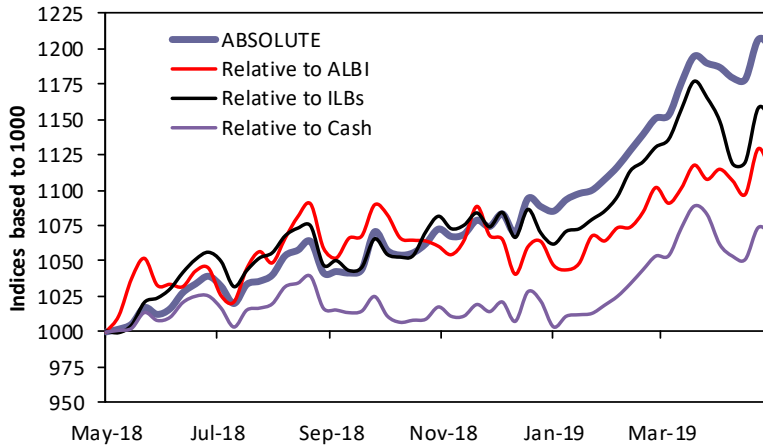
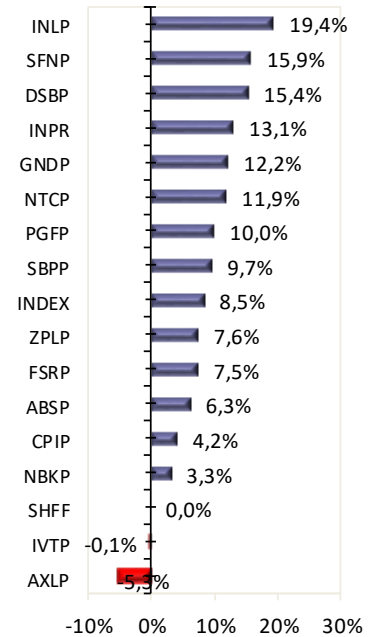


Past performance and forward yields

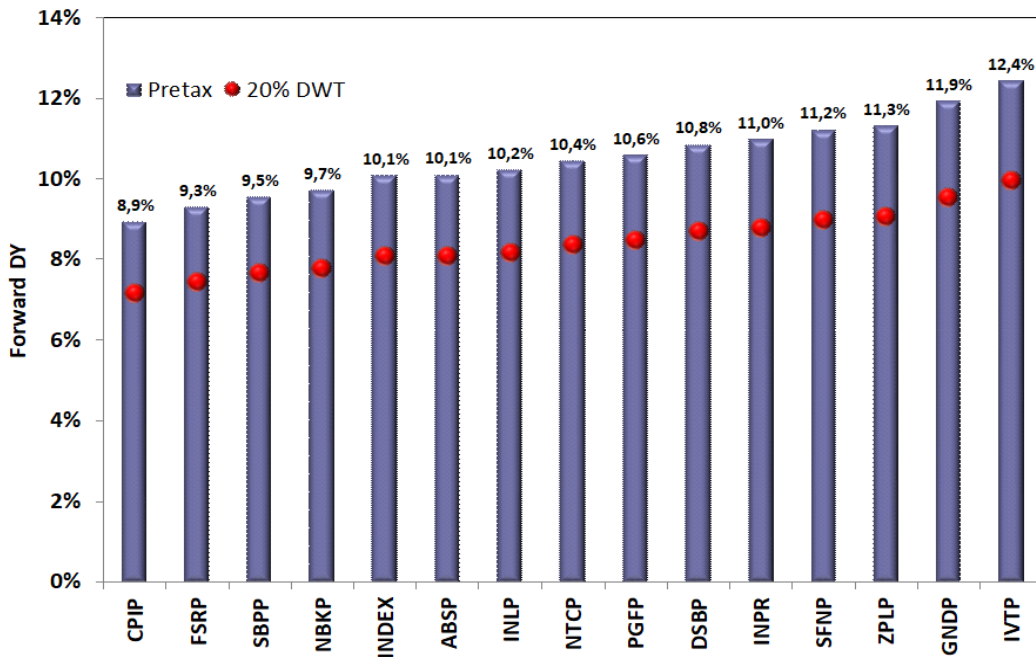


Past 13week return



Trade and performance statistics

	Return	Volatility	Sharpe
52 week	20,2%	6,7%	2,0
26 week	12,0%	6,7%	2,8
13 week	8,5%	7,0%	4,5
4 week	1,2%	10,0%	0,9
1 week	-0,4%		
Year-to-date	10,7%		



Analyst(s)

Eugene Chemaly
+27 11 290 7848
eugene@afrifocus.co.za

The disclaimer is available at the end of this document, and on our website: <http://www.afrifocus.co.za>

AFRIFOCUS IS A LEVEL 2 CONTRIBUTOR WITH A BEE PROCUREMENT LEVEL OF 125%, AND A REGISTERED MEMBER OF THE JSE AND ZARX

ANALYST CERTIFICATION AND REQUIRED DISCLOSURES BEGIN ON PAGE 5

Valuation

CODE	NAME	PRICE	CLEAN PRICE	ACCUM. DIVIDEND	ESTIMATED		CREDIT RATING (S&P)	PAR	POLICY	VALUATION				LIQUIDITY
					TOTAL DIVIDEND	NEXT LDT				% PAR	FAIR VALUE	P/FV	DY(+1)	AVG DAILY TRADE [R'm]
NON-CUMULATIVE										1,00	10,2%			
ABSP	ABSA BANK PREF	73000	71309	1691	7166	08-Oct-19	AA-	100000	70%	71,3%	73622	0,99	10,1%	1,23
AXLP	AFRICAN PHOENIX PREFS	3400	3400	0	660	29-Sep-19	BBB	10000	75,9%	34,0%	7216	0,47	22,9%	0,37
CPIP	CAPITEC PREF	9800	9599	201	853	16-Sep-19	A+	10000	83,33%	96,0%	8563	1,14	8,9%	0,11
DSBP	DSY B - PREF	9885	9478	407	1023	03-Sep-19	A	10000	100%	94,8%	10302	0,96	10,8%	0,51
FSRP	FIRSTRAND-PREFS	8550	8363	187	774	20-Aug-19	AA-	10000	75,56%	83,6%	7951	1,08	9,3%	0,88
INLP	INVESTEC-P	8945	8393	552	849	04-Jun-19	AA-	10000	83,33%	83,9%	9115	0,98	10,2%	0,49
INPR	INVESTEC PREF	7800	7285	515	793	04-Jun-19	AA-	10000	77,77%	72,9%	8506	0,92	11,0%	0,88
NBKP	NEDBANK NON-CUM PREF	916	882	34	85	16-Oct-19	AA-	1000	83,33%	88,2%	890	1,03	9,7%	0,61
SFNP	SASFIN-PREFS	7900	7564	336	844	01-Oct-19	A-	10000	82,5%	75,6%	8358	0,95	11,2%	0,07
SBPP	STANBANK NCPR	8600	8286	314	788	08-Oct-19	AA-	10000	77%	82,9%	8226	1,05	9,5%	0,95
CUMULATIVE										1,05	11,7%			
GNDP	GRINDROD PREFS	7950	7592	358	901	24-Sep-19	BBB-	10000	88%	75,9%	8658	0,92	11,9%	0,17
IVTP	INVICTA PREF	8990	8435	555	1043	04-Jun-19	BBB-	10000	102,0%	84,3%	10175	0,88	12,4%	0,19
NTCP	NETCARE PREFS	8300	8172	128	850	18-Nov-19	A	10000	83%	81,7%	8341	1,00	10,4%	0,29
PGFP	PSGFIN-PREFS	8300	8099	201	853	16-Sep-19	A	10000	83,33%	81,0%	8447	0,98	10,6%	0,52
SHFF	STEINHOFF INV-PREFS	4401	4065	336	844	22-Oct-19	CCC	10000	82,5%	40,7%	4587	0,96	20,8%	0,00
ZPLP	ZPLATPREF	7250	4995	2255	5627	17-May-25	BB+	4100	ZA Prime + 3.5%	121,8%	6713	1,08	11,3%	1,44

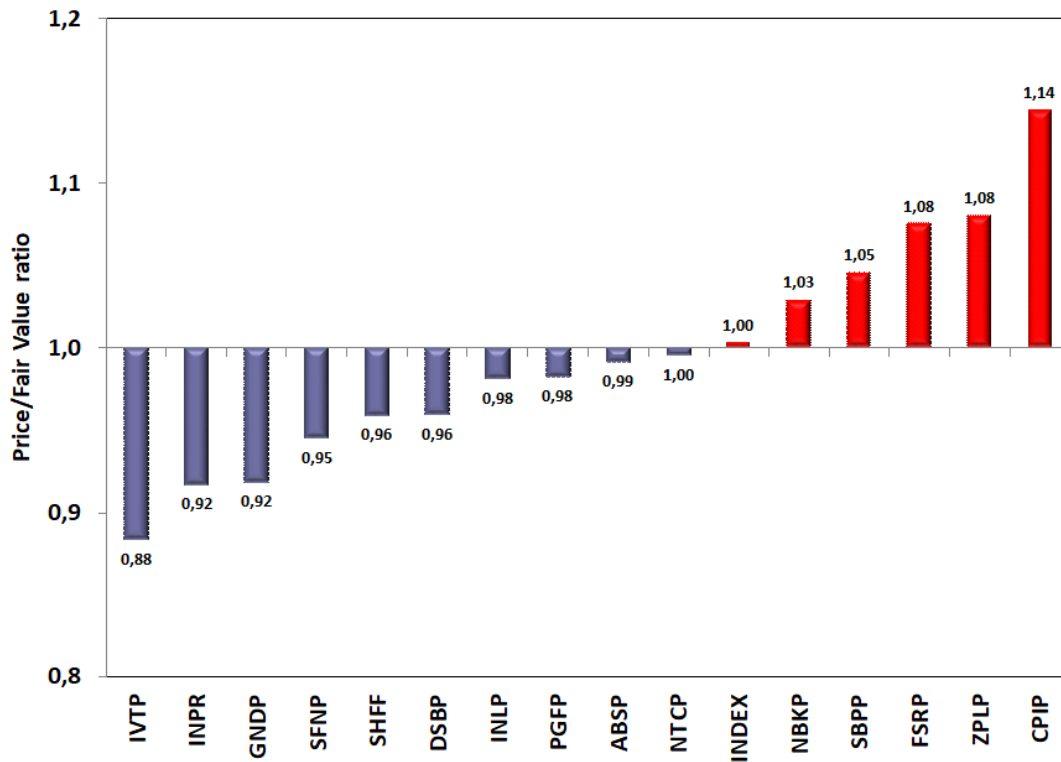


Figure 1 - Price-to-fair value ranking

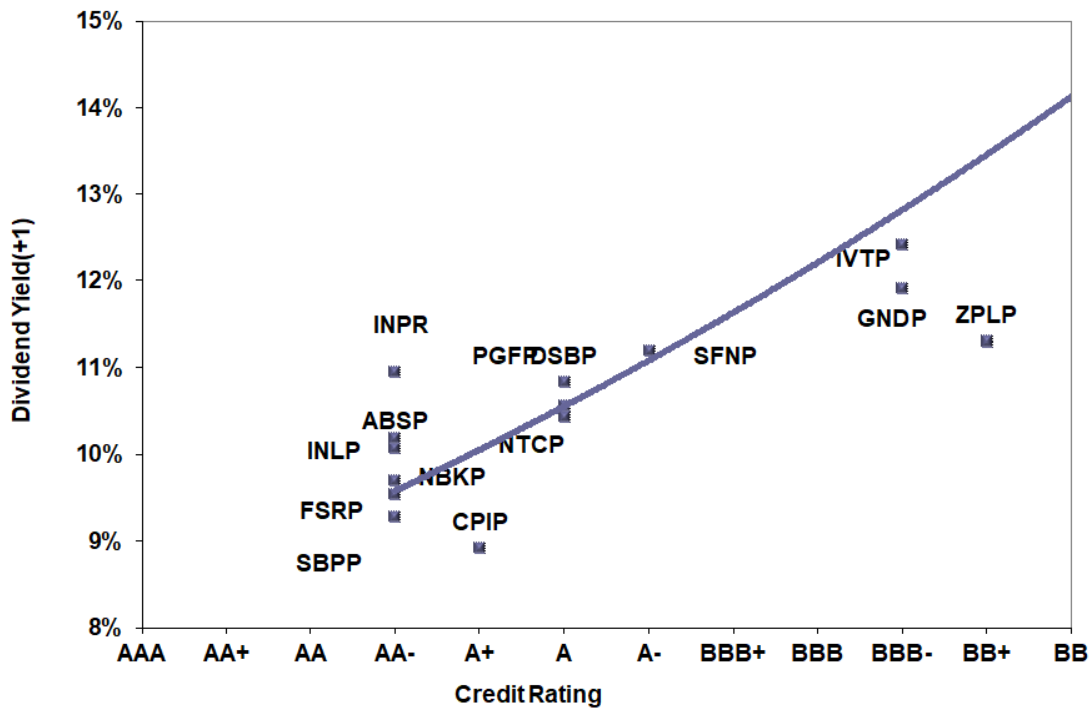


Figure 2 - Yield and Credit rating

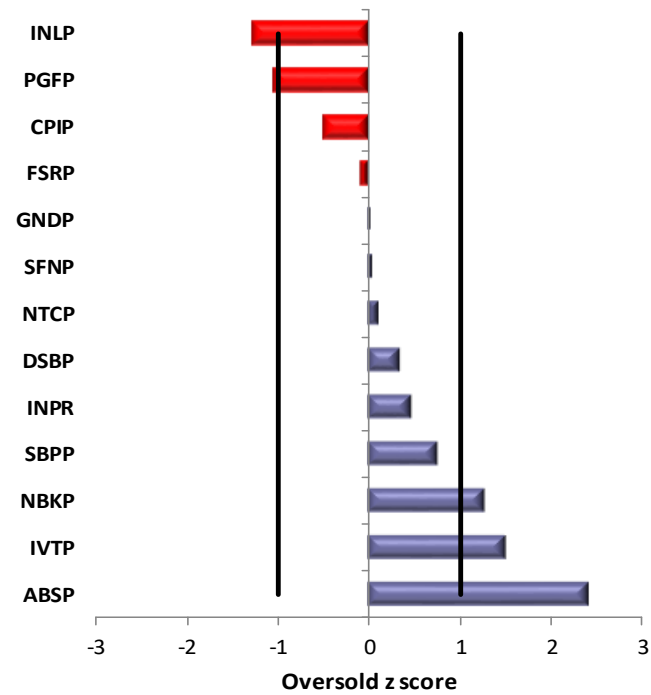
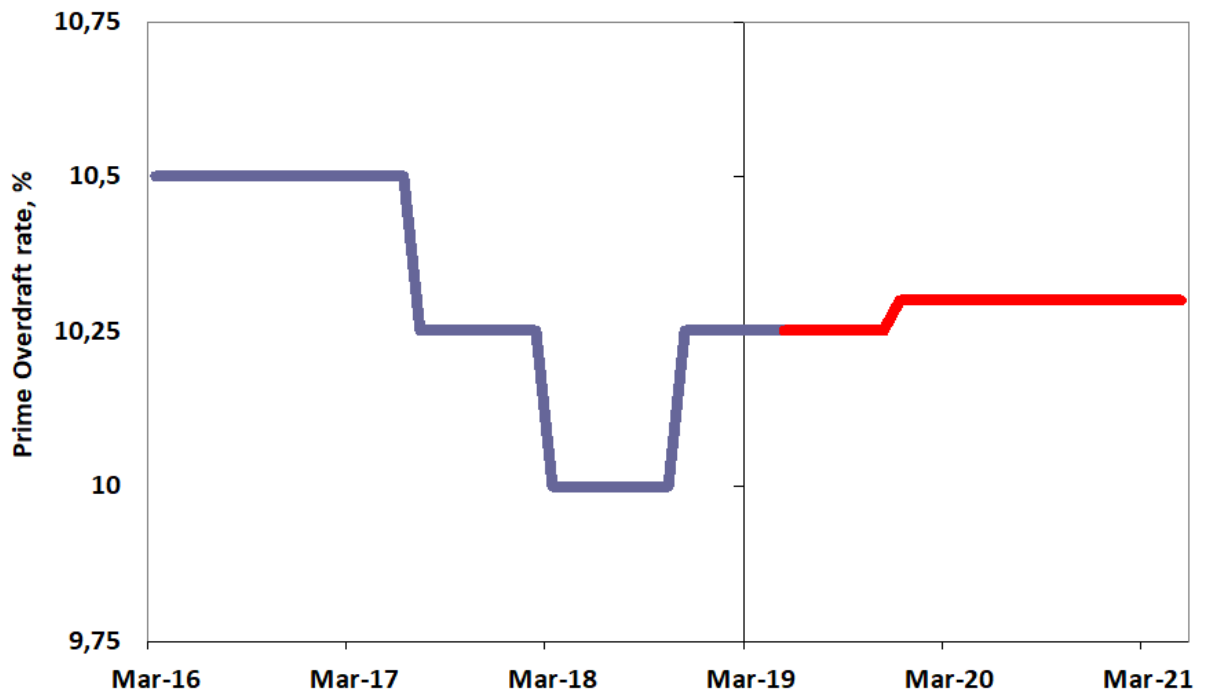


Figure 3 - Overbought/oversold indicator

Interest rate assumptions

Current and forecast prime overdraft rate



Source: Bloomberg consensus forecasts

ANALYST CERTIFICATIONS

The views expressed in the research report accurately reflect such research analyst's personal views about the subject securities and issuers; and no part of the analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report

DISCLOSURES

1. Chaperoning broker assumes responsibility for the research report's content.
2. Recipients of the research who wish to effect transactions in any security covered by the report should do so with or through the chaperoning broker rather than with or through the foreign broker-dealer.
3. Any transactions in the securities covered by the research by recipients must be effected only through the chaperoning broker as the distributor.
4. The Foreign provider is the employer of the research analyst(s).
5. The research analysts preparing the research report are resident outside the United States and are not associated persons of any US regulated broker-dealer and that therefore the analyst(s) is/are not subject to supervision by a US broker-dealer, and are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with US rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.
6. Each Research Report will not recommend the use of Foreign provider to effect transactions in any security, whether or not discussed in the research report, and will not be provided to any U.S. investor pursuant to any "soft dollar" arrangement with the foreign provider.



Johannesburg

Afrifocus House
31B Impala Rd
Chislehurst
Sandton, 2196
Tel: +27 11 290-7800
Fax: +27 11 290-7878

Cape Town

Lonsdale Building, Unit 11
7 Lonsdale Way
Pinelands, 7405
Tel: +27 21 528-9900
Fax: +27 21 685-1112

Durban

8 Richefond Circle, Unit 8
Ridgeview
Umhlanga Ridge
Tel: +27 31 584-6491
Fax: +27 31 584-6847

NOTICE TO US INVESTORS

This report was prepared, approved, published and distributed by AFRIFOCUS SECURITIES located outside of the United States (a “non-US Group Company”). This report is distributed in the U.S. by LXM LLP USA, a U.S. registered broker dealer, on behalf of AFRIFOCUS SECURITIES only to major U.S. institutional investors (as defined in Rule 15a-6 under the U.S. Securities Exchange Act of 1934 (the “Exchange Act”)) pursuant to the exemption in Rule 15a-6 and any transaction effected by a U.S. customer in the securities described in this report must be effected through LXM LLP USA.

Neither the report nor any analyst who prepared or approved the report is subject to U.S. legal requirements or the Financial Industry Regulatory Authority, Inc. (“FINRA”) or other regulatory requirements pertaining to research reports or research analysts. No non-US Group Company is registered as a broker-dealer under the Exchange Act or is a member of the Financial Industry Regulatory Authority, Inc. or any other U.S. self-regulatory organization.

Analyst Certification: Each of the analysts identified in this report certifies, with respect to the companies or securities that the individual analyses, that (1) the views expressed in this report reflect his or her personal views about all of the subject companies and securities and (2) no part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this report. Please bear in mind that (i) AFRIFOCUS SECURITIES is the employer of the research analyst(s) responsible for the content of this report and (ii) research analysts preparing this report are resident outside the United States and are not associated persons of any US regulated broker-dealer and that therefore the analyst(s) is/are not subject to supervision by a US broker-dealer, and are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with US rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

Important US Regulatory Disclosures on Subject Companies: This material was produced by AFRIFOCUS SECURITIES solely for information purposes and for the use of the recipient. It is not to be reproduced under any circumstances and is not to be copied or made available to any person other than the recipient. It is distributed in the United States of America by LXM LLP USA and elsewhere in the world by AFRIFOCUS SECURITIES or an authorized affiliate of AFRIFOCUS SECURITIES. This document does not constitute an offer of, or an invitation by or on behalf of AFRIFOCUS SECURITIES or its affiliates or any other company to any person, to buy or sell any security. The information contained herein has been obtained from published information and other sources, which AFRIFOCUS SECURITIES or its Affiliates consider to be reliable. AFRIFOCUS SECURITIES does not accept any liability or responsibility whatsoever for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are made as of the date of this document. Emerging securities markets may be subject to risks significantly higher than more established markets. In particular, the political and economic environment, company practices and market prices and volumes may be subject to significant variations. The ability to assess such risks may also be limited due to significantly lower information quantity and quality. By accepting this document, you agree to be bound by all the foregoing provisions.

LXM LLP USA assumes responsibility for the research reports content in regards to research distributed in the U.S. LXM LLP USA or its affiliates has not managed or co-managed a public offering of securities for the subject company in the past 12 months, has not received compensation for investment banking services from the subject company in the past 12 months, does not expect to receive and does not intend to seek compensation for investment banking services from the subject company in the next 3 months. LXM LLP USA has never owned any class of equity securities of the subject company. There are not any other actual, material conflicts of interest of LXM LLP USA at the time of the publication of this research report. As of the publication of this report LXM LLP USA, does not make a market in the subject securities.