

FINANCIAL SERVICES BOARD

Riverwalk Office Park Block B 41 Matroosberg Road Ashlea Gardens Extension 6
Pretoria South Africa 0081 PO Box 35655 Menlo Park Pretoria South Africa 0102
Tel +27 12 428 8000 Fax +27 12 346 6941 E-mail info@fsb.co.za
Toll free 0800 110443/0800 202087 Website: www.fsb.co.za



ENQUIRIES:	Ms Kedibone Dikokwe	D. DIALLING NO.:	012 428 8017
OUR REF:	CISCA CIRCULAR NO. 30	FAX:	
DATE:	12 July 2017	E-MAIL:	Kedibone.Dikokwe@fsb.co.za

INFORMATION CIRCULAR NO. 30

TO MANAGERS OF COLLECTIVE INVESTMENT SCHEMES

PUBLISHING AND DISCLOSURE OF PORTFOLIO PERFORMANCE

1. Paragraph 9(1)(a) of Board Notice 92 of 2014 ("the Notice") requires that a manager must ensure that the publishing of performance of a portfolio is based on performance calculations which are done on a NAV to NAV basis, as defined in the Notice, over all reporting periods; provided that where a NAV is not available, the value used to calculate the performance and which was agreed with the trustee must be clearly stated and a description of how the figures were calculated must be provided.
2. Further, paragraph 9(1)(c) of the Notice requires that all publications of performance must be accompanied by a disclosure indicating that performance is calculated for the portfolio and that investment performance may differ as a result of fees, actual investment date, reinvestment date and dividend withholding tax. This provision therefore requires managers to provide and disclose portfolio performance as a minimum for investors to make informed decisions regarding a portfolio and clearly addresses investment performance as a separate matter.
3. It has come to the Registrar's attention that managers are publishing and disclosing performance of a portfolio class or the highest fee class instead of the performance of the overall portfolio. The requirement for the publication of portfolio performance is independent and not directly linked to the requirement for the publication of the price of a portfolio or portfolio class. The intention of the above provisions is for managers to disclose the performance of the portfolio irrespective of classes in the portfolio.
4. The Registrar hereby instructs managers to ensure that portfolio performance is disclosed, as a minimum, in all instances where performance is provided. Managers are reminded that it is the responsibility of the manager to ensure that all advertising, marketing material and MDDs are compliant with the requirements of the Notice and the Act.
5. With regards to the individual investor's experience regarding the performance of his/her class and his/her specific investment, the Registrar is of the view that this is provided for in the

Board Members: AM Sithole (Chairperson) H Wilton (Deputy Chairperson) Z Bassa JV Mogadime
Prof PJ Sutherland FE Groepe D Turpin HMM Ratshefola D Msomi I Momoniat O Makhubela (Alternate)
Executive Officer: DP Tshidi

SABS
1 5 0 9 0 0 1

disclosure requirements for the investor statement. A manager may, in addition to portfolio performance, disclose the performance of a portfolio class in advertising, marketing material and Minimum Disclosure Documents ("MDDs").

6. Managers are given six months from the date of publication of this circular to rectify non-compliance with the provisions of the Notice.

Yours faithfully

A handwritten signature in black ink, consisting of a stylized 'J' and 'B' connected by a horizontal line.

J.A. BOYD

REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES