Fairtree Wild Fig Multi Strategy SNN QI Hedge Fund

Minimum Disclosure Document - Class A1

31 March 2018

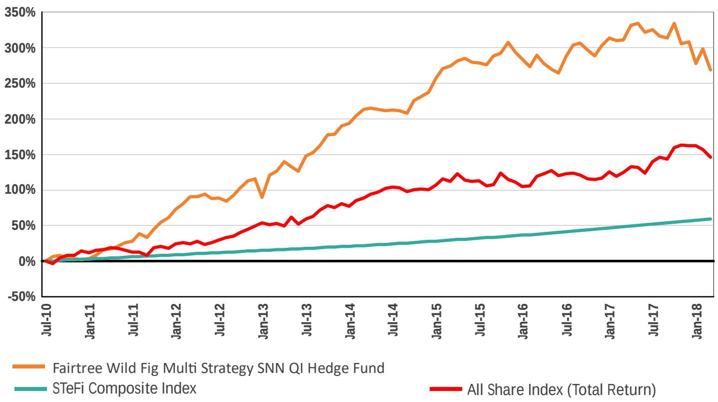
Fund Profile

The Fairtree Wild Fig Multi Strategy SNN QI Hedge Fund is diversified across three asset classes, equities; fixed income and commodities, with the strategic long term allocation framework seeking maximum asset class diversification in its portfolio construction technique. Tactical asset allocation decisions are taken to ensure the fund is appropriately exposed to the most attractive opportunity sets, without foregoing the benefit of a degree of asset class diversification. The portfolio is rebalanced at least monthly. Capital is allocated across the various strategy teams within the asset classes, with additional risk allocation introducing a further degree of gearing.

Investment Strategy

The portfolio invests in several strategies over various instruments, asset classes and portfolios. It combines a strategic risk allocation which provides the optimal diversification benefit across the various strategies, with tactical risk allocation to the most attractive opportunity sets as identified on a bottom up basis.

Cumulative Performance Since Inception



Fund Source: Sanne Fund Services SA (Pty) Ltd as at March 2018
Benchmark(s) Source: Bloomberg as at March 2018

Return Analysis

	Fund	All Share Index	STeFi
1 Month	-7.47%	-4.18%	0.60%
3 Months	-9.69%	-5.97%	1.76%
6 Months	-10.87%	1.03%	3.59%
1 Year	-10.38%	9.60%	7.45%
3 Years	-1.61%	15.93%	23.25%
5 Years	62.38%	61.22%	37.73%
Since Inception	268.39%	146.41%	59.73%

Risk Analysis

	Fund	All Share Index	STeFi
Sharpe Ratio	0.84	0.56	0.08
Sortino Ratio	1.65	1.18	0.14
Standard Deviation	14.27%	11.22%	0.25%
Best Month	16.67%	9.35%	0.66%
Worst Month	-11.90%	-5.70%	0.00%
Best Rolling 12 Months	67.31	32.74	7.71
Worst Rolling 12 Months	-10.38	-4.37	5.16
Largest Cumulative Drawdown	-15.09%	-8.46%	n/a
% Positive Months (Since Inception)	65.22%	59.78%	n/a
Correlation (Monthly)	0.16		
Value at Risk - 95%	7.35%	5.06%	0.97%

Fund Details

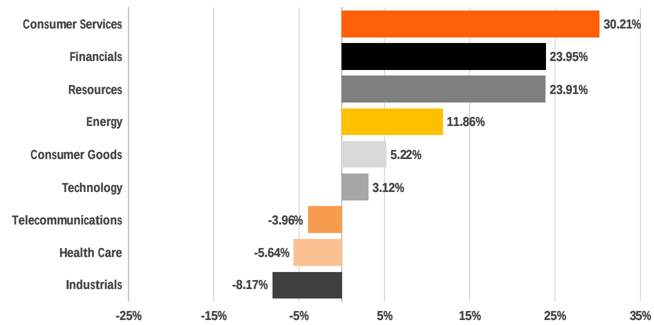
Risk Profile:	**High**
Portfolio Manager:	Bradley Anthony
Fund size (in Millions):	R 541.6
NAV Price (Inception):	R 1000 (Class A1)
NAV Price (as at month end):	R 3,683.86
JSE Code:	
Inception Date:	31 August 2010
CISCA Inception Date:	1 April 2017
Fund Structure:	CIS Trust
Fund Category:	Multi - Strategy
Benchmark:	This portfolio does not follow a benchmark
Minimum Investment:	R1 000 000 Lump sum
Fees	
Management Fee:	2% p.a (excl. VAT)
Performance fee:	20 % of excess above the high water mark, subject to a hurdle rate of 3 month JIBAR (excl.VAT) uncapped.
Cost Ratios (incl. VAT)	
Total Expense Ratio (TER%):	2.83%
Transactions Costs Ratio (TC%):	1.64%
*** Total Investment Charges (TIC%):**	4.47%
Income Distribution (Declaration):	Last day of December
Distribution Total for the past 12 months:	0.00 cpu for December 2017
Investment Manager contact details	
Telephone Number:	+27 86 176 0760
Website:	www.fairtree.com.

***Total Investment Charges (TIC%) = TER (%) + TC (%)**

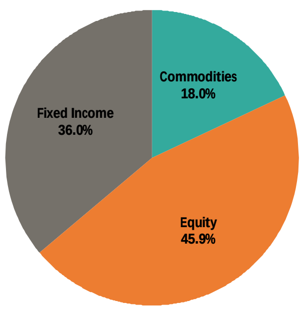
Portfolio Objective

The long-term objective of the portfolio is to achieve consistent absolute returns through investment in risk controlled strategies.

Sector Allocation



Asset Allocation



Increase in NAV Attributable to Investors

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2010								6.82%	1.02%	-3.82%	-0.26%	-1.28%	**2.21%**
2011	1.74%	3.97%	7.26%	0.79%	3.35%	4.50%	1.13%	8.45%	-3.55%	8.92%	6.52%	4.03%	**57.67%**
2012	7.19%	4.72%	5.45%	-0.26%	2.00%	-2.95%	0.11%	-2.05%	4.09%	5.87%	4.56%	1.20%	**33.65%**
2013	-11.90%	16.67%	2.48%	5.65%	-2.79%	-2.68%	9.54%	1.55%	3.99%	5.95%	0.10%	4.39%	**34.83%**
2014	1.20%	3.59%	3.00%	0.60%	-0.64%	-0.52%	0.05%	-0.26%	-1.17%	5.91%	1.77%	1.71%	**16.09%**
2015	5.81%	3.86%	1.07%	1.77%	0.91%	-1.36%	-0.12%	-0.74%	3.38%	0.89%	3.79%	-3.29%	**16.79%**
2016	-2.41%	-2.93%	4.44%	-3.02%	-2.03%	-1.53%	6.31%	4.25%	0.59%	-2.34%	-1.99%	3.60%	**2.31%**
2017	2.74%	-0.93%	0.26%	4.90%	0.79%	-3.01%	0.86%	-2.16%	-0.63%	4.97%	-6.62%	0.69%	**1.27%**
2018	-7.45%	5.46%	-7.47%										**-9.69%**

*The inception date for the portfolio is 31 August 2010. The historical performance figures until the end of 31 March 2017 reflect performance achieved prior to CISCA regulation. The portfolio has been transitioned under CISCA regulations on 1 April 2017 and has since been managed as a regulated product. The annualized total return is the average return earned by an investment each year over a given time period, since date of the launch of the fund. Actual annual figures are available from the manager on request. The highest and lowest 1 year returns represent the highest and lowest actual returns achieved during a 12 month rolling period year since the original launch date of the portfolio. The performance figures given show the yield on a Net Asset value ("NAV") basis. The yield figure is not a forecast. Performance is not guaranteed and investors should not accept it as representing expected future performance. Individual investor performance may differ as a result of initial fees, time of entry/actual investment date, date of reinvestment, and dividends withholding tax. Performance is calculated for a lump sum investment on a Net Asset Value basis. The performance figures are reported net of fees with income reinvested.

Risk Profile

Risk Level: Low | Low-Medium | Medium | Med-High | **High**

The risk category shown is not guaranteed and may change over time. The lowest category does not mean the investment is risk free. There may be other special areas of risk relating to the investment including liquidity risk, credit risk, market risk, and settlement risk. Sanne Management Company (RF) (Pty) Ltd, ("the manager"), and the investment manager do not render financial advice. Our risk indicator does not imply that the portfolio is suitable for all types of investors. You are advised to consult your financial adviser.

Portfolio Valuation & Transaction Cut-Off

Portfolios are valued monthly. The cut off time for processing investment subscription is 10:00am on the last day of the month prior to enable processing for investment on the first day of the next month.

Total Expense Ratio

A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction Costs are a necessary cost in administering the financial product and impacts financial product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of financial product, the investment decisions of the investment manager and the TER. The TER is reported excluding performance fees for the first six months of the portfolio. The Manager has applied its mind hereto and is of the view that any reporting of TER with performance fee at this stage may be inaccurate and potentially misleading to investors.

Market Commentary

Apart from fixed income markets local asset did not benefit from the continued political and economic improvement seen in South Africa over the last few months. Moody's, the credit rating agency, decided not to downgrade South Africa's rating further and the South African Reserve Bank (SARB) announced a 0.25% cut in the repo rate to 6.50%. Apart from the All Bond Index which returned almost 2.1% over the month, equities and most equity sectors including global equities, were down over the month with a negative year to date return. The All Share Equity Index dropped -4.2% while the ZAR depreciated 0.4%.

The SARB decided in a 4:3 split vote to cut rates by 0.25%, citing a reduction in risks to a weaker Rand and lower inflation expectations. Governor Kganyago made it clear that the cut should not be seen in the context of a cutting cycle. The market has reduced the probability of another interest rate cut to around 40% over the next 12 months. We believe the hurdle for another cut remains high and that risk for future inflation lies to the upside. Moody's concluded its much anticipated review of South Africa and decided to keep the credit rating at investment grade and upgrading the outlook to stable from negative. Moody's highlighted that the change in political environment and improving economic outlook were the main drivers to their decision but also noted that the country needs further fiscal consolidation and challenges at Eskom must be overcome.

While local economic data has improved over the last few months, the outlook remains more mixed as the Barclays PMI number have slipped to below 50. Global developments may also weigh on the macro outlook for the country as a trade conflict between the US and Europe, China continues to escalate. The US has announced tariffs on imported steel and aluminium while Europe and China threatened to counter with their own measures including a devaluation of the Yuan. The risk of a full-blown trade war remains low but has increased and is weighing on risk assets globally.

At the same time global central banks remains confident that the global backdrop have improved enough to warrant on-going rate increases and reduced asset purchase programs. The risk of higher global inflation has also emerged and is keeping the market guessing on how fast global central banks will tighten financial conditions over the next 12 to 18 months. We believe the Fed will hike rates 3 to 4 times this year and next year while the ECB will halt asset purchases in December.

All these factors have caused higher volatility and a sharp pull back in global equity markets of around -10% since late January. Despite the moderation in forward looking economic data points such as PMI's we believe global growth remains stable along with commodity prices and the US dollar remains weak. We believe markets have room to rally higher as financial conditions remain accommodative.

Equities: The outlook for global earnings growth remains positive supported by the economic expansion and below target inflation. We expect global inflation to pick up over the medium term supported by easy financial conditions and looser fiscal policies. The global reflationary outlook created positive sentiment around cyclical and value orientated stocks, while the outlook for higher global bond yields will put pressure on high valuation defensive names. As yields rise and volatility increase valuations will be tested more frequently. We believe the overall South Africa equity index will follow global equity markets higher due to its externalised nature. We have turned more optimistic on domestic equities as we believe economic activity will improve over the next 12 months. We like global cyclical companies with global earnings growth potential and companies with the ability to generate cash sustainably.

Fixed Income: South Africa's inflation will remain low over the next few months driven by low food prices, strong ZAR and soft demand. The SARB has cut interest rates twice and will be hard pressed to cut again. South Africa's level of yields remains attractive. The focus on the search for yield by global investors and stable emerging market backdrop may support lower bond yields, however the fiscal outlook remains challenging.

Currency: We believe the US dollar will strengthen over the short to medium term as the market price in a faster pace of rate hikes. However the ECB will also be looking to halt its asset purchase program later this year which may support the EUR. The short term outlook for the Rand is stable, but we believe the currency will depreciate towards the second half of 2018 as the emerging market backdrop turns less healthy.

Alternatives: Stronger global growth will allow less accommodative monetary policy and looser fiscal policies which should lead to higher interest rates, volatility and lower correlations amongst asset classes and securities. Market rotations and increased dispersion has typically led to a more favourable environment for alternative assets to perform.

Please Note: The above commentary is based on reasonable assumptions and is not guaranteed to occur.

Mandatory Disclosures

Investment Manager: Fairtree Capital (Pty) Ltd, **Registration Number:** 2004/033269/07 is an authorised Financial Services Provider (FSP25917) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (N0.37 of 2002). Please be advised that there may be representatives acting under supervision. **Physical Address:** Willowbridge Place, Cnr. Carl Cronje and Old Oak Road, Bellville, 7530. **Postal Address:** PO Box 4124, Tygervalley, 7536. **Telephone Number:** +27 86 176 0760. **Website:** www.fairtree.com.

Management Company: Sanne Management Company (RF) (Pty) Ltd (the "Manager"), **Registration Number:** 2013/096377/07, is authorised in terms of the Collective Investment Schemes Control Act (CISCA) to administer Collective Investment Schemes (CIS). **Directors:** J F Louw (Chairman)*, L Fourie, G P Rate (Managing Director), I Burke*, H J Pienaar*. **Physical Address:** Pier Place, Heerengracht Street, Foreshore, Cape Town, South Africa. **Telephone Number:** +27 21 202 8282. **Website:** www.sannegroup.co.za.

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*Non-Executive

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