

# Succession Income Plus

March 2021



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

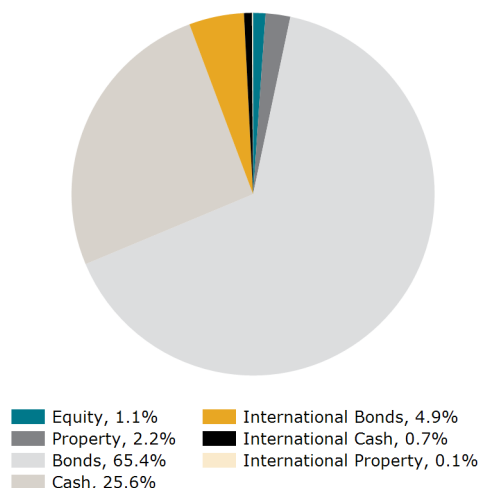
## FUND DETAILS

<b>Fund Category</b>	SA Multi Asset Income
<b>Benchmark</b>	STeFI +1%
<b>Risk Profile</b>	Conservative
<b>Investment period</b>	1 year or longer
<b>Launch Date</b>	01 August 2014
<b>Fund Size</b>	R 356 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



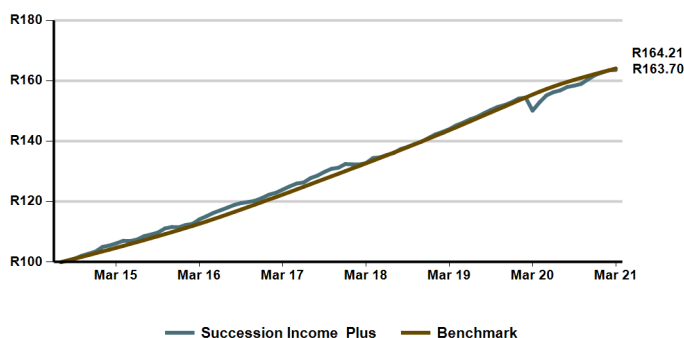
## INVESTOR PROFILE

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

Growth of R100 investment



PERFORMANCE (%)	FUND*	BENCHMARK
1 Month	0.08	0.39
3 Months	1.06	1.14
6 Months	3.29	2.37
1 Year	8.98	5.57
2 Years (annualised)	6.59	6.88
3 Years (annualised)	7.21	7.34
5 Years (annualised)	7.46	7.81
Since Launch	7.67	7.72

RISK STATISTICS (2 YEARS)	FUND*
Returns (annualised)	6.59%
Standard deviation (annualised)	2.79%
% Positive months	95.83%
Maximum drawdown	-2.81%
Sharpe ratio	0.25

## MANAGER SELECTION (%)

Amplify SCI Strategic Income	15.00	Prescient Income Provider	20.00
Coronation Strategic Income	25.00	SIM Active Income	15.00
Nedgroup Investments Flexible Income	12.00	SIM Enhanced Yield	13.00

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2021	0.51	0.46	0.08										1.06
Fund 2020	0.78	0.22	-2.81	1.83	1.51	0.68	0.39	0.71	0.28	0.36	0.96	0.87	5.86
Fund 2019	0.85	0.57	0.64	0.88	0.62	0.74	0.56	0.81	0.74	0.66	0.41	0.62	8.41

## FEES (% INCL. VAT)

Annual wrap fee	0.29	Underlying Manager TER's	0.56
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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.

## CONTACT DETAILS

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## MANAGER COMMENT

During March global markets benefited from the positive outlook on global economic recovery gaining momentum. Even with the persistent rising US bond yields, new European COVID-19 restrictions and continued inflation fears, most major markets posted gains for the month. Vaccination programmes continued to be successfully rolled out in most major developed markets, with almost 600 million doses being administered worldwide.

The possibility of higher US inflation was reinforced when during its meeting in March, the US Fed confirmed that it would maintain the near-zero interest rate policy and monthly bond purchasing programme. US private sector payroll data posted its largest gains in six months and the Chicago PMI for March recorded its highest level in 30 months, coming in at 66.3 (where a level above 50 indicates expansion, while below 50 signals contraction). Business and consumer confidence data in Europe rose, as hopes of an end to the pandemic and a pickup in economic activity surfaced. Both German and Eurozone manufacturing PMIs hit record highs on the back of a demand rebound. In the UK economic data has been better than expected, despite the country being in its third COVID-19 lockdown. Markets in China continue to feel the pressure over the Chinese government's move to ratchet up regulation and anti-trust scrutiny on the largest Chinese corporates. China's official March manufacturing PMI came in at 51.9, slightly higher than February's 50.6.

In South Africa less than 0.5% of the population has been vaccinated, although it was recently announced that 11 million doses of the J&J COVID-19 vaccine had been secured, with an additional 20 million doses expected soon. The acquisition of the double-dose Pfizer vaccine is also being finalised.

The South African Reserve Bank (SARB) met during March. The outlook for the country's growth prospects remains cautious, due to an anticipated third wave of COVID-19 infections and continued Eskom issues. The SARB moderately increased its 2021 economic forecast by 0.2%. In February annual consumer price inflation (CPI) slowed to 2.9% YoY vs January's 3.2%. This marks the third time in the last year that annual inflation has moved below the SARB's 3-6% target range, making interest rate hikes within the next few months highly unlikely.

Global equity markets benefited from improving economic optimism, with the MSCI World returning 3.11% in US dollar. Emerging market equities lagged somewhat during the month and were down 1.70%, mainly held back by China. South African markets rose for the fifth consecutive month, as the All Share gained 1.58% for the month. On a sector basis, Industrials delivered a return of 1.59% for the month, marginally outpacing Financials and Resources, which closed the month at 1.13% and 1.35% respectively. The rand strengthened 2.57% against the US dollar and 5.93% against the euro. Due to the strong local currency, the MSCI World index returned a mere 0.53% and the MSCI Emerging Markets Index -4.17% in rand terms for the month. SA listed property (as measured by the SAPY) gave 1.23%. SA bonds (ALBI) lost 2.54% and cash (STeFI) returned 0.31%.

## PORTFOLIO MANAGER



**Wade Witbooi**

BCom Business Management PGDip Financial Planning

Wade joined Sanlam Multi Managers in May 2016 as a retail portfolio manager within the investment team.

Wade started his career at Glacier by Sanlam on their graduate trainee programme in 2010 and for the first two years worked within their communication centre and operations team, as well as their investment administration departments where he acquired a thorough understanding of the financial adviser market.

In 2012 he joined the Glacier Research team as an investment analyst focussing on manager research within the retail asset management landscape. Wade then joined Sanlam Investments Retail 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.

## MANAGER INFORMATION

Sanlam Multi Manager International (SMMI) (Pty) Ltd

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