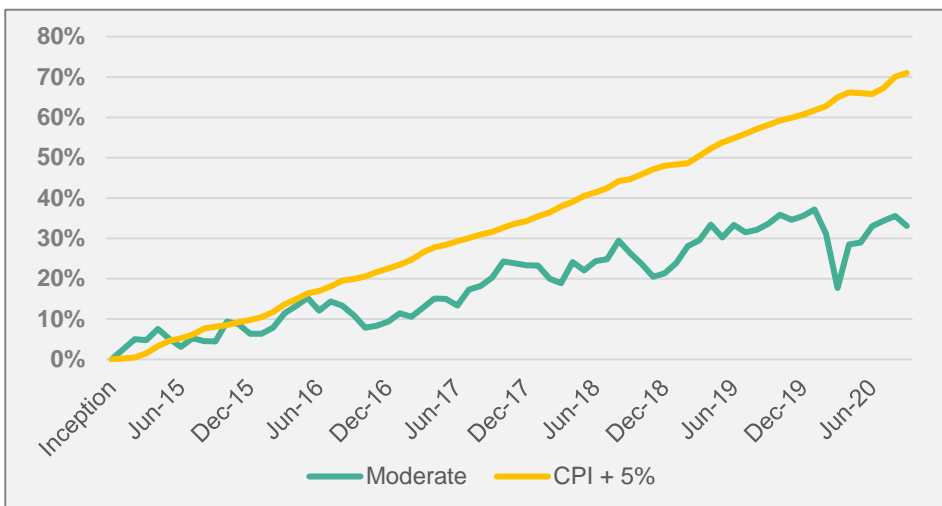


# Sasfin Wealth | ETF Range

## Moderate Portfolio

### PORTFOLIO PERFORMANCE

Q3SEPTEMBER 2020



### PORTFOLIO FACTS

**Sector:** Global – Balanced

**Benchmark:** CPI + 5%

**Regulation 28 compliant:** Yes

**Inception date:** 1 January 2015

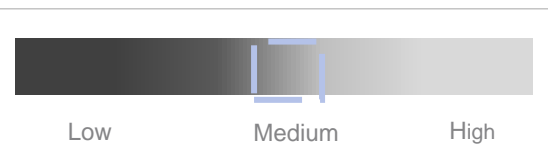
**Investment Objective:**

The objective is to maximise long-term returns for this risk strategy, achieving a minimum of CPI + 5% over a 3 year rolling basis. Optimal asset allocation is determined using sophisticated loss aversion statistical modelling.

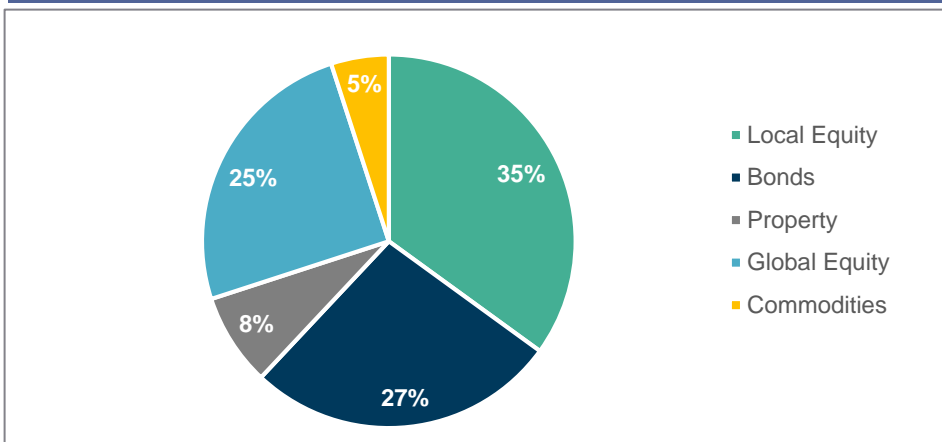
### PORTFOLIO PERFORMANCE

	Moderate	CPI + 5%
3 months	0.05%	3.17%
6 months	13.03%	3.66%
1 year	-0.42%	8.10%
3 years	3.44%	9.12%
5 years	4.97%	9.61%

### RISK PROFILE



### ASSET ALLOCATION



### FEES

Total Expense Ratio (TER)	0.83%
Transaction costs (TC)	0.08%
Total Investment Charge (TIC)	0.91%

### TOP 5 HOLDINGS

Satrix INDI ETF	13.90%
NewFunds GOVI ETF	13.66%
NewFunds ILBI ETF	13.66%
iShares Core S&P 500 ETF	12.41%
Invest Property ETF	7.43%

### PORTFOLIO PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2016	0.05%	1.41%	3.29%	1.68%	1.71%	-2.73%	2.02%	-0.87%	-2.15%	-2.75%	0.40%	0.97%	2.85%
2017	1.94%	-0.82%	1.98%	2.08%	-0.11%	-1.42%	3.49%	0.73%	1.77%	3.36%	-0.40%	-0.37%	12.79%
2018	-0.05%	-2.67%	-0.93%	4.39%	-1.63%	1.92%	0.36%	3.67%	-2.36%	-2.14%	-2.56%	0.72%	-1.58%
2019	2.06%	3.40%	1.12%	2.97%	-2.38%	2.36%	-1.32%	0.45%	1.16%	1.68%	-0.97%	0.74%	11.70%
2020	1.19%	-4.44%	-10.18%	9.13%	0.39%	3.13%	0.99%	0.92%	-1.83%				-1.83%

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### Market commentary

A little more than nine months ago, we began to hear whisperings of a deadly virus that had emerged in Wuhan, the capital city of the Hubei province located in central China. As the third quarter of 2020 comes to an end, the number of confirmed deaths linked to COVID-19 has now passed the one million mark. Currently, travel between countries remains muted, economies have been left on their knees and many industries remain severely depressed. However, global equity markets have recovered strongly.

The third quarter saw the MSCI All Country World Index - a broad measure of global equity markets - completed its recovery from the depths of March, following a return of 8% for the quarter as its performance year-to-date returned to positive territory. While the strong performance for the quarter was broad-based, for the first time since March, "Big Tech" stocks endured a sizable correction during September. The tech-heavy Nasdaq Index declined by as much as 12% during the month before recovering somewhat, bringing its total increase since its March low to 63%.

Heading into the final quarter of 2020, investors will be wondering whether stocks can continue their upward trend. Perhaps the biggest determining factor lies at the doorstep of governments and central banks. The recovery in stocks this year was largely driven by monetary and fiscal stimulus, the likes of which has never been seen. A continued rise in equity markets may come under pressure over the next quarter as political uncertainty comes to the fore. The 3rd of November will see Americans return to the voting booths to elect the next US president, while the Brexit process continues down its uncertain path.

The rise in political uncertainty and the accommodative policies of governments and central banks has led investors to allocate an increased amount of their capital into the safe-haven asset of gold. Despite a pull-back in the price of gold in the third quarter which saw it fall below the \$2,000/ozt level to end the quarter at \$1,888/ozt, gold has been the best performing major asset class this year having increased by 24%.

The rise in the gold price to record levels led to strong performance by the South African gold miners with the JSE Gold Mining index up 80% year-to-date. Gold miners such as Gold Fields (+23%), Harmony (+24%) and Sibanye StillWater (+23%) as well as platinum counterparts Impala Platinum (+25%) and Northam Platinum (+47%) were significant contributors to performance of the JSE All Share Index. The index, however, ended the quarter flat as the strong performance of the precious metal counters was offset by a decline in technology stocks Naspers (-6%) and Prosus (-4%) and rand-hedge British American Tobacco (-12%).

### Strategy

The strategy started the quarter very positively, however, these gains were unfortunately reversed by the large sell off in September. This impacted our performance and our longer-term numbers continue to lag. For the strategy to track back in line with its long-term CPI plus target, risk assets need to revert back to their long term mean performance over time.

We continue to be comfortable with the portfolio's positioning to provide consistent long-term returns in line with its objective.

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### Disclaimer

This fact sheet has been prepared by Sasfin Wealth Investment Platform (PTY) Ltd (SWIP), an authorised Financial Services Provider, FSP no. 45334, in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 and a member of Sasfin Wealth; Physical Address - 29 Scott Street Waverley, Johannesburg, 2090 - Telephone. +27 11 809 7500.

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The reported strategy return includes a theoretical component calculation for the period from January 2015 to May 2016. Performance is based on the standard portfolio including physical offshore exposure. Clients invested in the limited portfolio or holding local ETF's instead of offshore ETF's may experience different performance returns. Returns have been calculated using the most accurate sources available and while every effort is taken to ensure the accuracy of the information contained herein, Sasfin Wealth shall not be liable for any errors, omissions or changes and disclaims any responsibility for any action which may be taken based on such information.