

# Succession Stable

June 2021



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

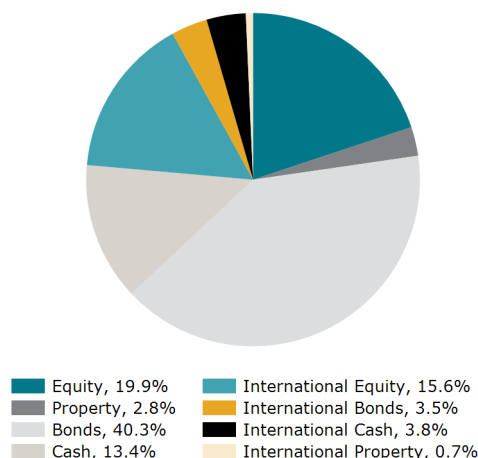
## FUND DETAILS

<b>Fund Category</b>	SA Multi Asset Low Equity
<b>Benchmark</b>	Avg SA Multi Asset Low Equity
<b>Risk Profile</b>	Cautious
<b>Investment period</b>	3 years
<b>Launch Date</b>	01 August 2014
<b>Fund Size</b>	R 87 million
<b>Platform</b>	Glacier

## FUND OBJECTIVE

The wrap fund aims to provide investors with stable income and a high level of capital stability. The probability of capital loss over the medium to long term is low. The fund will consist primarily of income orientated assets with a below average exposure to equities (maximum of 40%). Investors in this fund should have a minimum investment horizon of 3 years. The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

## ASSET ALLOCATION



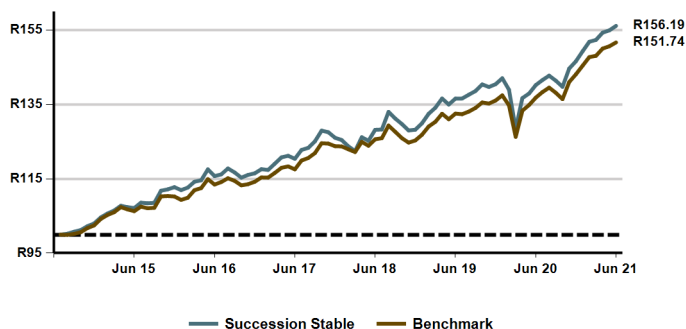
## INVESTOR PROFILE

This fund is suitable for investors looking for:

- Stable income and a high level of capital stability
- Low probability of capital loss over the medium to long term
- A minimum investment horizon of 3 years

## CUMULATIVE PERFORMANCE SINCE LAUNCH

Growth of R100 investment



PERFORMANCE (%)	FUND*	BENCHMARK
1 Month	0.78	0.69
3 Months	2.48	2.43
6 Months	6.50	6.01
1 Year	11.37	10.86
2 Years (annualised)	6.92	6.98
3 Years (annualised)	6.80	6.49
5 Years (annualised)	6.18	5.98
Since Launch	6.66	6.21

RISK STATISTICS (2 YEARS)	FUND*
Returns (annualised)	6.92%
Standard deviation (annualised)	8.22%
% Positive months	79.17%
Maximum drawdown	-9.56%
Sharpe ratio	0.18

## MANAGER SELECTION (%)

Amplify SCI Defensive Balanced	16.00	Ninety One Opportunity	7.00
Amplify SCI Wealth Protector	12.00	Prescient Income Provider	12.00
Coronation Balanced Defensive	15.00	Satrix Low Equity Balanced	18.00
Nedgroup Global Equity Feeder	3.00	SIM Inflation Plus	17.00

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2021	1.83	1.72	0.33	1.29	0.39	0.78							6.50
Fund 2020	1.15	-2.18	-7.55	6.41	0.91	1.64	0.97	0.84	-0.95	-1.17	3.53	1.35	4.40
Fund 2019	1.35	1.97	1.23	1.84	-1.18	1.19	0.01	0.75	0.73	1.27	-0.49	0.53	9.55

## FEES (% INCL. VAT)

Annual wrap fee	0.29	Underlying Manager TER's	0.78
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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

Most stock markets, including that of South Africa, retreated from recent highs and finished June on a mediocre note with modest gains or month-on-month declines. The market showed fears over the highly contagious delta variant and global inflation concerns following the announcement from the US Federal Reserve Bank regarding future interest hikes, while investors also took profits at the end of the quarter. Vaccination rollouts continued to accelerate in most developed countries, especially in Europe, while emerging markets continued to lag. Allowing governments in developed markets to continue the easing of COVID-related mobility restrictions in turn increased economic activity levels in these countries.

Global equity markets continued to march higher in June and recorded gains for a fifth consecutive month. The MSCI World Index returned 1.40% month-on-month (m/m) in USD and 5.52% in ZAR. US equity markets outperformed European equity markets with both obtaining positive returns for the month. The S&P 500 (US\$) was up 2.33%, the FTSE (£) up 0.16% and the Euro Stoxx 50(£) up 0.70%.

Equity markets have been benefiting from post pandemic economic normalisation in the form of cyclical, value stocks over the past few months. However, June instead saw the return of its 'pandemic beneficiaries', predominately technology businesses. A key catalyst for this rotation back into structural growth companies was the Fed's announcement mentioned above.

In June, emerging markets were also held back by rotation into growth companies, with the MSCI Emerging Market Index returning -0.11% month-on-month in USD and 3.95% in ZAR. The outliers for the month included Brazil and Russia, which benefited from their high exposure to energy companies, which rallied along with the strong oil price. On the back of this and lagged vaccination campaigns in emerging markets, it was no surprise to see developed market equities outperform emerging market equities.

The South African equity market winning streak came to an end this month, as the FTSE/JSE All Share Index closed at -2.43%, despite this it remains double digits up year to date.

Industrials managed to finish the month 0.56% up, with resources and financials delivering a poor return of -6.55% and -2.62%. SA listed property closed the month 3.37% up, with cash (STEF) once again returning a modest 0.31%.

In terms of our currency, the weaker dollar, lower US interest rates and SA's strong terms of trade were all supportive of a stronger rand in the first half of June, but was thrown off by the Fed's announcement, resulting in the currency trading with a bearish tone and closing the month 3.91% lower against the USD. Furthermore, the ZAR was down 0.94% and 1.13% against the euro and sterling respectively. The only win came in the form of 1.46% month-on-month to the Japanese yen.

## 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

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