

Asset Consulting | **sasfin**
Wealth

The Horizon High Equity Portfolio is a medium to high risk balanced fund that aims to deliver superior real returns over the medium to longer term, with a strong focus on risk management through the combination of active and passive investment strategies.

The underlying managers have been selected, mandated, monitored and reviewed by Sasfin Asset Consulting on behalf of their clients. The portfolio complies with Regulation 28 of the Pension Funds Act, 1956 as amended.

Sygnia is a financial services group specialising in the design and management of customised multi-manager product solutions for institutional clients in South Africa and globally. Sygnia Life is a registered life assurance company within the group.

Sasfin is a premier South African banking group, providing business banking, wealth management, capital, specialised services and treasury services. Sasfin Asset Consulting, a division of Sasfin, provides a comprehensive, independent and highly professional financial advisory service to institutional clients.

Investment Managers: Up to 0.53%
Platform: Up to 0.28%

The above fees exclude VAT, performance fees and fund expenses. The investment management fees consist of fees charged by the underlying investment managers and Sasfin Asset Managers. The indicative investment management fees are based on the respective strategic weightings of the underlying investment managers. The investment management fees will vary from time to time based on the actual manager weightings.

1 Year	3 Year	5 Year	Since Inception
21.9%	9.4%	6.8%	10.5%

After initial signs pointing to a quick recovery post 2020, markets seem to be slowing somewhat. A slowing economy in China, a drop in tech and an apparent bubble in cryptocurrency, all point to a wait and see approach for investors. Having climbed 300% in the last year, Bitcoin tumbled to half of its April peak on the back of Tesla founder Elon Musk suspending purchases of Tesla vehicles using Bitcoin and a Chinese crackdown forbidding the use of Bitcoin to price products or services. Tech shares including Naspers followed in a downward spiral.

China's credit data moved to the downside in April, continuing to point to a reduction of stimulus and slowing of the economy. China's old economy is likely to start slowing in the third quarter. Commodities are particularly at risk of a correction, with China's policy tightening. Meanwhile in the United States, the Fed is not expected to lift interest rates even as inflation continues to rise over the rest of the year. However, treasury yields will continue to rise as inflation continues to flow through in the short term.

Locally, the South African Reserve Bank has cautioned that based on the slow vaccine rollout, and an imminent third wave, the pandemic in South Africa may last well into 2022. On 31 May, the country moved to an adjusted level two lockdown due to rising infections in several provinces. As of 1 June, 970 488 vaccines have been administered in total. Eskom started stage two load-shedding against the backdrop of a R1.4 billion restraint order against former Eskom executives by the National Prosecuting Authority. Allegations of corruption around a R255 billion power contract awarded to a Turkish company remain unaddressed. There is no sign of respite from the decline of energy availability, which could severely hamper economic growth.

ANC Secretary-General Ace Magashule is taking the ANC to court following his suspension early in May. Former President Jacob Zuma, was also shot down in the last week of May when the Constitutional Court dismissed his appeal against an estimated R10 million costs order. The FTSE/JSE SWIX Index rose 1.3%, Industrials were up 0.9% and Financials grew 9.2%. The JSE All Bond Index increased 3.7%, while the rand appreciated by 5.4% relative to the US dollar.

The chart displays the performance of four investment strategies over a 14-year period from September 2007 to March 2021. The Y-axis represents the value of the investment, starting at 100 and increasing to 500. The X-axis shows the timeline with labels for every 11 months (e.g., Sep 07, Dec 07, Mar 08, etc.).

- Horizon High Equity Portfolio (Dark Blue):** Shows the highest performance, starting at 100 and ending at approximately 450 in March 2021.
- CPI + 6% (Lagged by 1 month) (Light Blue):** Shows strong performance, ending at approximately 420 in March 2021.
- FTSE/JSE All Share Index (Medium Blue):** Shows moderate performance, ending at approximately 380 in March 2021.
- CPI (Lagged by 1 month) (Brown):** Shows the lowest performance, ending at approximately 210 in March 2021.

The chart illustrates that the Horizon High Equity Portfolio significantly outperformed the other three strategies over the period shown.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017	1.4%	-0.5%	2.2%	2.7%	0.4%	-1.5%	3.9%	0.8%	1.9%	4.0%	0.2%	-1.2%	14.8%
2018	-1.6%	-3.2%	-2.2%	5.0%	-1.6%	2.2%	0.2%	4.8%	-2.5%	-2.9%	-2.4%	0.2%	-4.4%
2019	2.4%	2.8%	0.9%	2.9%	-2.4%	2.0%	-0.2%	-0.2%	0.6%	2.3%	-0.8%	1.0%	11.7%
2020	1.6%	-5.3%	-10.1%	10.2%	1.6%	3.8%	2.9%	1.2%	-2.4%	-2.2%	6.3%	2.0%	8.3%
2021	2.4%	2.9%	1.5%	2.2%	-0.3%								9.0%

FUND SUMMARY

Inception (back dated): 01-Aug-07

Number of Months 166

	FUND	LMM
Sharpe Ratio	0.05	-0.05
Sortino Ratio	0.07	-0.07

RISK ANALYSIS

	FUND	LMM
% Positive Months	66.3%	66.3%
% Negative Months	33.7%	33.7%
Best Month	10.2%	9.7%
Worst Month	-10.1%	-10.5%
Avg Negative Return	-1.8%	-2.0%
Maximum Drawdown	-14.8%	-23.8%
Standard Deviation	8.8%	9.5%
Downside Deviation	6.1%	7.0%

CORRELATIONS

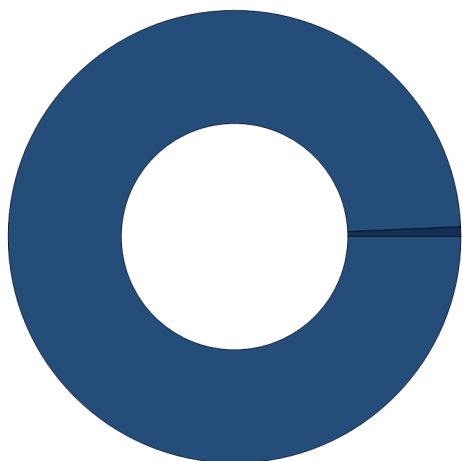
FTSE/JSE All Share Index	0.87	0.93
BESA All Bond Index	0.26	0.20

MARKET STRESS MONTHS

	FUND	ALSI
September 2008	-2.4%	-13.2%
October 2008	-3.0%	-11.6%
February 2009	-6.5%	-9.9%
March 2020	-10.1%	-12.1%

Returns are gross of fees. Proforma performance numbers for periods prior to inception of the portfolio are based on actual performance of the underlying building blocks used in the portfolio. These risk and return numbers are shown to aid in the understanding of potential future performance and risk characteristics of the product.

MANAGER ALLOCATION



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PERFORMANCE ANALYSIS

PERFORMANCE

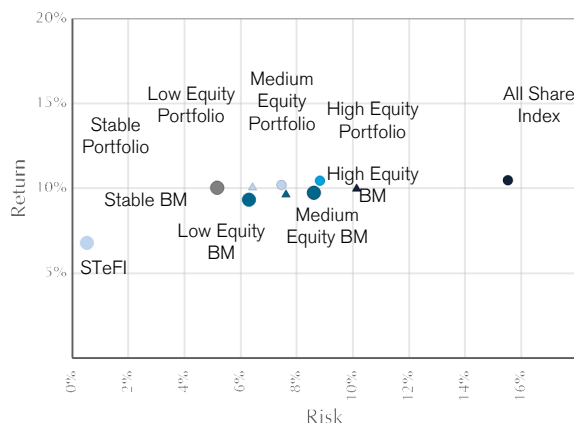
Calendar Years

	FUND	CPI + 6%	DIFFERENCE
2015	12.5%	10.8%	1.7%
2016	0.2%	12.6%	-12.4%
2017	14.8%	10.6%	4.2%
2018	-4.4%	11.2%	-15.5%
2019	11.7%	9.6%	2.2%
2020	8.3%	9.2%	-0.9%

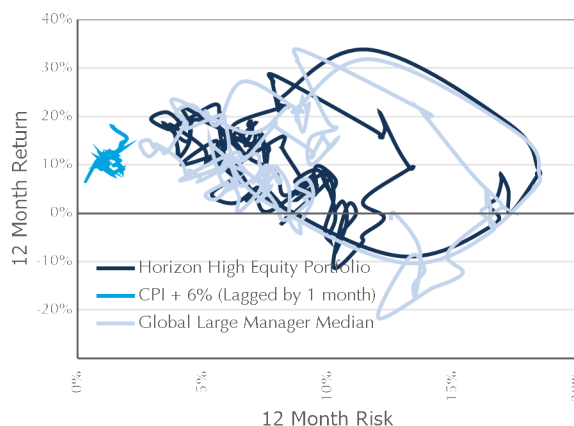
Periodic Performance

1 month	-0.3%	1.1%	-1.4%
3 month	3.4%	3.4%	0.0%
6 month	11.2%	5.4%	5.7%
Year to date	9.0%	4.9%	4.1%
1 year	21.9%	10.4%	11.4%
2 year	11.2%	9.7%	1.5%
3 year	9.4%	9.9%	-0.5%
5 year	6.8%	10.3%	-3.5%
10 year	10.6%	11.0%	-0.5%
Since Inception (back dated)	10.5%	11.6%	-1.0%

RISK/RETURN COMPARISON



12 MONTHS RISK/RETURN SNAIL TRAIL



FAIS Notice and Disclaimer:

The above portfolio is available under a policy of insurance issued by Sygnia Life Limited FSP No 2935. The asset mix and underlying asset managers are determined in consultation with Sasfin Asset Managers (Pty) Ltd FSP No 21664. This information is not advice as defined and contemplated in the Financial Advisory and Intermediary Services Act 37 of 2002. Whilst reasonable care was taken in ensuring that the information is accurate, Sygnia Life Limited and/or Sasfin Asset Managers do not warrant its accuracy, correctness or completeness and accept no liability in respect of any damages and/or loss suffered as a result of reliance on this information.