

# Succession Balanced Fund

December 2022



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

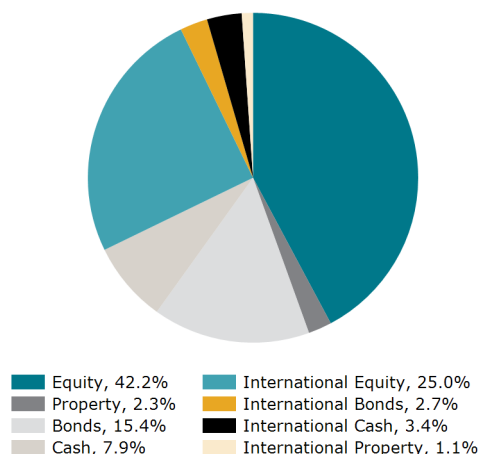
## FUND DETAILS

|                      |                                |
|----------------------|--------------------------------|
| <b>Fund Category</b> | SA Multi Asset High Equity     |
| <b>Benchmark</b>     | Avg SA Multi Asset High Equity |
| <b>Risk Profile</b>  | Moderate Aggressive            |
| <b>Launch Date</b>   | 09 March 2020                  |
| <b>Fund Size</b>     | R 91 million                   |

## FUND OBJECTIVE

The 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%). The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

## ASSET ALLOCATION



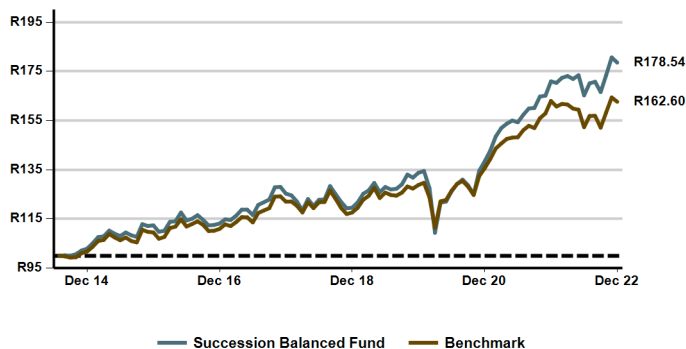
## INVESTOR PROFILE

This fund is suitable for investors looking for:

- High level of capital growth
- Able to tolerate high levels of volatility

## CUMULATIVE PERFORMANCE SINCE LAUNCH

Indicative value of R100 invested at launch of strategy, after fees.



| PERFORMANCE (%)      | FUND  | BENCHMARK |
|----------------------|-------|-----------|
| 1 Month              | -1.17 | -1.08     |
| 3 Months             | 7.19  | 6.91      |
| 6 Months             | 8.07  | 6.78      |
| 1 Year               | 4.46  | -0.20     |
| 2 Years (annualised) | 13.59 | 9.51      |
| 3 Years (annualised) | 10.11 | 8.09      |
| 5 Years (annualised) | 7.35  | 5.92      |
| Since Launch         | 7.13  | 5.95      |

For illustrative purposes only and based on the historic performance of the SFP multi-managed strategy.

## MANAGER SELECTION (%)

|                                  |       |                               |       |
|----------------------------------|-------|-------------------------------|-------|
| Amplify SCI Balanced             | 10.70 | Fairtree Equity Prescient     | 6.60  |
| Amplify SCI Flexible Equity      | 8.90  | Nedgroup Global Equity Feeder | 3.80  |
| Bateleur Flexible Prescient      | 6.80  | PSG Flexible                  | 10.70 |
| Centaur BCI Flexible             | 7.60  | Satrix Balanced Index         | 14.50 |
| Coronation Balanced Plus         | 8.20  | SI:MM Cash                    | 7.70  |
| Coronation Global Optimum Growth | 4.80  | Truffle SCI Flexible          | 9.70  |

## FEES (% INCL. VAT)

|                                     |       |
|-------------------------------------|-------|
| Annual fund management fee          | 0.30% |
| Total Expense Ratio (TER)           | 1.42% |
| Total Cost Ratio (TCR)              | 0.24% |
| Total Investment Charges (TER + TC) | 1.66% |

The TER was incurred as expenses relating to the administration of the Financial Product. The TC was incurred as cost relating to the buying and selling of the assets underlying the Financial Product. The TIC was incurred as cost relating to the investment of the Financial Product. The higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's.

The TER shown is based on the highest fee tier where applicable and is calculated as at 30 June 2022.

## CONTACT DETAILS

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Succession Financial Planning Advisory Services (Pty) Ltd (FSP) Licence No. 41158

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## MANAGER COMMENT

Investors were seeking a “Santa Claus rally” in the final month of the year, however, December proved to be no different with volatility and losses seen throughout 2022. Most major global markets ended in negative territory, including South Africa. This comes as no surprise as it was driven by global central banks’ aggressive interest rate hikes to curb inflation. Increasing recession fears, Russia’s invasion of Ukraine and increasing concerns over a surge in Covid-19 cases in China further contributed to the volatility.

The fourth quarter 2022 rally faded into year-end, with developed equity markets losing more ground in December but managed to deliver its first positive quarter of 2022. The MSCI World Index closed -4.34% m/m in USD and -4.25% m/m in ZAR. US tech stocks struggled once again, with the tech-heavy Nasdaq falling around 9% m/m, wiping out all its gains from 2022 and leaving itself comfortably in bear market territory for 2022 (around 32% down y/y). The S&P 500 returned -5.77% m/m. The Euro Stoxx 50 (€) returned -4.04% m/m. The UK’S blue-chip FTSE (£) fared better compared to counterparts, closing at -1.42% m/m.

Emerging equity markets outperformed their developed counterparts in the final month of the year, the MSCI Emerging Markets Index closed at -1.64% m/m in USD and -1.53% m/m in ZAR. China’s major market indices ended mixed, with Hong Kong’s Hang Seng Index rising, while the Shanghai Composite Index fell. This follows the country’s easing on Covid-19 restrictions and the unexpected surge in Covid-19 cases.

The South African equity market followed world markets lower, but ended the year in positive territory. The FTSE/JSE All Share Index closed at -2.26% m/m and 3.58% y/y. On a yearly basis, the country was one of the select few major global stock markets to eke out a gain in 2022. Stocks geared towards the domestic economy were amongst the worst-performing during the month.

All major sectors finished the month in the “red.” Resources took the biggest hit, closing at -3.58% m/m, followed by Financials closing at -1.71% m/m. Industrials fared slightly better, with the help of Naspers and Prosus closing at -0.07% m/m. SA Listed Property advanced for the third consecutive month, closing at 1.13% m/m. Local bonds continued to gain in the high interest rate environment, with the All Bond Index (ALBI) returning 0.62% m/m. Cash (STeFI) delivered a moderate return of 0.56% m/m. South African growth managers (-1.15% m/m) outperformed value managers (-3.52% m/m), while the opposite occurred globally.

The ZAR remained relatively unchanged against the safe-haven USD, closing at -0.10% m/m. Furthermore, the ZAR lost as much as 5.44%, 3.62% and 1.10% against the Japanese yen, euro, and sterling.

## 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 and is currently working under supervision.

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

## PHYSICAL ADDRESS

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