

# Succession Balanced

September 2020



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

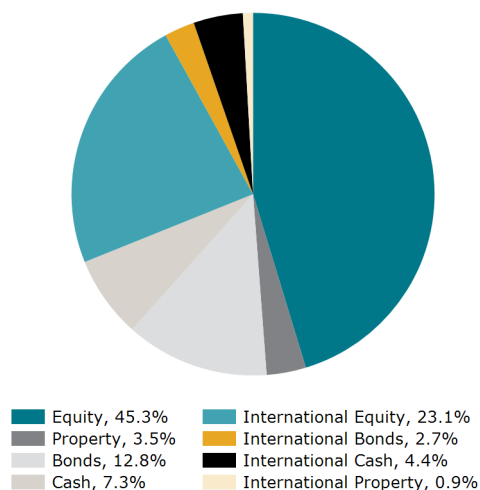
## FUND DETAILS

<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>Investment period</b>	5 years
<b>Launch Date</b>	01 August 2014
<b>Fund Size</b>	R 278 million

## 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



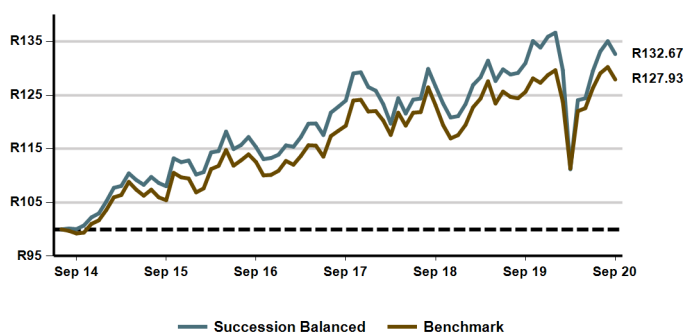
## INVESTOR PROFILE

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 SINCE LAUNCH

Growth of R100 investment



PERFORMANCE (%)	FUND*	BENCHMARK
1 Month	-1.78	-1.78
3 Months	2.48	1.29
6 Months	19.29	14.89
1 Year	1.29	1.84
2 Years (annualised)	2.36	1.94
3 Years (annualised)	2.27	2.35
5 Years (annualised)	4.19	3.94
Since Launch	4.69	4.08

RISK STATISTICS (2 YEARS)	FUND*
Returns (annualised)	2.36%
Standard deviation (annualised)	15.27%
% Positive months	66.67%
Maximum drawdown	-18.62%
Sharpe ratio	-0.29

## MANAGER SELECTION (%)

Amplify SCI Balanced	11.00	PSG Flexible	12.00
Amplify SCI Flexible Equity	15.00	Satrix Balanced Index	15.00
Coronation Balanced Plus	11.00	SIM Inflation Plus	11.00
Fairtree Equity Prescient	8.00	Truffle SCI Flexible	10.00
Nedgroup Global Equity Feeder	7.00		

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2020	0.56	-5.14	-14.21	11.57	0.27	4.05	2.85	1.44	-1.78				-2.38
Fund 2019	1.86	2.89	1.14	2.40	-2.88	1.70	-0.74	0.23	1.41	3.15	-0.91	1.52	12.22
Fund 2018	-0.54	-1.99	-2.94	3.96	-2.30	2.14	0.15	4.44	-2.53	-2.50	-2.10	0.21	-4.29

## FEES (% INCL. VAT)

Annual wrap fee	0.29	Underlying Manager TER's	0.84
-----------------	------	--------------------------	------

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

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  
Glacier Financial Solutions (Pty) Ltd, A member of the Sanlam Group, Reg. No. 1999/025360/07 Licenced Financial Service Provider

### MANAGER COMMENT

The current US election and the battle for control of the Senate have gained even more traction than usual in light of the pandemic – highlighted by the inability of the Democrat-controlled House and Republican Senate to reach an agreement on additional fiscal stimulus to assist those who have lost their jobs. Whether the US passes further fiscal stimulus post-election could be important for the economy and markets in the months ahead. Over the quarter the US Federal Reserve announced a shift to average inflation targeting. This would mean that inflation would be allowed to run above target for a while to compensate for periods of below-target inflation. The crucial inference of this is that rates are likely to remain lower for even longer. In the UK, fiscal stimulus is being staggered off, with the most recently announced job support scheme being less substantial than the “furlough scheme”. The completion of the ‘furlough scheme’ at the end of October is consequently likely to lead to a rise in unemployment. In Europe, however, sustenance measures for workers affected by Covid-19 have been prolonged.

In South Africa GDP fell by 16.4% q/q (quarter-on-quarter) giving an annualized growth rate of -51% and making it the fourth consecutive quarterly GDP decline for the country. During the same period, 2.2 million jobs were lost. During the course of the year there have been a number of interest rate cuts by the SARB (South African Reserve Bank). However, speculation around further interest rate cuts was put to an end when SARB issued a statement in September that it would be keeping the repo rate at 3.5%.

September has historically been the S&P 500’s worst performing month over the last 30 years – 2020 was no different as the index was down 3.9% (USD) and 5.6% YTD and. The biggest detractors from performance are noted as being political uncertainty as the US election draws near, the end of the tech stock rally that propelled the index in August, and the Federal Reserve showing no signs of adding further stimulus to the financial system. The FTSE 100 was down 1.7% (USD) and -19.9% YTD, although European markets in general have been under pressure amidst concerns over the COVID-19 resurgence in cases.

During September South African equity markets were down for the second consecutive month, falling along with global markets. The FTSE/JSE All Share Index was down 2.2% for the month and down 4.9% YTD, with domestically exposed counters, such as banks and retailers, actually performing the best. On a sector basis, Financials returned 3.4% for the month, while Industrials returned -1.7%. After quite a strong run thus far in the year, Resources gave back 3% at the end of September. The ALBI fell by 0.05% and the STeFI returned 0.35%, while listed property had another significant negative month, returning -3%. The rand managed to finish the month stronger relative to most currencies, as it closed 1.6% stronger versus the dollar, 3.5% relative to the euro and 5.2% stronger to the 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

55 Willie van Schoor Avenue, Bellville, 7530  
Postal Address: Private Bag X8, Tygervalley, 7536  
Website: [www.sanlaminvestments.com](http://www.sanlaminvestments.com)

### POSTAL ADDRESS

Private Bag X8, Tygervalley, 7536

### WEBSITE

[www.sanlaminvestments.com](http://www.sanlaminvestments.com)

### CONTACT DETAILS

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