

# Horizon Low Equity Portfolio

June 2021

The Horizon Low Equity Portfolio is a low 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.

This portfolio is managed on a multi-manager basis and includes international exposure. The strategic allocation to various asset classes is set out in the description of the strategic benchmark. Each manager appointed to manage assets within a particular asset class has been selected on the basis of rigorous quantitative and qualitative analysis.

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.

## ABOUT SYGNIA

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.

## ABOUT SASFIN

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.

## FEES

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.

## PERFORMANCE SUMMARY

1 Year	3 Year	5 Year	Since Inception
13.7%	8.3%	7.7%	10.3%

## PERFORMANCE COMMENTARY

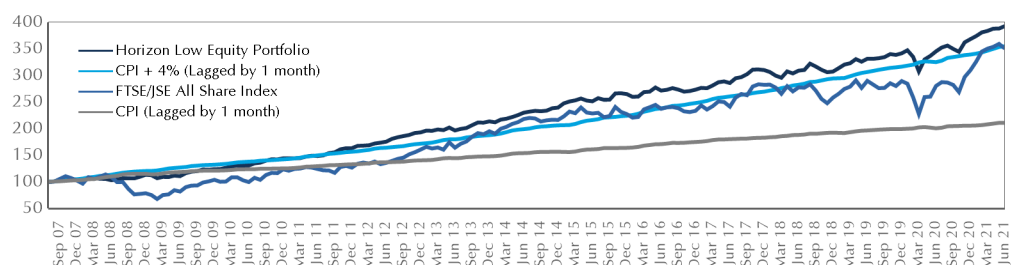
Globally, the Covid-19 pandemic continues to hold countries hostage, with the emergence of the Delta strain. Pharmaceutical companies are facing incessant pressure in terms of mass production. Dr Anthony Fauci, President Joe Biden's chief medical adviser, says the Delta variant accounted for more than 20% of new infections in the US and threatens the nation's efforts to eradicate Covid-19. While the FDA (Federal Drug Administration) and CDC (Centre for Disease Control) do not currently recommend a booster shot after receiving a vaccine, some virologists in the US have taken the Pfizer shot after already receiving the Johnson & Johnson (J&J) vaccine, claiming there are "too many unknowns and we can't wait for recommendations."

Locally, just over 3 million vaccines had been administered as of 01 July 2021. Both the Pfizer and the J&J vaccines are being rolled out. The Astra Zeneca vaccine has also been registered in South Africa. Government is currently reviewing the efficacy of the Sinovac, Sinopharm and Sputnik vaccines as well. The healthcare industry braces itself amidst increasing infection rates, largely attributed to the Delta variant.

Economies are recovering, although a recovery to pre-2019 levels may take some years, particularly in terms of debt repayments. Deputy Governor of the South African Reserve Bank, Kuben Naidoo, says the current lockdown restrictions are "merely a speed bump" and unlikely to derail the country's economic recovery. SA recorded a massive trade surplus of R54.6 billion for May 2021, marking the third consecutive month where the surplus has been above R50 billion.

The Constitutional Court ruling sentencing Former President Jacob Zuma to 15 months jail time for contempt of court has sent a very loud signal that no South African is above the law. This is sure to have several high-ranking ANC members fearing a little. It looks like the South African rollercoaster economy is set for another downhill turn, but we should see an improvement towards the third quarter as the national vaccine rollout gathers momentum. The FTSE/JSE SWIX Index fell 2.8%, Industrials were up 0.6% and Financials decreased by 2.6%. The JSE All Bond Index increased 1.1%, while the rand depreciated by 4.1% relative to the US dollar.

## CUMULATIVE RETURNS



## HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2017</b>	1.2%	-0.2%	1.9%	2.2%	0.5%	-1.0%	3.1%	0.7%	1.8%	2.9%	0.1%	-0.4%	<b>13.5%</b>
<b>2018</b>	-1.2%	-2.2%	-1.3%	4.0%	-1.2%	1.7%	0.4%	3.8%	-1.7%	-1.9%	-1.5%	0.4%	<b>-0.9%</b>
<b>2019</b>	2.1%	2.1%	0.8%	2.4%	-1.5%	1.7%	0.0%	0.4%	0.6%	1.7%	-0.4%	0.9%	<b>11.2%</b>
<b>2020</b>	1.7%	-3.6%	-8.2%	7.3%	2.0%	2.6%	2.1%	1.0%	-1.7%	-1.6%	5.1%	1.7%	<b>7.8%</b>
<b>2021</b>	1.5%	1.9%	0.7%	1.1%	0.1%	1.2%							<b>6.6%</b>

## FUND SUMMARY

Inception (back dated): 01-Aug-07

Number of Months 167

	FUND	LMM
Sharpe Ratio	0.01	-0.05
Sortino Ratio	0.02	-0.07

## RISK ANALYSIS

	FUND	LMM
% Positive Months	69.5%	66.5%
% Negative Months	30.5%	33.5%
Best Month	7.3%	9.7%
Worst Month	-8.2%	-10.5%
Avg Negative Return	-1.2%	-2.0%
Maximum Drawdown	-11.4%	-23.8%
Standard Deviation	6.4%	9.5%
Downside Deviation	4.9%	7.0%

## CORRELATIONS

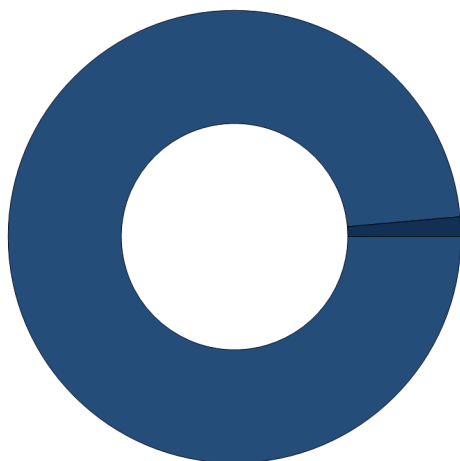
FTSE/JSE All Share Index	0.78	0.93
BESA All Bond Index	0.36	0.21

## MARKET STRESS MONTHS

	FUND	ALSI
September 2008	-0.2%	-13.2%
October 2008	-0.1%	-11.6%
February 2009	-5.0%	-9.9%
March 2020	-8.2%	-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



 Horizon Multi Managed Preservation Fund - 98.6%  
 Cash - 1.4%

## FOR MORE INFORMATION CONTACT:

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## PERFORMANCE ANALYSIS

### PERFORMANCE

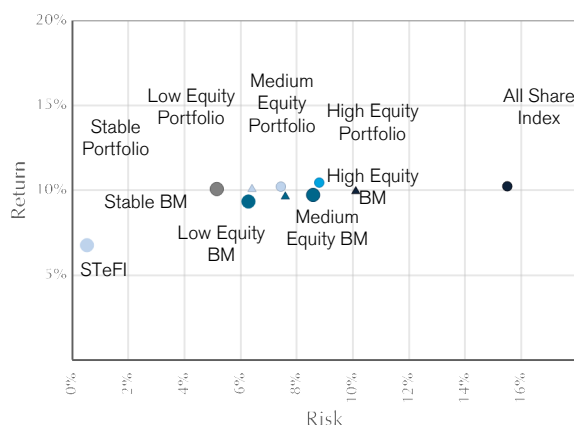
#### Calendar Years

	FUND	CPI + 4%	DIFFERENCE
2015	10.6%	8.8%	1.8%
2016	3.1%	10.6%	-7.5%
2017	13.5%	8.6%	4.9%
2018	-0.9%	9.2%	-10.1%
2019	11.2%	7.6%	3.6%
2020	7.8%	7.2%	0.6%

#### Periodic Performance

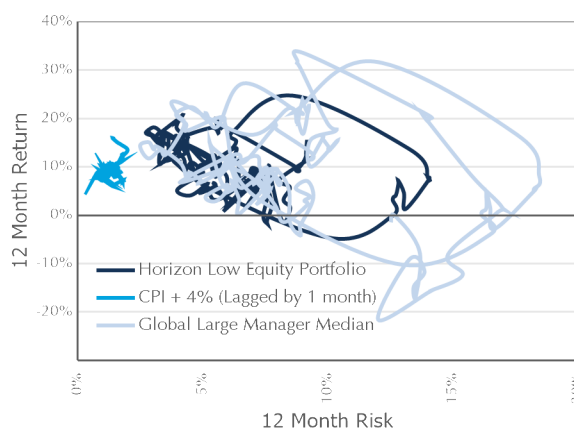
1 month	1.2%	0.4%	0.8%
3 month	2.3%	2.4%	0.0%
6 month	6.6%	4.6%	2.1%
Year to date	6.6%	4.6%	2.1%
1 year	13.7%	9.2%	4.6%
2 year	8.9%	7.6%	1.3%
3 year	8.3%	7.9%	0.4%
5 year	7.7%	8.3%	-0.6%
10 year	10.2%	9.0%	1.2%
Since Inception (back dated)	10.3%	9.5%	0.8%

## RISK/RETURN COMPARISON



This chart compares how each portfolio in the range has performed against its benchmark and other relevant comparators in risk and return space since inception.

## 12 MONTHS RISK/RETURN SNAIL TRAIL



### FAIS Notice and Disclaimer:

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