



## DEAR MEMBER

Congratulations, you are a member of the Verso Umbrella Retirement Fund (VURF), a well established Fund with more than 4 000 members and assets exceeding R250 million.

I am thrilled to announce the launch of the "The Hive", a newsletter dedicated to sharing practical information about your Fund and the retirement fund industry. This newsletter is part of the VURF's Trustees campaign to bring the Fund to the members and that means to you. Our inaugural issue contains information about how to register for our SMS Technology, the Importance of keeping your Nomination/Beneficiary Form updated and the latest available market updates.

In the next issue we will begin to introduce you to the Trustees of VURF. Our Trustees meet at least quarterly and spend most of their time monitoring the investment returns, evaluating investment manager performance, analyzing the financial affairs of the Fund, ensuring compliance with legislation, reducing cost and risk and being innovative in the provision of Fund benefits.

I trust that you will find these publications both informative and educational. Please assist us to serve you better by completing our short survey online or obtain a copy of the survey from your HR Department. If you submit your completed survey on or before 11 May 2012, we will reward your efforts by putting your name in a lucky draw. There will be one prize of R500 and two prizes of R250 - so don't delay, tell us what you think.

Please visit the website on [www.vurf.co.za](http://www.vurf.co.za) for any Fund related queries or email me on [info@vurf.co.za](mailto:info@vurf.co.za).

Happy reading!

Edward Thomson  
Principal Officer  
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## MARKET OVERVIEW FOR 2011



Looking back at the fourth quarter of 2011, we travel to four corners of the world:

In **Europe** the political and economic roller coaster of the 3rd quarter had a knock-on effect on the fourth quarter and there was not much positive news to report towards the end of the year.

The **USA** on the other side of the Atlantic managed to produce a few highlights towards the end of 2011, one of them being signs that their economy was stabilising. More jobs were created than in 2010, which reduced the unemployment rate and the manufacturing sector also remained positive and performed well in the fourth quarter. However, do not get too excited, as economic growth in the USA will continue to be hampered as long as the slow economic growth continues in Europe and if the USA does not rapidly cut back on its spending. It is unlikely that major decisions will be taken until after the USA elections later this year.

In **China**, there are clear signs that the phenomenal economic growth of the past few years is beginning to slow down and there is a possibility that interest rates may be reduced in 2012. Despite all the doom and gloom in the prospects of global growth, the World Bank still projects that China could grow more than 8% in

2012. Once again the realisation of this growth depends on how the European debt crisis is addressed and what impact these measures will have on China's economy.

Finally, **domestic** interest rates remained unchanged during the fourth quarter. Inflation increased to 6.1% for the 12 months ending in November 2011 and the local GDP growth slowed down. Even though the Rand was very volatile against the US Dollar during the fourth quarter, it ended the quarter virtually unchanged.

The table below indicates the market returns to 31 December 2011:

Asset Class	4th Quarter: 2011	12 Months
SA Equity	8.38%	2.57%
SA Bonds	3.55%	8.87%
SA Property	3.73%	8.93%
SA Cash	1.35%	5.48%
CPI	1.18%	6.10%
International Equity USA\$	7.59%	-5.54%
International Bonds USA\$	0.23%	5.64%
International Cash USA\$	0.00%	0.06%
Rand/Dollar	0.42%	18.05%

See explanation of financial terms on page 2.



### Did you know?

Your fund benefits are set out in the Product Guide available on the Fund's website.



You can now register online for sms and web access.

read more on the back page

# HOW DID YOUR FUND PERFORM IN THE LAST QUARTER OF 2011?

Due to the weakening Rand, foreign investments were the best place to be in 2011. The three best performing asset classes in Rand terms were foreign bonds, followed by foreign cash and foreign equities in third place. We will update you further in our next newsletter in September, but remember that the latest investment news is available on [www.vurf.co.za](http://www.vurf.co.za).

## PORTFOLIO PERFORMANCE

PORTFOLIOS	January 2012	3 mths	1 year	3 years	5 years
Investment Solutions Performer	2.95%	3.72%	12.77%	16.57%	9.67%
Benchmark	3.39%	3.64%	12.56%	16.69%	9.44%
Investment Solutions Spectrum	3.21%	4.28%	12.06%	16.58%	8.93%
Benchmark	3.26%	3.63%	12.80%	16.46%	9.15%
Verso MM Balanced Growth	2.51%	3.10%	9.98%	16.15%	10.22%
Investment Solutions Stable Focus	1.45%	2.53%	8.50%	10.89%	10.84%
Benchmark CPI+4%	0.50%	1.93%	10.11%	9.30%	10.97%
Verso MMSecure Growth	1.77%	2.68%	10.04%	11.76%	9.78%
Benchmark CPI+3%	0.42%	1.68%	9.11%	8.30%	9.97%
Sanlam Monthly Bonus	0.63%	2.03%	8.87%	7.83%	10.28%
Verso MM Money Market	0.49%	1.46%	5.97%	7.51%	n/a

All returns are time weighted and quoted gross of investment management fees. Investment returns for periods greater than 12 months are annualised. Visit the Fund's website for a monthly update of the Portfolio Update.



## REGISTER ONLINE – for VURF SMS Technology and Web Access

By simply registering for 3 of our electronic services, you can have all your Fund information at the touch of a button whilst being kept in the loop on what is happening in the Fund.

**Verso-InTouch** is a free service available to members who wish to know if the Fund has received their claim forms and who want to track the activity in the administration department. So once a claim is submitted, Verso's system automatically sends a SMS to you with claim progress updates. This way, you are kept informed every step of the way.

You are also kept up-to-date on any significant events.

**Verso-InterAct** allows you to access Fund information without having to phone or fax our offices. Once registered onto the system, you can access specific personal data by sending a code specific SMS to the security system, the system will then promptly respond with the information requested. The designated number to send the SMS to is 083 8555 677. (Standard rates apply.)

If you register for **Member Level Web Access**, you will be able to access your Fund records via the web on application. This facility enables you to view the growth of your Retirement Savings Account and is another way to track the progress as the Fund processes and pays your claims.

You can self-register at the login page on the Fund's website under **VFS Member Login** or contact your **Human Resources Department**. Once registered, you will have 'Member Level Web Access' and will be registered for SMS Services.

## Please update your beneficiary nomination form



### Why is it important to keep your beneficiary nomination form updated?

In the event of death, Section 37 C of the Pension Funds Act makes it a legal requirement for the Fund to award and pay your death benefits firstly to your proven financial dependants. Your Beneficiary Nomination form must indicate the personal details and contact information of dependants and others whom you wish to be considered for the payment of your death benefit. This document serves as a guideline for Trustees when they have to decide on how to distribute your death benefit.

### How is the benefit distributed?

Should there be no dependants, the Fund may give consideration to awarding and paying benefits to those who are not dependants, but who have been nominated by you to receive a portion of your benefits. For this purpose, an updated Nomination Form serves as a guide for Trustees when allocating benefits and in locating both your dependants and nominees to ensure they receive any benefits that may be awarded to them. Should the Fund be unable to locate any nominees, the benefit will be paid into the deceased's Estate.

### Where can you find this form?

You can find this form on the VURF website ([www.vurf.co.za](http://www.vurf.co.za)) on the Employers page/Fund Administration/Fund Administration Forms. Click on Afr or Eng next to the Beneficiary Nomination Form. Please complete the form in full and return to the Fund so that we can update your records. You can also update your details on-line if you have registered for Member Level Web access.

## Help us to reach all our VURF members!

Please update your contact details by taking part in the Survey online or by obtaining a copy from your HR Department. By doing this, you are not only helping us to get newsletters and the latest information to you on time, but you also stand a chance to win a prize.

Alternatively, you can print the Member Detail Change form which is located under the Employers page/Fund Administration/Fund Administration Forms. Once you have updated your details you can fax the form back to the Fund. If you do not have access to the website, please ask your HR Department to print the form for you.

## EXPLANATION OF TERMS

**GDP** – Gross Domestic Product – The total value of goods and services produced within South Africa over a specific time period.

**CPI** – Consumer Price Index – This is the index measuring inflation. You can measure inflation against the same basket of goods you can buy for R100 over any given period of time.

**Benchmark** – This is a measurement figure or "device" used to measure performance, normally in our industry to measure the performance of an asset manager or Fund. The benchmark is normally the minimum that a Fund or manager needs to try and outperform.

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BOARD OF TRUSTEES: Ms W Parker (Independent Trustee and Chairperson), Mr S Kennard (Verso Appointed Trustee), Mr W Rossouw (Independent Trustee), Mr R Wentworth (Verso Appointed Trustee), Mr E Thomson (Principal Officer)

Indemnity: Every effort has been made to ensure the information in this newsletter is correct. This newsletter is for information purposes only and the Fund or its consultants cannot be held liable for any loss or damages as result of any inaccuracy.

