

31 JULY 2019

# GRAYSWAN SANLAM COLLECTIVE INVESTMENTS CAUTIOUS FUND OF FUNDS



MINIMUM DISCLOSURE DOCUMENT

ISSUE DATE: 09/08/2019

## FUND OBJECTIVE

To outperform the ASISA South African Multi Asset Low Equity Category over any 3-year rolling period by investing in a mix of South African and international asset classes such as equities, bonds, cash and listed property.

## FUND STRATEGY

The portfolio will consist of a mix of collective investment scheme portfolios investing in equity, bond and property markets and money market instruments. Investments to be included in the portfolios will, apart from assets in liquid form, consist solely of participatory interests in portfolios of collective investment schemes registered in the Republic of South Africa or of participatory interest in collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the Manager and Trustees of a sufficient standard to provide investor protection at least equivalent to that in South Africa. The portfolio will be allowed to invest in offshore investments as legislation permits. The portfolio will also be allowed to invest in listed and unlisted financial instruments (derivatives) as allowed by the Act from time to time.

## ASISA FUND CLASSIFICATION

ASISA South African Multi Asset Low Equity

## REGULATION 28

Compliant

## BENCHMARK

ASISA South African Multi Asset Low Equity

<b>CLASS</b>	A
<b>INCEPTION</b>	01 July 2017
<b>PORTFOLIO SIZE</b>	R 54.64 million
<b>NAV</b>	1,050.71
<b>MINIMUM INVESTMENT</b>	LISP Platform Dependent
<b>JSE CODE</b>	GSCFA
<b>PORTFOLIO MANAGER</b>	Duncan Theron
<b>INCOME DECLARATION DATE</b>	June & December
<b>INCOME PAYMENT DATE</b>	1st business day of July & January
<b>PORTFOLIO VALUATION TIME</b>	17:00
<b>TRANSACTION CUT OFF TIME</b>	17:00
<b>DAILY PRICE INFORMATION</b>	Local media
<b>REPURCHASE PERIOD</b>	2 – 3 business days
<b>DISTRIBUTION HISTORY</b>	
2019/06/30	27.51 cent per unit
2018/12/31	25.90 cent per unit
<b>FEES (Incl. VAT)</b>	
Manager Annual Fee	0.68%
Total Expense Ratio	1.28%
Transaction Cost	0.06%
Total Investment Charges	1.34%
TER Measurement Period	01 July 2017 - 31 March 2019

## RISK PROFILE

<b>LOW</b>	<b>LOW MEDIUM</b>	<b>MEDIUM</b>	<b>MEDIUM HIGH</b>	<b>HIGH</b>
Less Risk/Return		→		More Risk/Return

FUND STATISTICS				
	FUND	BENCHMARK	CPI + 2%	FUND VS. BENCHMARK
CALENDAR YEARS				
2017 (Since Inception)	6.58%	5.00%	2.47%	1.58%
2018	2.34%	1.25%	7.29%	1.09%
CUMULATIVE PERFORMANCE				
Month to Date	-0.28%	-0.14%	0.52%	-0.14%
Year to Date	5.27%	5.47%	3.75%	-0.21%
Last 1 Year	5.65%	4.90%	6.55%	0.75%
Last 2 Years	13.08%	10.06%	13.65%	3.02%
Since Inception	14.82%	12.13%	14.05%	2.69%
ANNUALISED PERFORMANCE				
Last 1 Year	5.65%	4.90%	6.55%	0.75%
Last 2 Years	6.34%	4.91%	6.60%	1.43%
Since Inception	6.86%	5.65%	6.52%	1.21%
SINCE INCEPTION RISK STATISTICS				
Standard Deviation	3.76%	4.20%	1.04%	-0.44%
Sharpe Ratio (Rf : STeFI)	-0.13	-0.40	-0.79	0.27
Maximum Drawdown	-2.43%	-3.57%	-0.04%	1.14%
Best 12 Months Period	8.40%	7.04%	7.29%	1.36%
Worst 12 Months Period	1.55%	-0.05%	6.08%	1.60%

Data Source: ProfileData Source date: 09/08/2019

Investment performance is calculated for the portfolio and may differ per investor as a result of fees, actual investment date, reinvestment date and dividend withholding tax.

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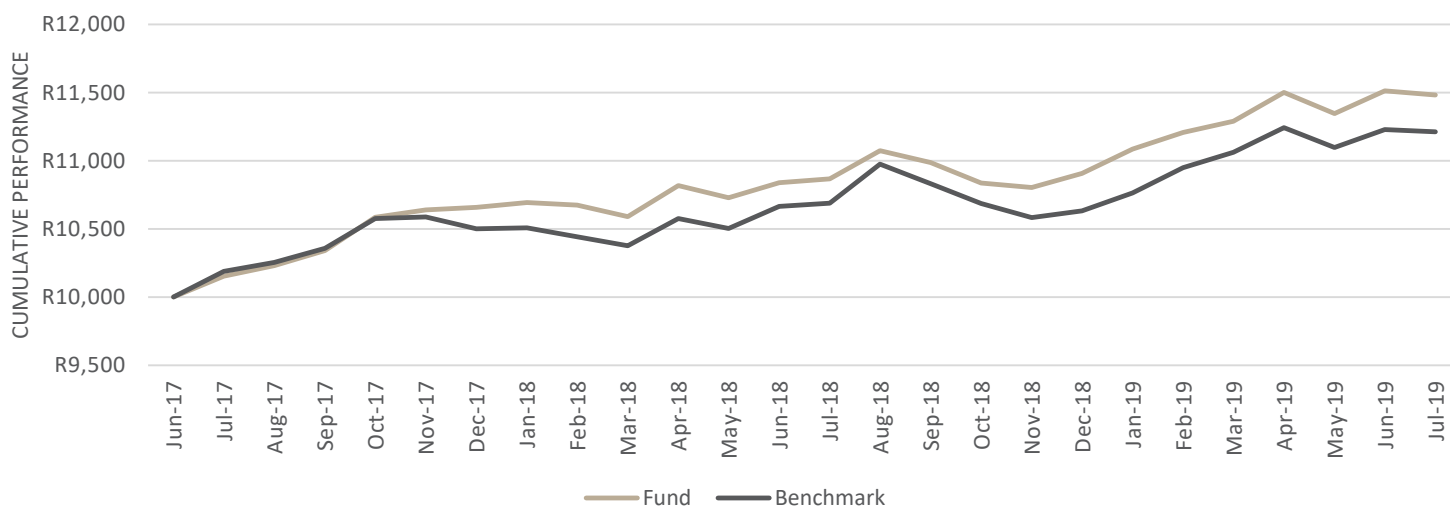
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TOP TEN HOLDINGS	
FUND MANAGER	ALLOCATION
Boutique Fixed Income Manager A	23.1%
Momentum Income Plus Fund	15.2%
Prescient Income Provider Fund	12.8%
Coronation Strategic Income Fund	12.8%
Local Equity Index Tracker A	5.7%
Prudential Core Value Fund	4.9%
Boutique Equity Manager A	4.8%
Boutique Equity Manager B	4.1%
Boutique Equity Manager C	2.8%
Cash	2.3%

ASSET ALLOCATION	
ASSET CLASS	ALLOCATION
Local Cash	25.1%
Local Fixed Income	32.9%
Local Equities	24.0%
Local Listed Property	5.1%
Foreign Other	9.3%
Foreign Equities	3.7%
Total	100.0%

Portfolio Date: 31/07/2019

## SINCE INCEPTION GROWTH OF A R10,000 INVESTMENT (AFTER FEES)



Data Source: ProfileData Source date: 09/08/2019

For illustrative purposes only. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date.

**DISCLAIMER:**

All reasonable steps have been taken to ensure the information on this MDD is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision. The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in participatory interests of other unit trust portfolios. These underlying funds levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The Manager may borrow up to 10% the market value of the portfolio to bridge insufficient liquidity. International investments or investments in foreign securities could be accompanied by additional risks such as potential constraints on liquidity and the repatriation of funds, macroeconomics risks, political risks, foreign exchange risks, tax risks, settlement risks as well as potential limitations on the availability of market information. The Fund may invest in financial instruments (derivatives) for efficient portfolio management purposes. A fund of funds portfolio is a portfolio that invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the Fund of Funds. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. Management of the portfolio is outsourced to Grayswan Financial Services (Pty) Ltd, (FSP) License No. 42290, an Authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002. Sanlam Collective Investments (RF) (Pty) Ltd retains full legal responsibility for the co-named portfolio. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments scheme. Sources of Performance and Risk Data: ProfileData and INET BFA. Obtain a personalised cost estimate before investing by visiting [www.sanlamunittrustsmdd.co.za](http://www.sanlamunittrustsmdd.co.za) and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at 0860 100 266.



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## GLOSSARY TERMS

### ANNUALISED RETURNS

Annualised return is the weighted average compound growth rate over the period measured.

### ASSET ALLOCATION

Asset allocation is the percentage holding in different asset classes (i.e. equities, bonds, property, etc.). It is used to determine the level of diversification in a portfolio.

### DERIVATIVES

Derivatives are instruments generally used as an instrument to protect against risk (capital losses), but can also be used for speculative purposes. Examples are futures, options and swaps.

### DISTRIBUTIONS

The income that is generated from an investment and given to investors through monthly, quarterly, bi-annual or annual distribution pay-outs.

### LIQUIDITY

The ability to easily turn assets or investments into cash.

### LISP (LINKED INVESTMENT SERVICE PROVIDER)

A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

### MAXIMUM DRAWDOWN

The maximum drawdown measures the highest peak to trough loss experienced by the Fund.

### MONEY MARKET INSTRUMENTS

A money market instrument is a low risk, highly liquid, short-term (one year or less) debt instrument, issued by financial institutions or governments, that tend to have lower returns than high-risk investments.

### PARTICIPATORY INTERESTS

When you buy a unit trust, your money is pooled with that of many other investors. The total value of the pool of invested money in a unit trust fund is split into equal portions called participatory interests or units. When you invest your money in a unit trust, you buy a portion of the participatory interests in the total unit trust portfolio. Participatory interests are therefore the number of units that you have in a particular unit trust portfolio.

### REGULATION 28

Regulation 28 of the Pension Funds Act sets out prudent investment limits on certain asset classes in investment funds. It applies specifically to investments in Retirement Annuities and Preservation Funds. The allowed maximum exposures to certain asset classes is: 75% for equities, 25% for property, 30% for foreign (offshore) assets and 10% African assets.

### RISK-ADJUSTED RETURNS

Risk-adjusted return refines an investment's return by measuring how much risk is involved in producing that return, which is generally expressed as a number or rating.

### SHARPE RATIO

The Sharpe Ratio measures total risk-adjusted performance of an investment or portfolio. It measures the amount of risk associated with the returns generated by the portfolio and indicates whether a portfolio's returns are due to excessive risk or not. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

### STANDARD DEVIATION

Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the volatility expected of an investment.

### TOTAL EXPENSE RATIO (TER)

Total Expense Ratio (TER) is the percentage value of the Financial Product that was incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. The TER presented above is a best estimate of the Fund's TER. Calculations are based on actual data where possible and best estimates where actual data is not available.

### TOTAL INVESTMENT CHARGES (TER + TC)

Total Investment Charges (TER + TC) is the total percentage value of the Financial Product that was incurred as costs relating to the investment of the Financial Product.

### TRANSACTION COST (TC)

Transaction Cost (TC) is the percentage value of the Financial Product that was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

### BEST & WORST 12 MONTHS PERIOD

The highest & Lowest growth rate generated over 12 consecutive calendar months, in the period measured. The growth rate is not annualised.



GRAYSWAN SCI  
CAUTIOUS  
FUND OF FUNDS



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MODERATE  
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### INVESTMENT MANAGER INFORMATION

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