

Succession Balanced Fund

October 2023



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

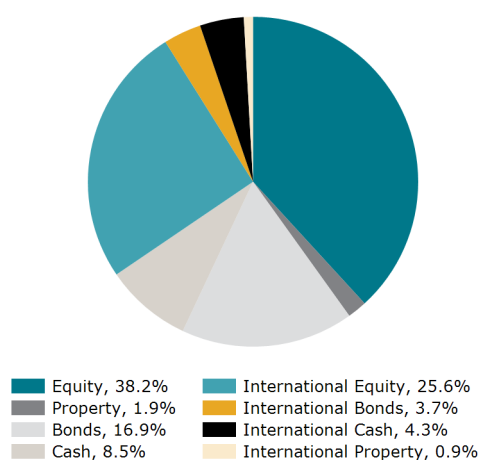
FUND DETAILS

Fund Category	SA Multi Asset High Equity
Benchmark	Avg SA Multi Asset High Equity
Risk Profile	Moderate Aggressive
Launch Date	09 March 2020
Fund Size	R 145 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

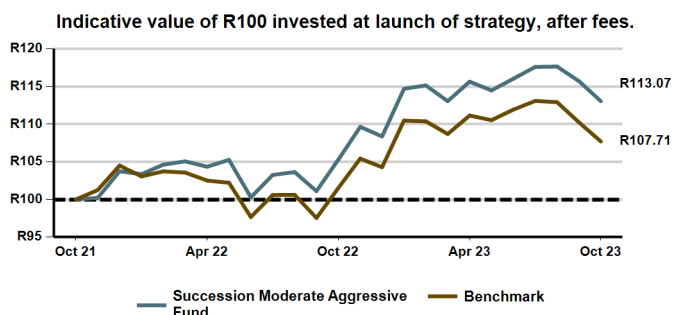


INVESTOR PROFILE

This fund is suitable for investors looking for:

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

Cumulative performance - 2 years *



PERFORMANCE (%)	FUND	BENCHMARK
1 Month	-2.30	-2.30
3 Months	-3.87	-4.76
6 Months	-2.25	-3.10
1 Year	7.37	6.09
2 Years (annualised)	6.33	3.79
3 Years (annualised)	14.24	10.43
5 Years (annualised)	8.85	7.05
Since Launch	6.95	5.76

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

Risk statistics (2 years)	Fund
Returns (annualised)	6.33%
Standard deviation (annualised)	8.46%
% Positive months	62.50%
Maximum drawdown	-4.73%
Sharpe ratio	0.01%

MANAGER SELECTION (%)

Amplify SCI Balanced (Laurium)	10.50	Fairtree Equity Prescient	6.60
Amplify SCI Flexible Equity (Abax)	8.60	Nedgroup Global Equity Feeder (Veritas)	3.60
Bateleur Flexible Prescient	6.70	PSG Flexible	10.40
Centaur BCI Flexible	7.60	Satrix Balanced Index	13.30
Coronation Balanced Plus	7.60	SI:MM Cash	10.80
Coronation Global Optimum Growth	4.70	Truffle SCI Flexible	9.60

FEES (% INCL. VAT)

Annual fund management fee	0.30%
Total Expense Ratio (TER)	1.46%
Transaction Cost Ratio (TCR)	0.24%
Total Investment Charges (TER + TC)	1.70%

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 2023.

CONTACT DETAILS

Atterbury Estate Block 6, 19 Frikkie de Beer Street, Menlyn, 0018. Tel: +27 (12) 348-2559 Email: admin@sfpadvice.co.za
Succession Financial Planning Advisory Services (Pty) Ltd (FSP) Licence No. 41158

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MANAGER COMMENT

The US economy expanded at an annualised rate of 4.9% in the third quarter of 2023, mainly due to the expansion of job opportunities for the unemployed. The European Central Bank (ECB) kept interest rates unchanged at 4% at its October meeting, despite a weak economy. The decision to pause rates was taken after PMI data showed a slowdown in economic activity as well as a continued drop in inflation. Eurostat reported a euro zone economic contraction of 0.1%, which was below consensus estimates for GDP to remain unchanged from the previous quarter.

US Federal Reserve (Fed) Chair Jerome Powell indicated the Fed was taking a balanced approach to monetary policy and revealed a more dovish perspective ahead of the November meeting of the Federal Open Market Committee (FOMC). The International Monetary Fund (IMF) forecast that global growth would slow from 3% in 2023 to 2.9% in 2024. Hamas launched a major attack on Israel in early October: concerns that this would escalate into a regional conflict caused almost a 4% increase in Brent crude oil prices to around US\$88 per barrel and 1% rise in gold prices. The South African Reserve Bank (SARB) warned that strained public finances were obstructing economic growth. It said reducing public debt to sustainable levels could yield benefits, including a lower cost of capital, reduced debt-service costs, and lower inflation.

Global equity markets ended negatively for the third consecutive month, with the MSCI World Index at -2.9% in dollar terms, resulting in a decline of almost 10% since the end of July. Euro zone shares also underperformed, along with UK equities, in October. Short-term fixed interest rates were in positive territory, with the SteFI Composite Index ending at 1.2% month-on-month (m/m) in dollar terms. Global Bonds ended in negative territory at -1.2% m/m and Global Property was also negative at -4.75% m/m. Emerging markets underperformed, with the MSCI Emerging Markets Index ending the month at -3.88% m/m in dollar terms. The Dow Jones declined to end the month at -1.26% and the S&P 500 also ended the month negatively at -2.1%, both in dollar terms.

The South African equity market matched global equity markets in producing a third consecutive negative month in October. The FTSE/JSE All Share Index fell -3.44% m/m in rand terms, dragging the bourse further into negative territory at -1.33% year-to-date (YTD). The JSE Top 40 also underperformed, ending the month at -3.67%. Industrials ended the month at -4.58% but are in positive territory for the year to date, at 5.64%. Resources were also negative for the month, ending at -4.31%, and Property was -2.98%. Financials were down -2.15% m/m, but Cash ended positively at 0.7%. The rand gained by 0.49% m/m against the US dollar, 0.66% m/m against the euro, 1.08% m/m against the British pound, 0.54% against the Japanese yen and 0.003% against the Australian dollar. In the bond market, the FTSE/JSE All Bond Index ended in positive territory at 1.71%, with bonds of 1-3 years ending the month positively at 1.07%. Bonds of 3-7 years ended the month at 1.32%, with bonds of 7-12 years at 1.79% and bonds of over 12 years at 1.99%.

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

55 Willie van Schoor Avenue, Bellville, 7530
Postal Address: Private Bag X8, Tygervalley, 7536
Website: www.sanlaminvestments.com

POSTAL ADDRESS

Private Bag X8, Tygervalley, 7536

WEBSITE

www.sanlaminvestments.com

CONTACT DETAILS

Tel: +27 (21) 950-2500
Fax: +27 (21) 950-2126
Email: siretail@sanlaminvestments.com