

CAPITAL PRESERVATION

JULY 2020



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PORTFOLIO FACTS

| | |
|------------------------------------|--------------------------------|
| Benchmark | CPI + 2% |
| Inception Date | January 2006 |
| Currency | Rand |
| Investment Type | Multi-Asset |
| Minimum Investment | None Required |
| Recommended Investment Term | > 2 Years |
| Minimum Investment | Segregated Portfolio: R150,000 |

EFFECTIVE ANNUAL COST (EAC)

| | |
|--|------|
| Underlying Fund Total Expense Ratio (TER) | 0.41 |
| Transaction Costs | 0.16 |
| Asset Management Charge | 0.65 |
| Effective Annual Cost (%) | 1.22 |

RISK-REWARD PROFILE



INVESTOR PROFILE

The Portfolio suits investors with a two year investment horizon or more who are looking for long-term capital growth ahead of consumer price inflation and who want to protect their investment against market fluctuations.

REGULATION 28 COMPLIANCE AND SAVINGS WRAPPERS

The portfolio is Regulation 28 compliant, however, investors are not obliged to invest in the bundle via a savings wrapper.

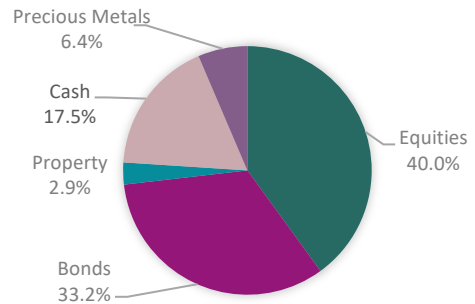
Retirement Annuity: An additional fee of 0.30% per annum will be levied

Living Annuity: An additional fee of 0.40% will be levied

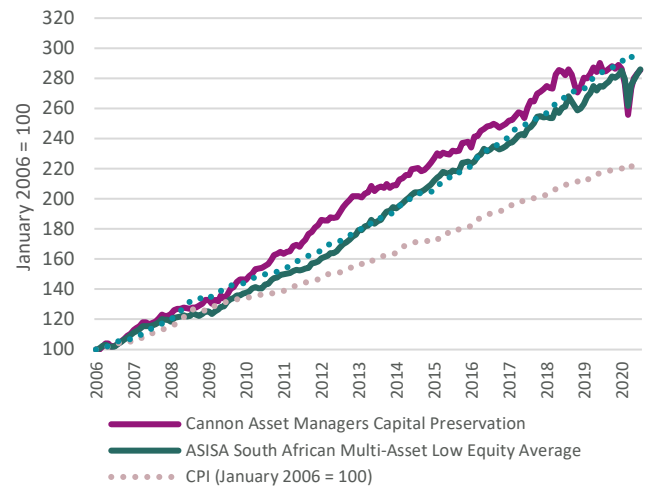
STRATEGY AND OBJECTIVES

The portfolio invests across all major asset classes to protect initial capital from downside risk and to produce long-term investment returns ahead of inflation with a conservative risk profile. The investment strategy targets an equal-weighted portfolio of equities, bonds, property and cash, although this is varied tactically from time-to-time. The exposure within the different asset classes is managed on a passive basis, which ensures holdings deliver efficient asset class returns and costs are kept as low as possible. The portfolio is managed to comply with Regulation 28 of the Pension Funds Act. Therefore it may hold foreign assets with an exposure of up to 30% of the investment value, with an allowance for an additional 10% for African (ex-South Africa) investments. It may have exposure to growth assets, including equities (up to 60% as a medium-equity investment) and property (up to 25%). As a result, it will not hold more than 85% exposure to equities and property combined and will never have less than 60% exposure to South African assets. The portfolio strategy favours holding domestic assets to avoid the volatility often associated with foreign currency exposure.

ASSET CLASS EXPOSURE



PERFORMANCE SINCE INCEPTION



PORTFOLIO ATTRIBUTES AND INVESTMENT RESULTS

| Return & Risk Attributes | Benchmark (CPI + 2%) | ASISA Average | Capital Preservation Portfolio |
|--------------------------------------|----------------------|---------------|--------------------------------|
| Average Yearly Return (%) | 7.9 | 7.6 | 7.7 |
| Average Yearly Volatility (%) | 1.5 | 3.6 | 4.8 |
| One-Year Return | 5.2 | 4.1 | 0.2 |
| Three-Year Return | 6.1 | 5.1 | 3.1 |
| Five-Year Return | 6.6 | 5.5 | 4.2 |
| Ten-Year Return | 7.1 | 7.2 | 6.3 |
| Return Since Inception (%) | 199.2 | 182.7 | 185.4 |
| Highest Monthly Return | 2.2 | 5.3 | 6.8 |
| Lowest Monthly Return | -1.1 | -6.3 | -7.5 |
| Highest Annual Return | 16.0 | 13.7 | 16.0 |
| Lowest Annual Return | 4.1 | -3.1 | -9.7 |
| Positive Months (%) | 95.4 | 81.0 | 72.4 |
| Success Rate (%) | NA | 85.6 | 89.9 |

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