

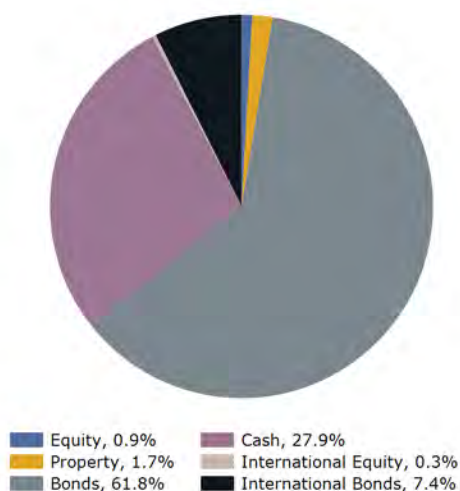
#### Fund Details

|                          |                                     |
|--------------------------|-------------------------------------|
| <b>Fund Category</b>     | SA Multi Asset Income               |
| <b>Benchmark</b>         | CPI+1% over a 1-year rolling period |
| <b>Risk Profile</b>      | Conservative                        |
| <b>Investment period</b> | 1 year or longer                    |
| <b>Launch Date</b>       | 01 April 2019                       |
| <b>Fund Size</b>         | R 740 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, focusing on highest yielding assets with risk of capital being paramount. The fund will consist primarily of income orientated assets with limited exposure to equities (maximum of 10%). Investors in this fund have an investment horizon of a minimum of 1 year. The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

#### Asset Allocation

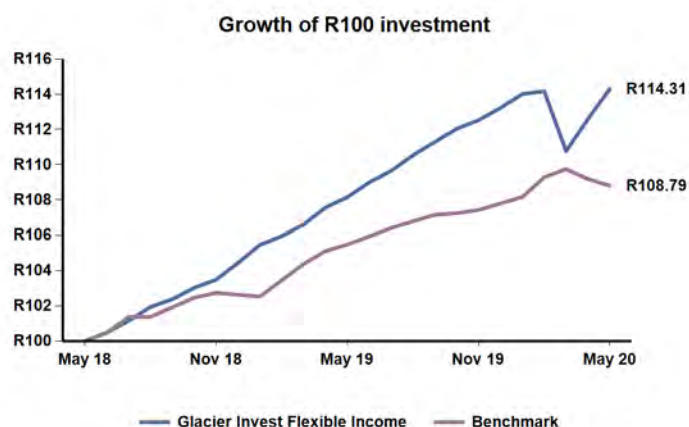


#### Investor Profile

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 - 2 years \*



| Performance (%)      | Fund* | Benchmark |
|----------------------|-------|-----------|
| 1 Month              | 1.53  | -0.35     |
| 3 Months             | 0.12  | -0.44     |
| 6 Months             | 1.59  | 1.28      |
| 1 Year               | 5.70  | 3.14      |
| 2 Years (annualised) | 6.92  | 4.30      |
| Since Launch         | 6.18  | 3.62      |

#### Manager Selection (%)

|                              |       |                           |       |
|------------------------------|-------|---------------------------|-------|
| Amplify SCI Strategic Income | 15.00 | Prescient Income Provider | 25.00 |
| BCI Income Plus              | 15.00 | SIM Active Income         | 20.00 |
| Coronation Strategic Income  | 25.00 |                           |       |

| Monthly Fund Performance* (%) | Jan  | Feb  | Mar   | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | YTD  |
|-------------------------------|------|------|-------|------|------|------|------|------|------|------|------|------|------|
| Fund 2020                     | 0.70 | 0.14 | -2.98 | 1.65 | 1.53 |      |      |      |      |      |      |      | 0.96 |
| Fund 2019                     | 0.98 | 0.47 | 0.61  | 0.91 | 0.55 | 0.77 | 0.61 | 0.80 | 0.69 | 0.67 | 0.44 | 0.62 | 8.41 |
| Fund 2018                     |      |      |       |      |      | 0.47 | 0.67 | 0.78 | 0.43 | 0.63 | 0.45 | 0.92 | N/A  |

#### Fees (% incl. VAT)

|                          |      |
|--------------------------|------|
| Annual wrap fee          | 0.23 |
| Underlying Manager TER's | 0.55 |

\*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.

## Manager Comment

Global equities have rallied since March through the pandemic-imposed lockdowns, as investors welcome the support by central banks and governments. But the rebound remains sensitive to concerns around second-wave infections that constrain the swift reopening of economies. Plunging corporate earnings amid the coronavirus-related stall in activity will weigh heavily on a rebound in global economic growth. Following more than a decade-long expansion, the US economy has plunged into a sharp downturn with the coronavirus crisis disrupting travel, shutting down businesses and triggering mass layoffs. China's outlook is improving following months of severe economic disruptions brought upon by the coronavirus. The domestic economy has continued to recover, particularly on the production side. COVID-19 will hammer Chinese economic growth this year, but the worst may already be over. The COVID-19 pandemic will deliver a long-lasting shock to South Africa. When the outbreak struck, the economy was already in recession. The drastic containment measures implemented to curb the spread will deepen the contraction. Although PMI releases to date paint an initial picture, the full impact of the lockdown has yet to show up in the economic data.

In May, as the dollar broadly weakened against most currencies, the rand strengthened some 4.17% against the greenback. The MSCI World index delivered some 0.63% in rands. The MSCI EM index lagged its developed market counterparts in May delivering some -3.25% in rands. The ALSI delivered some 0.31% in rands. Developed market bond yields were largely unchanged in May and the Bloomberg Barclays Capital Global Aggregate delivered -3.58% in rands. The SA Reserve Bank announced a 50bps reduction in the repurchase rate. The latest cut takes the rate to an almost 47-year low of 3.75%. The feared foreign bond sales emanating from the FTSE World Government Bond Index exit did not materialise to any great extent in May. In May bond yields declined, and the ALBI delivered some 7.06% in rands. Inflation-linked bonds underperformed their nominal counterparts delivering some 1.50% in rands. The local listed property market continues to deliver negative returns and declined some 0.76% in rands. Local cash returned some 0.50% for the month of May.

## Portfolio Manager



**Paul Wilson**

BSc (Hons) Actuarial Mathematics;  
CFA Charterholder

## About the Portfolio Manager

Paul joined Sanlam in 2011 as an investment analyst before being appointed to his current position of Chief Investment Officer in 2013. As CIO, Paul heads up a substantial team of experienced investment professionals in Sanlam's Multi-Management team. As solutions architects, the team performs in-depth macro and manager research that informs the portfolio construction process, which is encompassed within a disciplined framework. Sanlam's multi manager investment team has an exceptional tactical asset allocation track record, giving them a distinct competitive edge.

In his previous capacity as head of research, Paul ensured that the quality of data was high and appropriate for the investment process. His responsibilities included due diligence at a manager level, developing new analysis methods, writing articles and doing research. In his role as portfolio manager, Paul was responsible for client portfolios and making trading and investment decisions.

Before joining Sanlam, Paul fulfilled the roles of head of asset manager research and an investment consultant at Jacques Malan Consultants & Actuaries. He also gained experience as a business analyst at Monocle Solutions and a Quantitative Analyst at RisCura Solutions in 2004.

## 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](http://www.sanlaminvestments.com)

## Contact Details

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

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