**Schedule advising how we have addressed reviewer C’s comments.**

**Paper title: Raising the bar on the foreign portfolio to 25%:**

**Strategic implications for South African investors**

We would like to thank reviewer C for the useful suggestions on our original article and apologise for the poor writing style of the original article.

**Major rewrite:**

We now have conducted a major overhaul of the original article and have rewritten the article in a substantially more academic/scientific style taking head of the reviewers’ suggestions in the rewrite.

With particular reference to reviewer C’s concerns the following changes have been incorporated into the revised paper:

* The writing style has been changed with the objective of improving the clarity and the scientific style of the paper:
* The abstract has been shortened considerably (to 126 words) and now succinctly summarises the objective of the paper.
* A paragraph explaining how the paper is now organised has been included at the end of the “Introduction”.
* A more detailed and up-to-date literature review has been added which now is segregated into “International studies” and “South African studies”. This has resulted in substantially more and relevant referencing.
* The “Methodology” section now contains the step-by-step procedures of the implementation methodologies of the “efficient frontier framework” as well as the “non-parametric framework”.
* The formulation of the model used for the efficient frontier generation is also included and discussed.
* Additionally a flow-diagram has now been added to summarise the non-parametric procedure.
* A “Data” section has also been added describing the data used
* The readability of the graphs have been improved and the original figure summarising the efficient frontiers has now been split into 3 separate figures adding more clarification to the discussion of the results in this section.
* An additional table of probabilities has also been added to give more insight into the results for the different investment horizons in the non-parametric section.

Some specific “adjustments” recommended by reviewer C:

* + We now refer to “risk” as “volatility” instead in the figures and the text as suggested by reviewer C.
	+ We now mention that the range of CPI+ mandates is typical of unit trusts having absolute return mandates
	+ We also highlight that the asset classes cover the range of assets reportedly held by institutional funds as reported by the Alexander Forbes Large Manager Watch (AFLMW) which comprises the aggregate asset class holdings of the largest 10 pension funds.
	+ We now point out the implications and limitations of the study in the conclusion.

We would once more like to thank the reviewer for the useful guidance and would welcome any further suggestions to improve the revised manuscript.