

# Sasfin Horizon Medium Equity Portfolio

September 2021

**ASISA Category** SA Multi Asset Medium Equity

**Portfolio Manager** Johan Gouws

**Launch Date** 01-Dec-2012

**Benchmark** 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
Bateleur Equity	5.45%
Sasfin BCI Opportunity Equity	6.78%
Top 40	5.99%
Fairtree Prescient Equity	8.17%
Absa Property	7.33%
Coronation Strategic Income	3.13%
Sasfin BCI Flexible Income Fund	17.00%
BCI Income Plus Fund	4.44%
Managed Cash	3.56%
USD Cash	2.35%
Sygnia Itrix S&P Global 1200 ESG ETF	7.69%
Vanguard World	16.46%
Domestic Bonds	11.64%
<b>Total</b>	<b>100.0%</b>

## Risk Profile

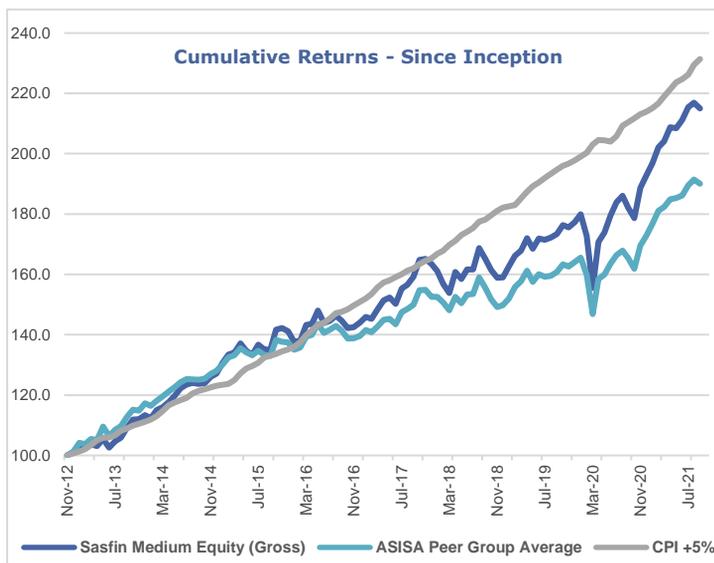


## Minimum Recommended Investment Term

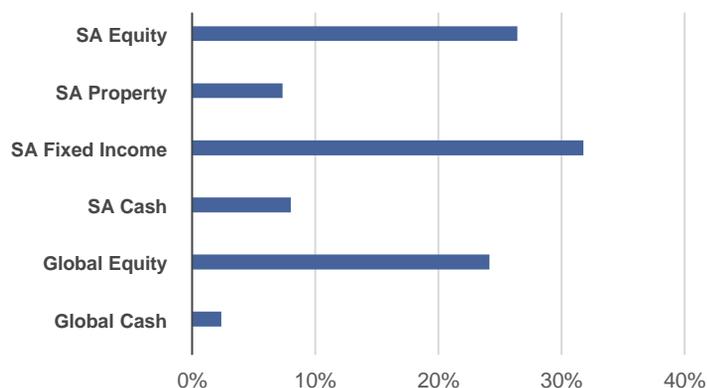


## Performance vs. Benchmark

	1 Year	3 Year	5 Year	Since Inception
<b>Portfolio Return (Gross)</b>	18.1%	9.2%	8.3%	9.0%
<b>Portfolio Return (Net)</b>	17.5%	8.6%	7.7%	8.5%
<b>ASISA Peer Group Average (Net)</b>	14.9%	6.9%	6.1%	7.5%



## Asset Allocation



## Monthly Commentary

The vaccination campaign in emerging markets has accelerated whereas in developed markets, they've decelerated. And while the spike in cases in highly vaccinated countries such as Israel and the UK shows that complete immunity is unlikely, hospital utilisation rates continue to fall. Political pressure to maintain lockdowns will reduce and economies will remain open, as long as everyone who wants a vaccine is able to receive it.

New Zealand has eased restrictions everywhere except Auckland. Australia plans to gradually re-open Sydney on a two-tier basis, with more freedom for the vaccinated than the unvaccinated. In Germany, where the fourth wave is underway, most of the country has a 3G rule in place, which means you are allowed entry to places if you are unvaccinated and have a negative Covid test. The Leibniz Institute for Economic Research has recommended that 2G rules, which would exclude unvaccinated people from public settings, would cost less than another lockdown. In the East, China's policy is turning more stimulative with the injection of \$17Billion into the financial system, the most short-term liquidity in eight months.

Interest rates are likely to start rising in the next year, and as early as the fourth quarter of 2021 in the US. In the UK, interest rates are expected to rise by February next year after the Bank of England signalled growing concern about a rise in inflation. Norway's central bank has already led the way, raising its benchmark interest rate in September from a record low of 0% to 0.25%. The Norwegian monetary policy committee says it is likely the country will see four more hikes by the end of 2022, moving it to a rate of 1.25%.

Locally, South Africa is a case in point, having moved to a reduced level one lockdown in the first week of October, although analysts claim the lockdown change is a strategic move by the ruling party to allow for campaign rallies ahead of the looming local elections. The Monetary Policy Committee chose to hold interest rates at 3.5%, marking the seventh consecutive time the MPC has left rates unchanged with the prime lending rate of commercial banks at a five-decade low of 7%. The FTSE/JSE SWIX Index fell 1.4%, Industrials were down 1.2% and Financials increased by 1.7%. The JSE All Bond Index decreased 2.1%, while the rand depreciated by 4.0% relative to the US dollar.

## Notes and Disclaimer

- Performance returns are calculated net of fees.
- While every effort is taken to ensure the accuracy of the information contained herein, Sasfin shall not be liable for any errors or omissions and disclaims any responsibility for any action which may be taken based on such information.
- While historical data and reasonable market related assumptions have been used in the construction of some of the data, these are general indicators only for the purpose of ongoing targeting and assessment and are not guaranteed.
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- The Fact Sheet does not constitute any form of advice or recommendation and Investors must consult their advisors and independently assess and confirm all material information before making any decision or taking any action.

## Top 10 Holdings

Lighthouse Capital Ltd	1.50%
Nepi Rockcastle Plc	1.40%
Hammerson Plc	1.10%
Naspers Ltd	0.90%
Equites Property	0.80%
Resilient Ltd	0.70%
Redefine Properties Ltd	0.70%
Bhp Group Plc	0.70%
Compagnie Financiere Richmont Sa	0.70%
Anglo American Plc	0.60%

## Fees

<b>Platform</b>	Up to 0.09%
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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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