glacier by Sanlam

Fund Fact Sheet

Glacier Invest Conservative

March 2020

Fund Details

Fund Category	SA Multi Asset Income
Benchmark	CPI+2% over a 2-year rolling period
Risk Profile	Conservative
Investment period	1 year or longer
Launch Date	01 April 2001
Fund Size	R 316 million

Fund Objective

The wrap fund aims to provide investors with a high level of income over the short term. The preservation of capital is of primary importance. The fund will consist primarily of income orientated assets with limited exposure to equities (maximum of 20%). Investors in this fund have an investment horizon of 1 year or longer. The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

Asset Allocation

Investor Profile

This fund is suitable for investors looking for:

- High level of income over the short term
- Capital preservation, with limited exposure to equities
- A minimum investment horizon of 1 year or longer

Cumulative performance since launch

Performance (%)	Fund	Benchmark
1 Month	-4.20	0.51
3 Months	-3.73	2.06
6 Months	-2.25	2.91
1 Year	1.60	6.14
2 Years (annualised)	4.92	6.33
3 Years (annualised)	5.53	6.16
5 Years (annualised)	6.12	6.97
Since Launch	8.39	7.52

Manager Selection (%)			
Amplify SCI Defensive Balanced	14.00	Prescient Income Provider	12.50
Amplify SCI Strategic Income	7.50	Sanlam Multi Managed Defensive FoF	8.00
BCI Income Plus	15.00	SIM Active Income	15.00
Coronation Strategic Income	15.00	SIM Inflation Plus	13.00

Monthly Fund Performance (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2020	0.89	-0.39	-4.20										-3.73
Fund 2019	0.97	1.16	0.95	1.11	-0.07	0.88	0.39	0.91	0.66	0.84	0.07	0.63	8.83
Fund 2018	0.33	0.23	0.30	1.35	0.01	1.15	0.48	1.50	-0.16	-0.09	-0.09	0.83	5.98

Fees (% incl. VAT)	
Annual wrap fee	0.46
Underlying Manager TER's	0.67

*The investor is liable for CGT on any transactions in the units of the underlying unit trusts within the wrap funds. Compulsory investments are not subject to CGT. Performance is calculated using net returns (after fees) of the underlying unit trusts, and quoted excluding wrap fund fees. Performance quoted is pre-tax. Fund performance numbers shown are for a notional portfolio and do not reflect the actual performance of the client invested in the wrap fund due to timing differences of investments or disinvestments of the client. Benchmark returns for CPI are based on actual published returns and an estimated one month return for the month of the report date. ASISA Benchmark returns are the ASISA returns available as at the time of reporting.

glacier by Sanlam

Fund Fact Sheet

Glacier Invest Conservative

March 2020

Manager Comment

COVID-19 was declared a global pandemic and resulting lockdowns meant a hard stop for the global economy. A significant economic contraction in the first half of 2020 looks inevitable. To make matters worse, an aggressive move from Saudi Arabia caused oil prices to collapse, as a breakdown in talks between OPEC and Russia triggered a price war. Central banks and governments across the globe raced to deliver record stimulus to prevent a severe virus shock from spiralling into a long-lasting slump. As such, risk assets have been in a tailspin. Global risk assets experienced a rapid decline and liquidity in higher yielding credit markets dried up. Safe haven assets offered limited protection as investors rushed into the dollar for safety amidst the market free fall. The downgrade by Moody's has added to South Africa's policy limitations. Although the downgrade had already been priced in by the market, the timing could not be worse. As such, local economic growth will remain weak.

There was no place to hide and all equity markets suffered the selloff. The energy sector was worst hit due to the persistent drop in the oil price. The corporate bond market facing the risk of non-performing loans given the oil price slump didn't fare much better. The MSCI World Index declined 1.49% in rand terms. As capital outflows hit emerging markets, the MSCI Emerging Markets Index underperformed developed counterparts and declined 3.96% in rand terms. Liquidity deteriorated rapidly in March, even in key safe haven economies, causing erratic movements in bond yields. Bond yields started to normalise toward month end due to monetary and fiscal stimulus. Barclays Capital Global Aggregate bond index gained 10.99% in rand terms.

The local equity market also didn't fare well in March, as the panic around COVID-19 set in. The ALSI declined 12.13% in rand terms. SA listed property continued its price slump YTD, declining 36.57% in rand terms. The nominal bond yield curve steepened in the midst of the global sell off and capital flight back to the dollar, along with the Moody's downgrade announcement. The ALBI declined some 9.75% in rand terms and local cash delivered 0.57% for the month.

Portfolio Manager

Rafiq Taylor

BCom (Hons) Financial Analysis and Portfolio Management ; BCom (Politics, Philosophy & Economics)

About the Portfolio Manager

Rafiq heads up the retail consulting function within the investment team. This follows his roles at Sanlam Investments' multi manager business, Sanlam Multi Manager International, which he joined in 2006. He was initially appointed as an Investment Analyst and was responsible for carrying out manager research analysis. He was later promoted to Portfolio Manager, managing investment portfolios for institutional and retail investors. In 2012, Rafiq helped establish the retail investment consulting offering that he now heads up.

He started his career in the financial services industry in 2004 as a Client Service Consultant at Glacier Financial Solutions (previously Innofin), where he serviced financial advisers.

Rafiq holds B.Com in Politics, Philosophy and Economics and B.Com (Honours) in Financial Analysis and Portfolio Management from the University of Cape Town.

Manager Information

The management of this portfolio has been outsourced to Sanlam Multi Manager International (Pty) Ltd by Glacier Financial Solutions (Pty) Ltd

Physical address

55 Willie van Schoor Avenue, Bellville, 7530
Postal Address: Private Bag X8, Tygervalley, 7536
Website: www.sanlaminvestments.com

Contact Details

Tel: +27 (21) 950-2500
Fax: +27 (21) 950-2126
Email: siretail@sanlaminvestments.com

Investment Committee

Francis Marais – Glacier Research
Luke McMahon – Glacier Research
Liesl-Mari de Jager – Glacier Research
Dries Human - Glacier BDM
Rocco Carr – Glacier BDM
Clive Preston – Glacier BDM
Rainier van der Nest – Glacier BDM
Leigh Kohler – Glacier Invest

Glacier Financial Solutions (Pty) Ltd is a licensed financial services provider. The information contained in this document has been recorded and arrived at by Glacier Financial Solutions (Pty) Ltd (FSP) Licence No. 770 in good faith and from sources believed to be reliable, but no representation or warranty, expressed or implied, is made as to the accuracy, completeness or correctness. Past performance is not necessarily a guide to future performance. Performance figures are calculated using net returns (after-fee) of funds but are quoted gross of wrap fund fee. Changes in currency rates of exchange may cause the value of your investments to fluctuate. The value of investments and income from them may therefore go down as well as up, and are not guaranteed. The information is provided for information purposes only and should not be construed as the rendering of investment advice to clients. Glacier Financial Solutions (Pty) Ltd and its' shareholders, subsidiaries, agents, officers and employees accordingly accept no liability whatsoever for any direct, indirect or consequential loss arising from the use or reliance, in any manner, on the information provided in this document. Total expense ratios (TERs) are calculated quarterly and are accurate at the latest available date quoted on this document, intermediary and LISP fees are client-dependent and therefore not reflected. The wrap fund is made up of registered Collective Investment Schemes. The Minimum Disclosure Document of the underlying funds can be obtained from the respective Managers.