



ALUSI
MANAGED
FUND OF FUNDS

31/08/2019

Conscious investing for
a brighter tomorrow

INVESTMENT OBJECTIVE

The **ALUSI MANAGED FUND OF FUNDS** is a multi-managed fund. The objective of this portfolio is to provide the investor with reasonable income with moderate capital growth, and will seek to follow an investment policy, which will reflect a spread of investments aiming at income and capital growth normally associated with the investment structure of a retirement fund. The Fund is well diversified across asset classes.

INVESTMENT MANDATE

Investments to be included in the **ALUSI MANAGED FUND OF FUNDS** will, apart from assets in liquid form, consist solely of participatory interests in portfolios of collective investment schemes investing in securities, property shares, property related securities, non-equity securities and money market instruments. The underlying portfolios of collective investment schemes are all registered in South Africa or in territories with equivalent SA regulatory standards. All the underlying portfolios are consistent with the portfolio's primary objectives. The composition of the portfolio shall reflect the investment structure of a retirement fund.

PORTFOLIO DIAGNOSTICS

| | |
|-------------------------------|---------|
| Current Unit NAV | 1.763 |
| Fund Size | R38.75m |
| Since Inception Annualised | 8.27% |
| Fund St Dev (Annualised) | 6.25% |
| Benchmark St Dev (Annualised) | 5.41% |
| Best Rolling 1 Year | 24.08% |
| Worst Rolling 1 Year | -9.55% |

PORTFOLIO BREAKDOWN

| | |
|-------------------------------------------|--------|
| South African Equity General | 44.91% |
| South African Multi Asset Income | 40.06% |
| South African Interest Bearing Short Term | 13.78% |
| FNB Bank Account | 1.25% |

MARKET PERFORMANCE (%)

| | 1m | 3m | 6m | YTD |
|-----------------------------------------|--------|--------|--------|-------|
| MSCI EFM Africa Ex SA Index (USD) | 2.07% | 2.44% | 1.58% | 7.76% |
| SWIX Total Return All Share Index (ZAR) | -2.50% | -1.69% | -0.71% | 3.96% |
| All Bond Index (ZAR) | 0.95% | 2.48% | 5.29% | 7.87% |
| SA Property Index (ZAR) | -3.57% | -2.63% | -1.88% | 1.03% |
| Cash (STEFI) | 0.58% | 1.78% | 3.64% | 4.83% |

Source: Bloomberg

FUND PERFORMANCE

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec | Year | BM |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 2019 | 3.03% | 1.56% | 0.86% | 1.94% | -2.92% | 2.38% | -0.84% | -0.56% | | | | | 5.43% | 6.98% |
| 2018 | -1.32% | -1.59% | -2.47% | 3.70% | -2.91% | 0.54% | 0.27% | 2.07% | -2.34% | -2.45% | -2.53% | 2.29% | -6.81% | 1.09% |
| 2017 | 2.14% | -1.01% | 0.74% | 1.73% | -0.67% | -2.15% | 4.41% | 0.34% | -0.22% | 4.14% | 0.71% | -0.72% | 9.62% | 14.07% |
| 2016 | -3.99% | 0.96% | 3.82% | 0.89% | 1.99% | -1.43% | 1.81% | -0.20% | 0.16% | -2.33% | -0.47% | 1.06% | 2.05% | 8.75% |
| 2015 | 2.01% | 3.28% | 0.85% | 1.66% | -1.90% | -1.25% | 1.85% | -0.81% | -0.12% | 4.17% | -0.43% | -1.60% | 7.76% | 1.93% |
| 2014 | -3.02% | 1.87% | 1.04% | 1.37% | 1.80% | 1.49% | 0.90% | 0.74% | -0.73% | 0.87% | 0.78% | 0.91% | 8.21% | 9.69% |
| 2013 | 2.97% | 0.46% | 1.94% | -0.07% | 2.71% | -1.45% | 2.24% | 0.29% | 3.69% | 3.28% | -0.29% | 2.32% | 19.49% | 9.83% |
| 2012 | 2.37% | 1.80% | 0.98% | 1.71% | -0.42% | 1.62% | 3.36% | 2.61% | 0.61% | 1.97% | 1.46% | 2.18% | 22.18% | 17.59% |
| 2011 | | -0.50% | 0.43% | 1.58% | 0.43% | -0.07% | -0.22% | 0.10% | -0.52% | 2.78% | 0.37% | 1.23% | 5.70% | 8.38% |

Please note:

*The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax.

**The performance figures have been restated with effect from 01 April 2014. All performance figures have been calculated by IDS, the third party independent administrator.

FUND INFORMATION

Inception date

1 February 2011

Fund category

Prudential Variable Equity

Strategy

Managed Fund of Funds

Structure

Registered SA CIS in securities

Fund Manager

Alusi Asset Management

Management Company

Alusi Management Company

Benchmark

Composite Benchmark
40% ALSI
40% ALBI
20% STEFI

Currency

South African Rand

Minimum

R1,000,000

Fees

Initial fee: Nil

Ongoing advice: Nil

Management fee:

1% per annum plus VAT

(Highest Fee Class)

Performance fee:

20% on outperformance of benchmark

TER (Annualised)

2.09% (Mar 2019 latest available TIC)

1.51% (AFS 2019)

Income Distribution

February & August

2018 Feb: 1.92 cpu

2018 Sep: *2.61 cpu

* 7 month distribution (including September 2018)

2019 Feb: 2.41 cpu

Administrator

Prescient Fund Services

Custodian

FNB Trustee Services

+27 (0) 87 736 1722

Auditor

PWC



RISK PROFILE

LOW

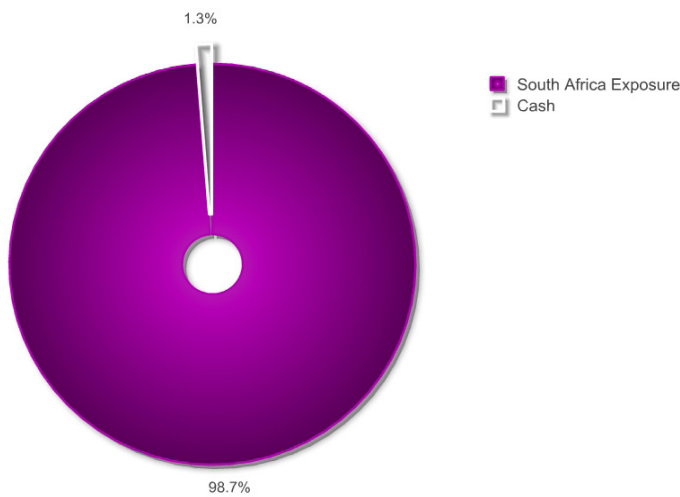
MODERATE

HIGH

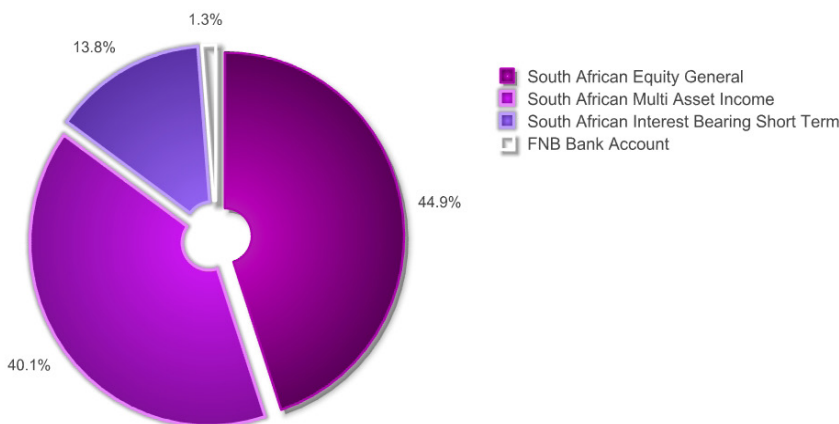
Generally, **MODERATE RISK** portfolios hold more equity exposure than low risk portfolios but less than high risk portfolios. Therefore the expected volatility is higher than the low risk portfolios but less than the high risk portfolios. The probability of losses are higher than that of the low risk portfolios, but less than high risk portfolios. Expected potential long term investment returns could therefore be lower than high risk portfolios due to lower equity exposure, but higher than low risk portfolios.

The portfolio includes various asset classes which are exposed to specific risks. The equity asset class is exposed to the greatest risk of short term loss through market risk, management risk, liquidity risk, competition risk and legislative risk. These risks are balanced with other asset classes to ensure that risk is moderated (namely, cash, bonds and property). These asset classes are not as volatile as equities but run the risk of credit and counterparty risk.

GEOGRAPHIC BREAKDOWN



ASSET ALLOCATION



ASSET ALLOCATION

Asset allocation is the process of dividing investments among different kinds of assets, such as equities, bonds, property and cash, to optimise the risk-reward trade-off based on an investors specific situation and objectives. Asset allocation is a key concept in financial planning and money management.

MULTI-MANAGER ALLOCATION

The multi-manager approach to investment is now one of the mainstream areas of the asset management industry. The approach harnesses the expertise of specialist managers, from throughout the world, and combines them to produce funds structured to outperform within a disciplined, risk-controlled framework.

History proves that no fund manager can be good at everything at all times. When coupled with increasingly complex and dynamic markets, this means that investments need to be actively managed and continuously monitored by dedicated investment professionals. Multi-management permits maximum flexibility in active management and allows access to institutional quality investment expertise.

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IMPORTANT INFORMATION

Collective Investment Schemes in Securities (Unit trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to future performance.

Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. The manager may borrow up to 10% of the market value of the portfolio where insufficient liquidity exists.

A schedule of fees and charges and maximum commissions is available on request from the management company, Alusi Management Company (Pty) Ltd (Alusi). Commission and incentives may be paid and if so, would be included in the overall costs.

The Alusi Managed Fund of Funds is not a guaranteed fund. The Fund Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees.

The Manager retains full legal responsibility for any third-party-named portfolio.

Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down.

Performance has been calculated using net NAV to NAV numbers with income reinvested. Annualised performance figures represent the geometric average return earned by the fund over the given time period expressed as a percentage. Cumulative performance figures have been used to present fund performance. Fund performance has been disclosed monthly and compounded annually. Fund performance is expressed in a percentage format. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the manager on request.

The investment performance is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown and income is reinvested on the reinvestment date. Other fees include the permissible deductions of brokerage, STT, VAT, bank charges, trustees and custodian fees incurred in the ordinary course of running the Fund.

CIS prices are calculated daily and published daily on the Morningstar website - code ACBCB, ISIN ZAE000153011. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. A Fund of Funds unit trust only invests in other unit trusts, which levy their own charges, which could result in a higher fee structure for these portfolios. Forward pricing is used.

Funds are valued daily at 16:00. Instructions must reach Alusi before 12:00 to ensure same day value.

Alusi Management Company (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Sector Conduct Authority in terms of the Collective Investment Schemes Control Act. The Management Company reserves the right to close the fund to new investors if we deem it necessary to limit further inflows in order for it to be managed in accordance with its mandate.

The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's.

Breakdown for period ending 30 June 2019 (latest available TER):

| | |
|----------------------------|--------------|
| Management fee | 1.15% |
| Performance fee | 0.00% |
| Other cost (excl Trade/TC) | 1.06% |
| Total TER | 2.21% |

Transactions Costs including VAT: 0.17%

Total Investment Charge: 2.38%

For any additional information such as fund prices, application forms, etc. please contact alusiclientservices@alusi.co.za

Alusi Management Company (Pty) Ltd, Company Registration Number: 2008/023212/07, is a member of the Association for Savings and Investment SA (ASISA) and a Collective Investment Scheme (CIS) licence holder. The Trustees are FirstRand Bank Limited, PO Box 7713, Johannesburg 2000.

CONTACT DETAILS

Management Company:

Alusi Management Company (Pty) Ltd, **Company Registration Number:** 2008/023212/07 **Physical Address:** Edge House, 3 Heuvelkruin Close, Durbanville, 7550
Postal Address: P O Box 4188, Tygervalley 7536 **Telephone number:** +2721 976 1012 **Email Address:** alusiclientservices@alusi.co.za **Website:** www.alusi.co.za

Fund Manager:

Alusi Asset Management (Pty) Ltd, **Company Registration Number:** 2009/011108/07 an authorised Financial Services Provider (FSP 43346) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (NO.37 of 2002). Please be advised that there may be representatives acting under supervision.

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