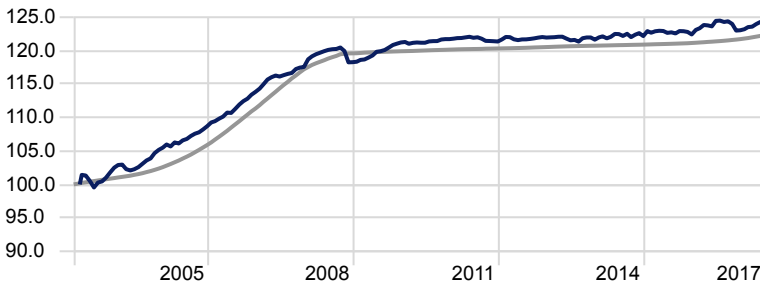


Melville Douglas Income Fund Ltd US Dollar Class

Minimum Disclosure Document as at 30 June 2017

Investment Growth***



— MD Income Ltd US\$ Income — USD Overnight Interbank Deposit Rate

Trailing Returns***

	1 Month	YTD	1 Year	3 Years	5 Years	10 Years
MD Income Ltd US\$ Income	-0.2	0.8	-0.3	0.4	0.4	0.7
USD Overnight Interbank Deposit Rate	0.0	0.4	0.7	0.4	0.3	0.7

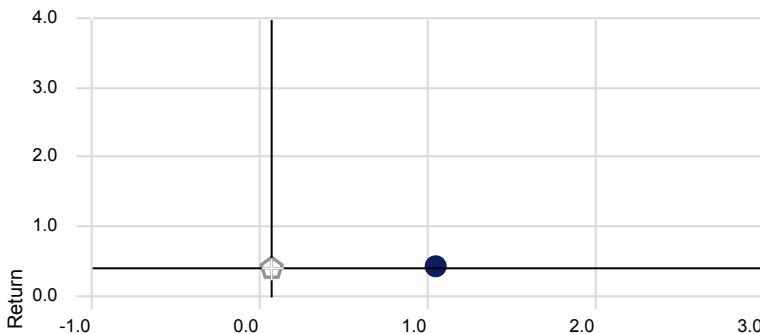
Risk Matrix *

	Class A	Benchmark
Information Ratio (arith)	0.0	
Std Dev	1.1	0.1
Sharpe Ratio **	0.0	0.0
Best Month (In Last 3 Years)	0.7	0.1
Worst Month (In Last 3 Years)	-0.8	0.0

Monthly Returns***

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	0.1	0.3	0.1	0.3	0.3	-0.2							
2016	0.6	0.2	0.4	0.0	-0.1	0.7	0.0	-0.2	0.1	-0.3	-0.8	0.0	0.5
2015	0.6	-0.2	0.2	0.1	0.0	-0.2	0.1	-0.1	0.3	0.0	-0.1	-0.3	0.2
2014	0.3	0.1	-0.2	0.2	0.4	0.0	-0.2	0.3	-0.4	0.3	0.2	-0.4	0.4
2013	0.0	0.0	0.1	0.0	-0.2	-0.2	0.0	-0.2	0.4	0.1	0.0	-0.3	-0.3
2012	0.3	0.3	0.0	-0.3	-0.1	0.1	0.0	0.1	0.1	0.1	0.1	-0.1	0.5

Risk-Reward *



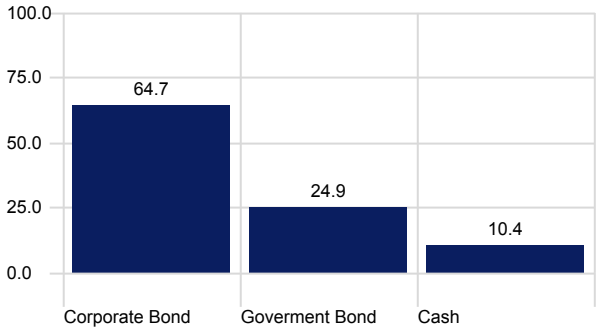
● MD Income Ltd US\$ Income ◆ USD Overnight Interbank Deposit Rate

Not to be distributed within the European Union

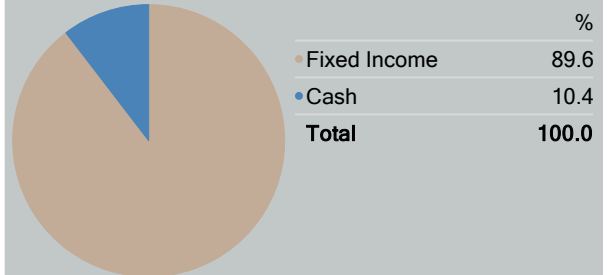
Investment Objective

To provide a return in excess of cash deposits in US Dollars, whilst maintaining a high degree of capital preservation by investing in quality fixed interest securities, selected collective investment vehicles, money market instruments and cash in order to maximise investment returns in US Dollars.

Security Sector



Asset Allocation



Operations

Price Date	2017/06/30
Month end price (USD)	\$ 165.1
ISIN - Class A	JE00B54RMC79
Fund AUM (m)	\$ 60.2

Fund Managers

Karl Holden

Karl specialises in global fixed income and currency markets. He is also a co-manager of the Melville Douglas Balanced Fund. Karl is a Chartered Wealth Manager, Fellow of the Chartered Institute for Securities and Investment and holds the Private Client Investment Advice and Management Certificate.

Bernard Drotschie

Bernard is the Deputy Chief Investment Officer and is head of the SA fixed income strategy. He holds a B.Com (Hons) degree in Econometrics, is a CFA® Charterholder, and is a Certified Financial Planner™ professional.

Portfolio Risk

Risk Profile



* Data is displayed over a 3 year rolling period

** Risk free rate = US Treasury T-Bill 3 Months

*** Class A since inception. Information compiled using Morningstar based on the most recent published information available to Morningstar at the end of the relevant period. This information is for illustrative purposes only.

Melville Douglas Income Fund Ltd US Dollar Class



Minimum Disclosure Document as at 30 June 2017

Additional Information

Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, tax risks, settlement risks, and potential limitations on the availability of market information.

Other Fund Facts

Manager	STANLIB Fund Managers Jersey Limited
Investment Manager	Melville Douglas Investment Management (Pty) Ltd
Custodian	Capita Trust Company (Jersey) Limited
Auditors	PwC, Ireland
Fund Directors	H.Holmes, GS.Baillie, M.Farrow, and O.Sonnbichler
Registered Office	47-49 La Motte Street, St Helier, Jersey
Publication Date	25th July 2017
Compliance No.	HX3491

Minimum Investment	\$10 000
Launch Date	March 2003

Fund Costs- 12 months

Fee Class	Management Fee	TER	TC	TIC
Class	0.375%	0.69%	0.02%	0.71%

TER = (Total Expense Ratio), TC = (Transaction Costs), TIC = (Total Investment Cost ; TER + TC = TIC)

Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market and FX Costs (where Applicable)

Fund Costs- 36 months

Fee Class	Management Fee	TER	TC	TIC
Class	0.375%	0.69%	0.02%	0.71%

TER = (Total Expense Ratio), TC = (Transaction Costs), TIC = (Total Investment Cost ; TER + TC = TIC)

Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market and FX Costs (where Applicable)

Contact Details

Melville Douglas Investment Management (Pty) Ltd

8th Floor West Wing, 30 Baker Street, Rosebank, 2196. PO Box 411184, Craighall 2024, South Africa

Telephone:+27 (11) 721 7964 Fax: +27(0)86202 7235

www.melvilledouglas.co.za

Statutory Disclosure and General terms and Conditions

This document does not constitute an offer to buy or a solicitation of an offer to buy or sell shares of the Fund in any jurisdiction in which an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer of solicitation and is for information purposes only. Subscriptions will only be received and shares issued on the basis of the current prospectus and prospective investors should carefully consider the risk warnings and disclosures for the Fund set out therein. The value of shares may go down as well as up and investors may get back less cash than originally invested. Performance is calculated for the portfolio, as well as that the individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Past performance is not necessarily a guide to future performance. An investment in the shares of the Fund is not the same as a deposit with a banking institution. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Please refer to the prospectus for more details on the charges and expenses that may be recovered from the Fund. Shares are valued on a daily basis using 23:59 (UK Time) prices. Transaction requests received before 14h30 (UK Time) will receive the following day unit price. This is an accumulation portfolio and does not distribute income. Transaction requests received before 14h30 (UK Time) will receive the following valuation point unit price. This is an accumulation portfolio and does not distribute income. Telephone calls may be recorded. Capita Trust Company (Jersey) Limited, STANLIB Fund Managers Jersey Limited, Standard Bank International Investments Limited are regulated by the Jersey Financial Services Commission. The fund is also regulated by the Jersey Financial Services Commission

Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending.

Representative Agreement exists between Standard Bank International Investments Limited and Melville Douglas Investment Management (Pty) Ltd appointing Melville Douglas Investment Management (Pty) Ltd as the sole representative for the investment management functions performed in South Africa. Melville Douglas Investment Management (Pty) Ltd is a company registered in South Africa with company number 1987/05041/07, and a subsidiary of Standard Bank Group Limited. Melville Douglas Investment Management (Pty) Ltd is licensed as a financial services provider in terms of Section 8 of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002). The representative for the fund in South Africa is STANLIB Collective Investments (RF) Pty Ltd.

The manager does not provide any guarantee either with respect to the capital or the return of the portfolio.

Fund Prospectus, application forms as well as annual and interim financial statements, are available at www.standardbank.com/privateclients

Source: Morningstar Direct, Melville Douglas Investment Management

Quarterly Commentary

US government bond yields edged lower in the quarter despite the Federal Reserve sanctioning its fourth 0.25% rise in interest rates in the current cycle. Economic conditions appear to have improved from the first quarter, however, the Trump administration's much anticipated tax and infrastructure plans remain elusive, a source of frustration for the bond bears. Lack of clarity on this front, combined with lower oil prices and subsequently inflation, have allowed yields to reverse some of the sharp rise experienced over the past year.

We remain cautious on longer-dated bonds as 'real' inflation-adjusted 10 year yields remain far removed from long term averages and the Federal Reserve appear committed to its tightening cycle as well as reducing its bloated balance sheet in the quarters ahead. Therefore, the Fund remains defensively positioned with a bias towards short and medium-dated issues. The weighted average maturity (WAM) of the Fund stands at approximately 2.8 years and the strategy remains to incrementally increase this as the bond market continues to normalise in the quarters ahead.

US dollar weakness persisted for much of the quarter but we retain our short to medium term positive outlook. A moderation in US economic conditions and inflation have depressed yields and cast some doubt over the sustainability of the Federal Reserve's tightening cycle. In turn, this has understandably prompted an element of profit taking given long positions, particularly as growth conditions in the Eurozone and Japan appear to be improving. Whilst much of our positive outlook hinges on Trump's ability to pass some long awaited pro-growth policies, we also expect the economy to rebound from a weak first quarter supported by ongoing strength in the labour market.

Ultimately, positive interest rate and yield differentials should provide support again but as previous, we remain mindful that the multi-year rally may be nearing an end. Given the domestic bias of the Fund, we do not yet feel comfortable introducing any foreign currency exposure and the Fund remains 100% invested in US dollars in order to mitigate any potential downside. Whilst we have a more positive long-term outlook for the Euro, we are reluctant to introduce a weighting to the Fund just yet as Eurozone yields at the shorter more defensive area of the curve offer only negative yields.

Statutory Disclosure and General terms and Conditions

This document does not constitute an offer to buy or a solicitation of an offer to buy or sell shares of the Fund in any jurisdiction in which an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer of solicitation and is for information purposes only. Subscriptions will only be received and shares issued on the basis of the current prospectus and prospective investors should carefully consider the risk warnings and disclosures for the Fund set out therein. The value of shares may go down as well as up and investors may get back less cash than originally invested. Performance is calculated for the portfolio, as well as that the individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Past performance is not necessarily a guide to future performance. An investment in the shares of the Fund is not the same as a deposit with a banking institution. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Please refer to the prospectus for more details on the charges and expenses that may be recovered from the Fund. Shares are valued on a daily basis using 23:59 (UK Time) prices. Transaction requests received before 14h30 (UK Time) will receive the following day unit price. This is an accumulation portfolio and does not distribute income. Transaction requests received before 14h30 (UK Time) will receive the following valuation point unit price. This is an accumulation portfolio and does not distribute income. Telephone calls may be recorded. Capita Trust Company (Jersey) Limited, STANLIB Fund Managers Jersey Limited, Standard Bank International Investments Limited are regulated by the Jersey Financial Services Commission. The fund is also regulated by the Jersey Financial Services Commission

Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending.

Representative Agreement exists between Standard Bank International Investments Limited and Melville Douglas Investment Management (Pty) Ltd appointing Melville Douglas Investment Management (Pty) Ltd as the sole representative for the investment management functions performed in South Africa. Melville Douglas Investment Management (Pty) Ltd is a company registered in South Africa with company number 1987/05041/07, and a subsidiary of Standard Bank Group Limited. Melville Douglas Investment Management (Pty) Ltd is licensed as a financial services provider in terms of Section 8 of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002). The representative for the fund in South Africa is STANLIB Collective Investments (RF) Pty Ltd.

The manager does not provide any guarantee either with respect to the capital or the return of the portfolio.
