having dropped by more than R4 a litre since the end of August last year, South Africa's economy is likely to receive a R30 billion boost as households channel spending to the country's retailers and other consumer goods companies, although the prospect of further electricity load-shedding might dampen consumer enthusiasm somewhat.

FTSE/JSE Equity Indices (TR)	1 Month	3 Months	1 Year
All Share	3.1%	3.4%	17.1%
SWIX	4.0%	4.9%	24.2%
Financial	4.5%	8.6%	42.9%
SA Industrial	3.2%	6.4%	26.3%
Resources	1.2%	-9.4%	-18.6%
Mining	1.9%	-5.7%	-18.7%
Gold Mining	32.2%	58.3%	17.6%
Top 40	2.6%	1.9%	14.5%
Mid-cap	5.6%	12.5%	31.5%
Small Cap	4.6%	7.6%	28.0%

Source: I-Net Bridge

Fixed Income

Global bond yields fell further in January in response to growing deflationary concerns and the introduction of a €60 billion a month asset purchase programme announced by the European Central Bank. The yield on German 30-year government bonds dropped below 1% for the first time at the end of January. However, the strong US dollar continues to dampen the overall performance of global bonds in dollar terms.

Fixed Interest Indices (International)	1 Month	3 Months	1 Year
JP Morgan Global Government Bond Index (\$)	0.3%	-0.5%	-0.6%
Bloomberg Global Developed Sovereign Bond Index (\$)	0.3%	-0.7%	-1.2%
Bloomberg Local Emerging Market Sovereign Bond Index (\$)	1.4%	-1.0%	6.6%

Source: I-Net Bridge

The yield on government's R186 bond declined by more than 80 basis points during January, as inflation expectations were lowered and investors pushed out their expectations for the next increase in official interest rates. This resulted in a stellar return of 6.5% for the BEASSA All Bond Index for the month of January. Long bond yields in South Africa have declined by 180 basis points over the past 12 months.

Fixed Interest Indices (Domestic)	1 Month	3 Months	1 Year
STEFI Composite Index	0.5%	1.5%	6.0%
BEASSA All Bond Index (ALBI)	6.5%	7.4%	21.2%
Barclays Inflation-Linked Bond Index	-0.0%	0.8%	15.7%

Source: I-Net Bridge

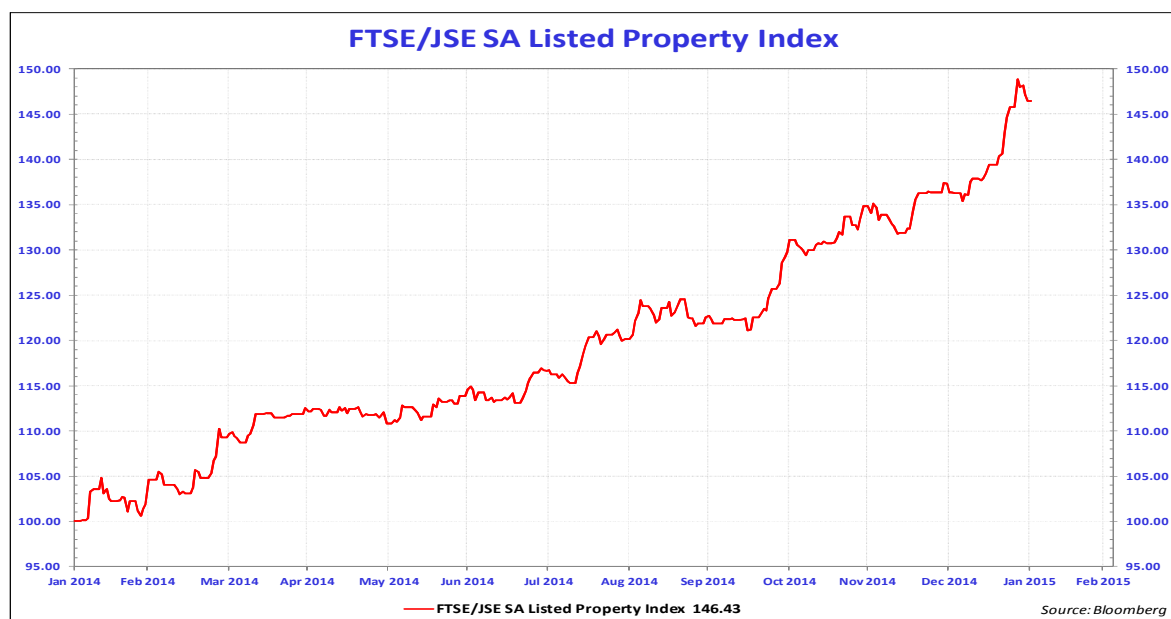
Listed Property

Lower global bond yields helped sustain the momentum in global listed property markets. With the European Central Bank announcing a €60 billion a month asset purchase programme, the prospect for higher bond yields in 2015 has diminished somewhat. At the same time, the threat of deflation is pushing investors towards the relative safety of bonds, which is also helping keep bond yields at historically low levels. Not only does this make the comparatively higher yields available on listed property stocks more attractive, but it reduces the cost of capital for listed property companies and improves the earnings outlook for 2015.

South Africa's listed property sector responded positively to the lower bond yield environment and gained 7.4% in January. Over the past 12 months, listed property in South Africa has returned 46.4%, far outstripping the returns from other asset classes.

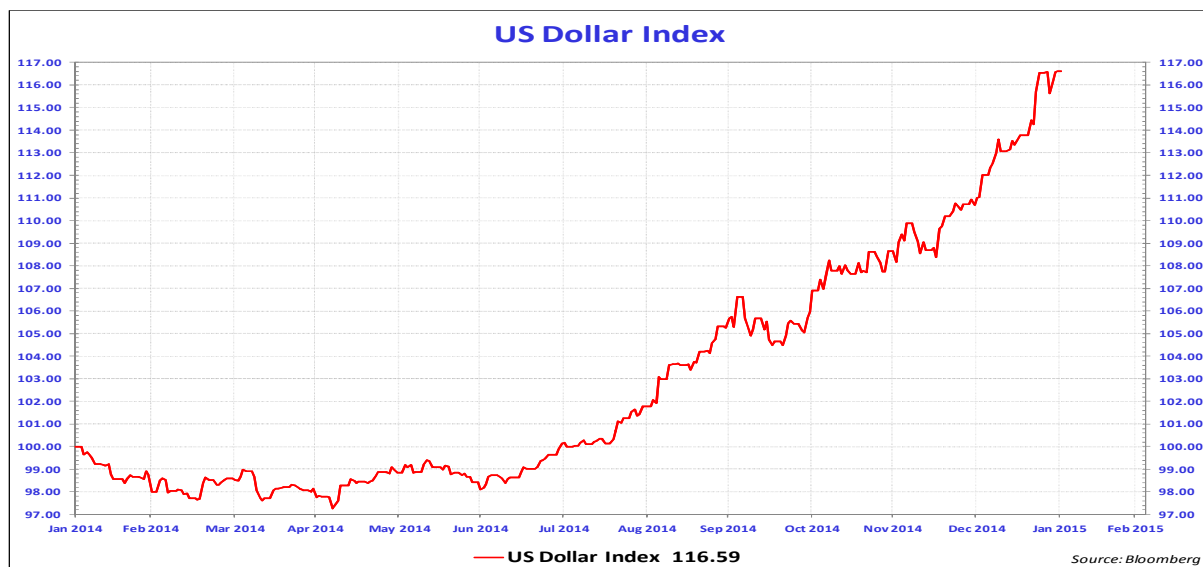
Listed Property Indices	1 Month	3 Months	1 Year
GPR 250 REIT Index (USD)	6.0%	8.5%	27.9%
FTSE/JSE SA Listed Property Index (ZAR)	7.4%	11.6%	46.4%

Source: I-Net Bridge



Currencies

US dollar strength continued into the New Year. The greenback gained 7.2% against the euro (euro weakness was spurred on by the ECB's asset purchase programme) and 3.4% against the British pound, but lost 1.9% against the Japanese yen.



The rand lost further ground against the US dollar, but gained against the weak euro and the British pound.

Currencies (Domestic)	1 Month	3 Months	1 Year
ZAR/USD	-0.7%	-5.2%	-4.5%
ZAR/EUR	6.5%	5.2%	14.1%
ZAR/GBP	2.8%	0.7%	4.3%

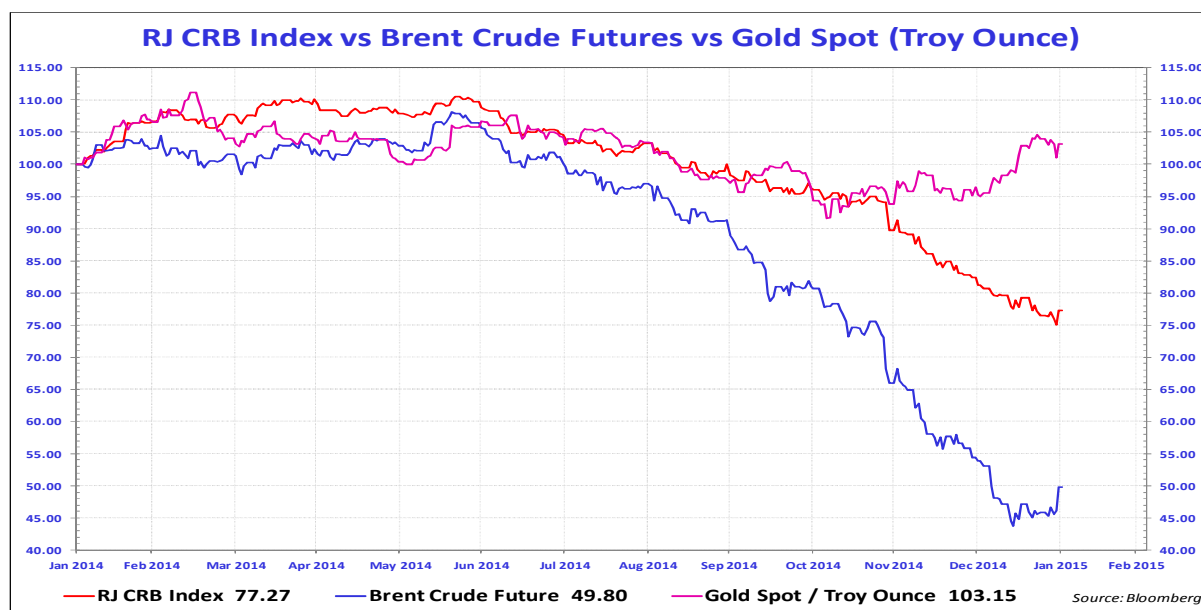
Source: I-Net Bridge

Commodities

The oil price continued to decline in January, leaving the price of Brent Crude Futures at less than half of what it was a year ago. The stronger dollar also affected other commodity prices negatively. The exception for the month was the gold price, which rallied over 8% in US dollars. This can largely be ascribed to concerns surrounding the Greek elections and their refusal to repay their debt. The lower than expected US GDP data also helped push the gold price higher.

Commodities (International)	1 Month	3 Months	1 Year
RJ CRB Index (\$)	-4.8%	-19.5%	-22.8%
Brent Crude Futures (\$)	-7.6%	-38.3%	-50.2%
Gold (\$)	8.4%	9.4%	3.2%
London Metals Exchange Index (\$)	-6.8%	-13.1%	-10.7%

Source: I-Net Bridge



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