

June 2019

**ASISA Category** SA Multi Asset High Equity

**Portfolio Manager** Philip Bradford, CFA

**Launch Date** 27-Sep-2012

**Benchmark** SA Multi Asset High Equity Category Average

## Portfolio Description

The portfolio is managed as a core-satellite portfolio, combining active management and index investment strategies. The core of the portfolio is invested in passively-managed portfolios, while the satellites are invested in actively-managed, "high-alpha" portfolios. This portfolio is aimed at investors with a long term investment horizon. It has an inflation objective of CPI plus 6% over any rolling 6 year period.

The asset composition of the fund is compliant with Regulation 28 of the pension Funds Act of 1956.

The actual asset allocation of the portfolio may vary from strategic asset allocation due to market movement or tactical asset allocation decisions made from time to time by Sasfin Asset Managers.

## Investment Objective

The Fund aims to provide investment income and capital growth over the long term through investing primarily in local and international equity, fixed interest and cash instruments. The fund is optimized to have the highest probability of meeting the real return target over a 6 year investment period while minimising volatility. The Fund is actively managed by a combination of leading investment managers and value is added through specialist manager expertise and allocation skills.

## Manager Weightings

Fund Managers	Weights
Bateleur Equity	13.87%
Sasfin BCI Opportunity Equity	9.74%
Sygnia ALSI Tracker	10.50%
Fairtree Prescient Equity	3.21%
Sasfin BCI Equity	2.73%
Sygnia SAPY Tracker	4.26%
Absa Property	9.69%
Coronation Strategic Income	5.67%
Futuregrowth Yield Enhanced Bond	11.25%
Sasfin BCI Flexible Income Fund	5.57%
BCI Income Plus Fund C	2.52%
Managed Cash	0.12%
BlackRock Developed World Index	20.88%
Nedbank USD Account	0.00%
<b>Total</b>	<b>100.0%</b>

## Risk Profile

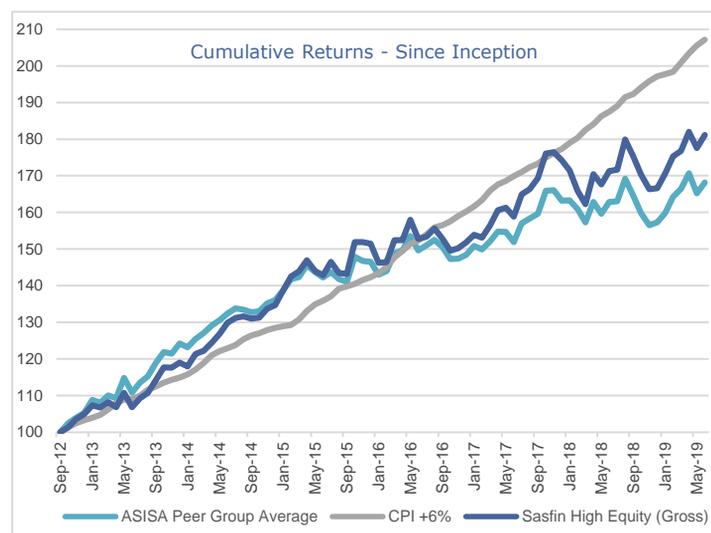


## Minimum Recommended Investment Term

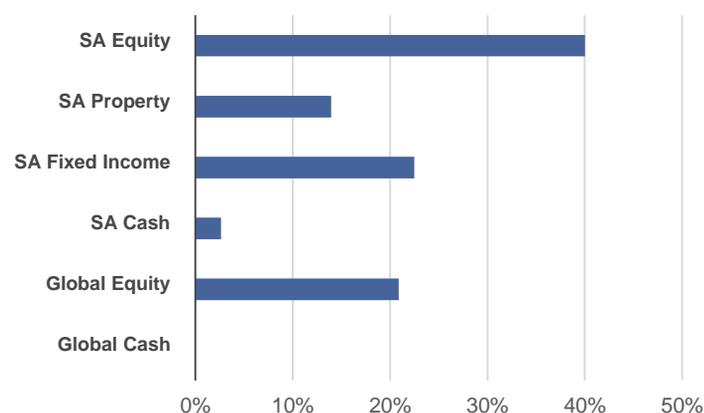


## Performance vs Benchmark

	1 Year	3 Year	5 Year	Since Inception
<b>Portfolio Return (Gross)</b>	5.7%	5.8%	6.9%	9.1%
<b>Portfolio Return (Net)</b>	5.0%	5.1%	6.2%	8.4%
<b>ASISA Peer Group Average (Net)</b>	3.2%	4.0%	4.9%	8.0%



## Asset Allocation



## Monthly Commentary

**South Africa:** The JSE backed up its best first quarter performance since 2007 by adding another 3.1% to end the quarter on 52 204 index points. The Industrial (+3.6%), Financial (3.1%), Resource (2.1%) and Property (1.3%) indices all moved higher during the quarter. From an economic point of view, the quarter started on the back foot with the Absa PMI declining to 45.0 as the negative effects of load shedding took their toll. The IMF and World Bank downgraded their growth forecast for S.A's GDP. And mining output experienced its biggest decline since 2016. Unfortunately, things did not improve as the quarter progressed, with first quarter GDP figures showing the economy contracted by 3.2% measured on a quarter on quarter basis. This was much worse than the forecasted decline of 1.7%.

**International:** During the second quarter of 2019, U.S markets reached new all-time highs and the Eurostoxx 50 managed to reach its highest level since January 2018. Asian markets are still off 2018 highs but have managed to achieve double digit returns thus far in 2019. While strong first quarter corporate earnings supported the move in equity markets, it does not tell the entire story. Markets are pricing in a rate cut (or three) as well as a long-awaited positive outcome from trade talks between the U.S and China. Worryingly, economic data points remain weak and do not support the global equity market rally.

U.S markets maintained their momentum during the quarter, ignoring any signs of economic weakness. Following the strongest quarter in more than a decade, the Dow Jones Industrial Average (+2.6%), S&P 500 (+3.8%) and Nasdaq (+3.6%) once again moved higher. The German Dax (+7.6%), France CAC (+3.5%), Euro Stoxx 600 (+2.4%), and the FTSE 100 (+2.0%) all moved higher, while Portugal's PSI (-1.3%), Spain's IBEX (-0.5%) and FTSE Italy (-0.2%) lost ground during the quarter.

## Fees

<b>Investment managers</b>	Up to 0.42%
<b>Platform</b>	Up to 0.28%

Fees are quoted per annum and excluding VAT. The investment manager fees are based on strategic weightings and may vary from time to time. The portfolio may include investment managers with performance fee structures. This may result in higher overall fees, but only when performance targets agreed have been exceeded. Details of performance fees paid to underlying managers over the previous calendar year will be provided to clients on request.

## Contact Details

Sasfin Asset Managers (Pty) Ltd  
Registered Financial Service Provider,  
FSP number 21664.  
29 Scott Street, Waverley, 2090  
Tel: (011) 809 7500  
Fax: (086) 574 5310  
Email: SasfinCI@sasfin.com

## Notes and Disclaimer

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