Succession Balanced

September 2023

SFP
SUCCESSION FINANCIAL PLANNING
Advisory Services (PTY) Ltd
Licensed Financial Services Provider FSP 41158

FUND DETAILS

Fund Category	SA Multi Asset High Equity
Benchmark	Avg SA Multi Asset High Equity
Risk Profile	Moderate Aggressive
Investment period	5 years
Launch Date	01 August 2014
Fund Size	R 651 million
Platform	Glacier

FUND OBJECTIVE

The wrap fund aims to provide a high level of capital growth over the long term. Investors in this fund are prepared to tolerate high fluctuations in the value of their investment over the short term. The fund will be diversified across all major asset classes with a bias towards equities (maximum of 75%). Investors in this fund should have a minimum investment horizon of 5 years. The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

ASSET ALLOCATION
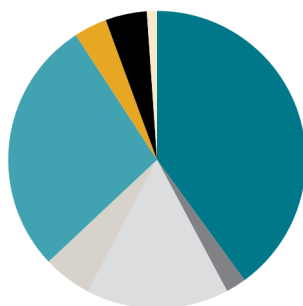
- Equity, 40.0%
- International Equity, 27.8%
- Property, 2.2%
- International Bonds, 3.6%
- Bonds, 15.5%
- International Cash, 4.5%
- Cash, 5.3%
- International Property, 1.1%

INVESTOR PROFILE

This fund is suitable for investors looking for:

- High level of capital growth
- Able to tolerate high levels of volatility
- A minimum investment horizon of 5 years

CUMULATIVE PERFORMANCE - 5 YEARS *

Growth of R100 investment

R156.66
R139.73

— Succession Balanced   — Benchmark
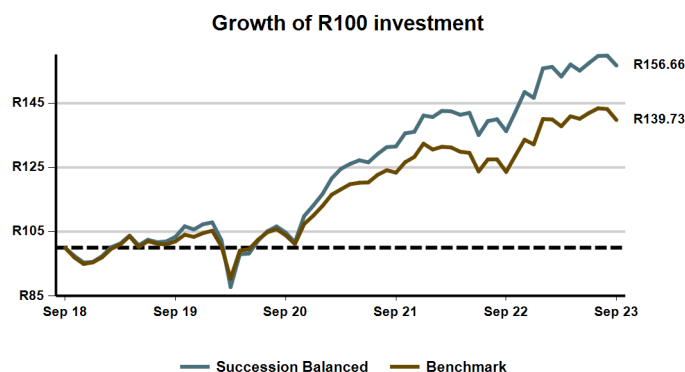
PERFORMANCE (%)	FUND*	BENCHMARK
1 Month	-1.92	-2.38
3 Months	-0.47	-1.52
6 Months	2.24	1.41
1 Year	14.98	13.03
2 Years (annualised)	9.14	6.42
3 Years (annualised)	14.34	10.37
5 Years (annualised)	9.39	6.92
Since Launch	7.76	6.10

RISK STATISTICS (5 YEARS)	FUND*
Returns (annualised)	9.39%
Standard deviation (annualised)	11.92%
% Positive months	68.33%
Maximum drawdown	-18.62%
Sharpe ratio	0.29%

MANAGER SELECTION (%)

Amplify SCI Balanced (Laurium)	11.00	Coronation Global Optimum Growth	5.00
Amplify SCI Flexible Equity (Abax)	9.00	Fairtree Equity Prescient	7.00
Amplify SCI Strategic Income (Terebinth)	5.00	Nedgroup Global Equity Feeder (Veritas)	4.00
Bateleur Flexible Prescient	7.00	PSG Flexible	11.00
Centaur BCI Flexible	8.00	Satrix Balanced Index	15.00
Coronation Balanced Plus	8.00	Truffle SCI Flexible	10.00

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2023	6.25	0.31	-1.93	2.44	-1.22	1.51	1.41	0.06	-1.92				6.86
Fund 2022	-0.33	1.35	-0.08	-0.76	0.42	-4.87	3.22	0.40	-2.65	4.39	4.36	-1.23	3.88
Fund 2021	3.14	4.17	2.44	1.23	0.91	-0.49	2.03	1.66	0.16	3.10	0.34	3.73	24.72

FEES (% INCL. VAT)

Annual wrap fee	0.29	Underlying Manager TER's	0.96

The investor is liable for CGT on any transactions in the units of the underlying unit trust 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

September opened with the G20 Summit, when world leaders came together in one setting to discuss global issues under the theme of "One Earth, One Family, One Future". The European Central Bank (ECB) raised rates to 4% in September, taking them to the highest level since 1999. While the US Federal Reserve (Fed) kept rates unchanged at 5.25%-5.50%, Fed Chair Jerome Powell anticipated further rate hikes would be needed to achieve the 2% inflation target.

The UK also paused rates at 5.25%, providing relief to households battling rising prices and high borrowing costs. China's economy continues to weaken and data from the Chinese Beige Book survey indicate that retail sales and pricing power as well as manufacturing production and loans contributed to the slowdown in the Chinese economy. Locally, the South African Reserve Bank (SARB) kept interest rates unchanged at 8.25% at the September Monetary Policy Committee (MPC) meeting. The South African economy grew 0.60% in the second quarter of 2023 and there was concern that it might move into recession in the first quarter of 2023.

Global equity markets fell for a second consecutive month, with the MSCI World ending the month at -4.31% in dollar terms. Interest rates were a key factor weighing on market sentiment in September as investors' focus shifted from how much higher rates could go to how long rates would remain elevated and how many cuts would eventually come.

Emerging Market (EM) stocks outperformed their Developed Market (DM) counterparts. The MSCI EM ended at -2.57% month-on-month (m/m) in dollar terms with China dragging on EM stocks. Global Bonds ended the month negatively, at -2.92%, and Global Property was -5.96%, both in dollar terms. The FTSE ended the month at 1.82% in pound terms and the S&P 500 at a negative 4.77% in dollar terms. In domestic bond markets, the FTSE/JSE All Bond Index closed the month at -2.34% with the 1-3 year bonds at -0.36% m/m, 3-7 year bonds at -1.22% m/m, 7-12 year bonds at -2.84% m/m and bonds over 12 years at -2.96% m/m.

The South African share market followed global equity markets lower. The FTSE All-Share Index closed the month at -2.55%. Industrials and Property were in negative territory at -4.44% and -4.08% m/m. Resources ended with a positive 0.95% return. Financials ended negatively at -3.83% m/m. Cash was in positive territory at 0.68%. The local currency held up relatively well against a generally strong US dollar, ending the month at 0.51%. It performed relatively well against the euro and pound at 3.03% and 4.34% respectively. The rand performed negatively for the month against the Japanese yen at -0.17% and -0.65% against the Australian dollar.

PORTFOLIO MANAGER

Wade Witbooi
B.Com (Buss Man) PGDip Financial Planning
CIPM® CAIA®

Wade joined Sanlam Investments Multi Managers in May 2016 as a portfolio manager within the investment team. Wade is currently the lead portfolio manager within the hybrid model portfolio group (MPG) and manages portfolios within the Glacier Invest Discretionary Fund Manager (DFM) business. Wade has completed the requisite regulatory exams and supervision period.

Wade started his career at Glacier by Sanlam on their graduate trainee programme in 2010 after a stint working as a summer camp counsellor in the USA. For the first two years he worked within their communication centre, operations team, as well as their investment administration departments where he acquired a thorough understanding of the financial adviser market and client servicing requirements. In 2012 he joined the Glacier Research team as an investment analyst focussing on manager research within the retail asset management landscape. Other responsibilities included market research, economic commentary, and financial advisor support. Wade then joined Sanlam Investments in May 2014 as a retail investments analyst within their Strategy and Client Solutions team, focussing on investment research, industry trend analysis, product positioning, and distribution support.

Wade holds a B.Com degree in Business Management from the University of the Western Cape, a Post Graduate Diploma in Financial Planning from the University of the Free State, a Certificate in Investment Performance Measurement (CIPM) from the CFA institute, is a Chartered Alternative Investment Analyst (CAIA) from the CAIA Association, and has completed the first level regulatory examination for representatives.

MANAGER INFORMATION

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