

# Sasfin Horizon Medium Equity Portfolio

November 2020

<b>ASISA Category</b>	SA Multi Asset Medium Equity	<b>Portfolio Manager</b>	Sasfin Asset Managers
<b>Launch Date</b>	01-Dec-2012	<b>Benchmark</b>	SA Multi Asset Medium 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 5% over any rolling 5 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 5 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
Dibanisa ALSI Tracker	7.10%
Bateleur Equity	5.60%
Sasfin BCI Opportunity Equity	6.80%
Fairtree Equity Fund	8.60%
Absa Property	7.80%
Coronation Strategic Income	5.10%
Sasfin BCI Flexible Income Fund	17.10%
Futuregrowth Bond	12.00%
BCI Income Plus Fund	3.70%
BlackRock Worldwide Core	21.50%
StateStreet Global Cash	4.70%
<b>Total</b>	<b>100.00%</b>

## Risk Profile

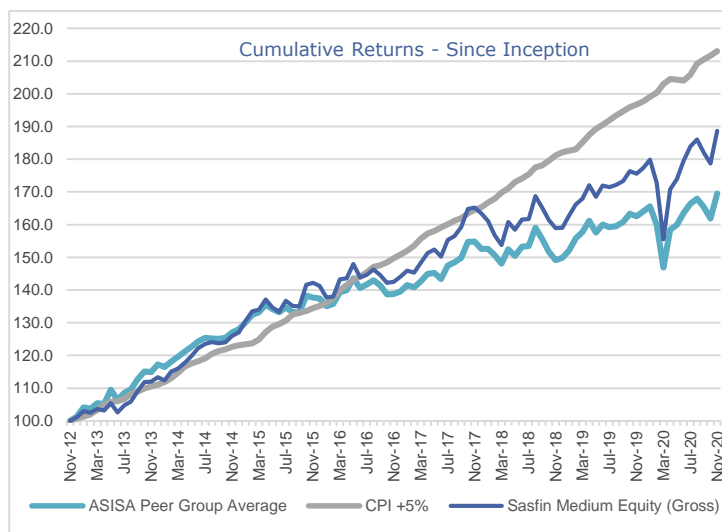
Conservative	Cautious	Moderate	Assertive	Aggressive
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## Minimum Recommended Investment Term

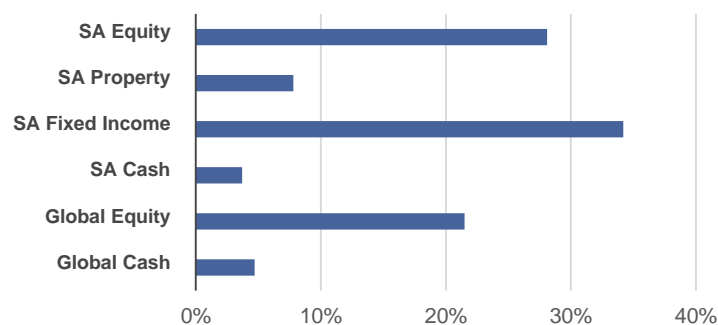
+ 3 Months	+ 1 Year	+ 3 Years	+ 5 Years	+ 7 Years
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## Performance vs Benchmark

	1 Year	3 Year	5 Year	Since Inception
<b>Portfolio Return (Gross)</b>	7.5%	4.5%	5.8%	8.3%
<b>Portfolio Return (Net)</b>	6.9%	3.9%	5.2%	7.7%
<b>ASISA Peer Group Average (Net)</b>	4.3%	3.1%	4.2%	6.8%



## Asset Allocation



## Monthly Commentary

Several positive developments in November mean that we are going into December on a high note, both globally and locally. The Biden US election win has buoyed global optimism around a more reasonable US when it comes to international relations. There are high hopes that a vaccine may be available early next year, if not before the end of this year.

China seems to be leading the globe when it comes to economic recovery post-Covid. If the pandemic originated in China, it does make sense that the economic recovery would begin in the same place. However, one wonders how much the economic recovery has to do with China's 996 working hour system, where employees work from 9am to 9pm, six days a week. Surely other economies would thrive under similar conditions. 2020 certainly seems set to go out with a bang, on the back of a pending Brexit deal, a US battle for the Senate, and two potential vaccine rollouts.

Locally, the arrest of Ace Magashule has reaffirmed some faith in President Cyril Ramaphosa. When he took office in May 2019, Cyril promised to address corruption and while the wheels of justice are turning slowly, there is definite movement in the right direction.

The R109.6 billion worth of collective investment pledges at the third South Africa Investment Conference has been widely hailed for putting the country firmly back on track towards securing the five-year R1.2 trillion investment target. But this was tempered within a week when ratings agencies, Fitch and Moody's, both downgraded SA further. Both agencies maintained a negative outlook, highlighting continued concerns around unsustainable government debt and lack of reforms. All eyes will be on SA in February when the National Budget is made public, outlining expenditure over the next three to five years. The FTSE/JSE SWIX Index gained 8.3%, Industrials were up 7.6% and Financials soared 18.0%. The JSE All Bond Index advanced 3.3%, while the rand appreciated by 4.8% relative to the US dollar.

## Top 10 Holdings

Naspers Ltd	2.10%
Eskom Holdings Ltd	2.00%
Nepi Rockcastle Plc	2.00%
Investec Ltd	1.80%
Nedbank	1.70%
First Rand Bank	1.70%
African Bank Ltd	1.40%
Lighthouse Capital Ltd	1.20%
Hammerson Plc	1.20%
R2044	1.00%

## Fees

<b>Investment managers</b>	Up to 0.35%
<b>Platform</b>	Up to 0.11%

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.

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