

August 2020

**ASISA Category** SA Multi Asset Low Equity

**Portfolio Manager** Sasfin Asset Managers

**Launch Date** 27-Sep-2012

**Benchmark** SA Multi Asset Low 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 is expected to have an inflation objective of CPI plus 3% over any rolling 3 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 3 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	3.12%
Sasfin BCI Opportunity Equity	3.96%
Sygnia ALSI Tracker	3.93%
Fairtree Prescient Equity	4.70%
Absa Property	5.91%
Coronation Strategic Income	6.98%
Futuregrowth Yield Enhanced Bond	16.28%
Sasfin BCI Flexible Income Fund	23.30%
BCI Income Plus Fund	12.00%
Managed Cash	0.26%
BlackRock Developed World Index	17.19%
Nedbank USD Account	2.37%
<b>Total</b>	<b>100.0%</b>

## Risk Profile

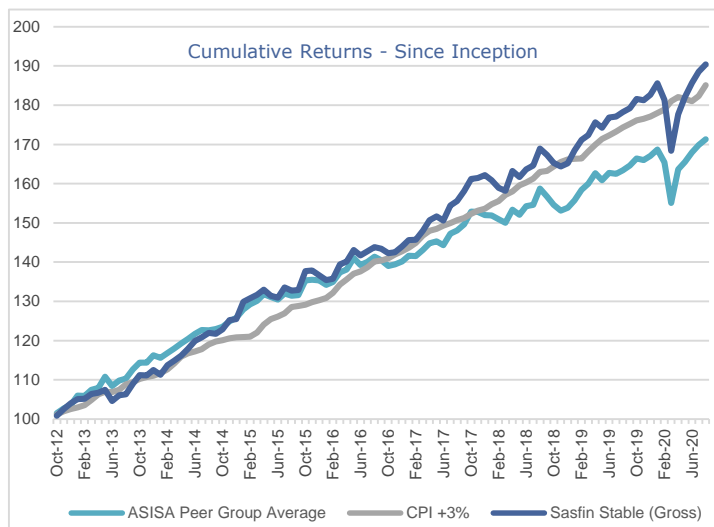


## Minimum Recommended Investment Term

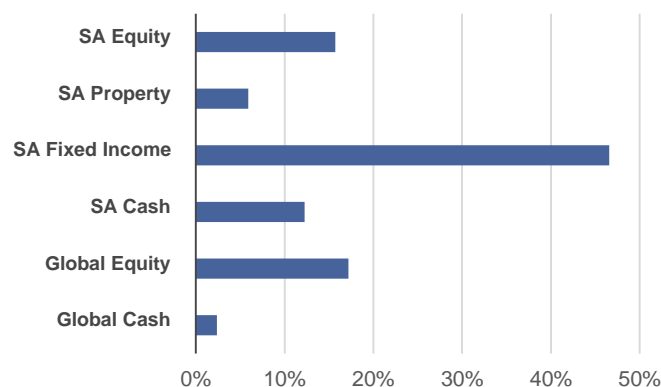


## Performance vs Benchmark

	1 Year	3 Year	5 Year	Since Inception
<b>Portfolio Return (Gross)</b>	6.8%	7.0%	7.5%	8.4%
<b>Portfolio Return (Net)</b>	6.2%	6.3%	6.7%	7.7%
<b>ASISA Peer Group Average (Net)</b>	4.8%	5.0%	5.4%	7.0%



## Asset Allocation



## Monthly Commentary

In the short space of just six months, the US stock market - as measured by the S&P 500 Index - has fully recovered back to its February high, following the massive sell-off which saw it lose a third of its value in little over month. August saw the index increase by 7%, which means that year-to-date the index is up over 8%. The strong performance of the US index has been driven by tech stocks, in particular big-tech stocks, the likes of which include Amazon, Apple, Facebook, Google and Microsoft. Together these five stocks account for a quarter of the value of the S&P 500 and have contributed nearly a third of the gains since the rally began in March.

In the UK, the FTSE 100 remains 22% off its earlier year high. Unlike its increasingly tech-heavy US counterpart, the weighting in the UK index towards technology stocks is quite low. In addition, a larger proportion of its market capitalisation is attributable to cyclical dividend paying stocks such as financials and the oil majors - both categories of which sold off significantly and remain depressed. A similar story has played out in the rest of Europe although the recovery has been somewhat stronger than the UK. Despite increasing 3% during the month, the recovery in the Euro STOXX 50 Index is not complete and the index is still 7% below the highs it reached earlier in the year. Compared to the FTSE 100, the Euro STOXX 50 has a higher weighting towards technology stocks, and a lower weighting in energy stocks, which would go some way to explaining the better relative performance.

On the home front, the JSE All-Share Index was flat for the month and remains 3% down year-to-date. Much like its international counterparts, the local index has been weighed down by banking stocks as well as those related to insurance and real estate sectors. Despite being down for the year, the recovery in the index has been heavily influenced by its weighting in Naspers and Prosus, as well as the strong gains in mining stocks, with gold miners in particular providing a positive contribution. Gold has been the best performing major asset class this year having increased by 30%. During the month it temporarily breached the \$2000/ozt level but has since fallen back to \$1968/ozt.

## Top 10 Holdings

ES42	2.10%
Naspers Ltd	1.90%
African Bank Ltd	1.68%
R2035	1.46%
ABSA Group Limited	1.36%
Prosus N.V.	1.31%
NEPI Rockcastle PLC	1.24%
TN40	1.21%
R2044	1.19%
R2037	1.02%

## Fees

**Investment managers** Up to 0.39%

**Platform** 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

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## Notes and Disclaimer

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