

# Succession Income Plus

February 2020



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

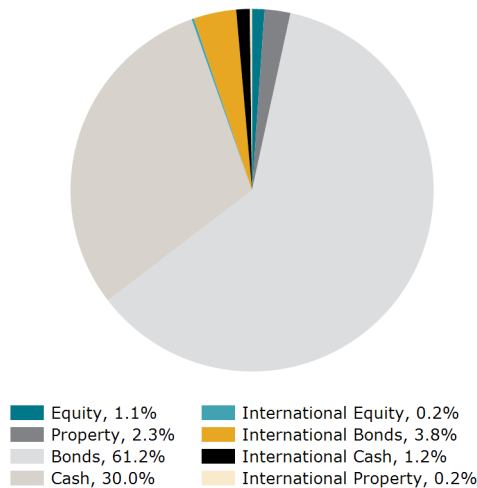
## FUND DETAILS

<b>Fund Category</b>	SA Multi Asset Income
<b>Benchmark</b>	STeFI +1%
<b>Risk Profile</b>	Conservative
<b>Investment period</b>	1 year
<b>Launch Date</b>	01 August 2014
<b>Fund Size</b>	R 252 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



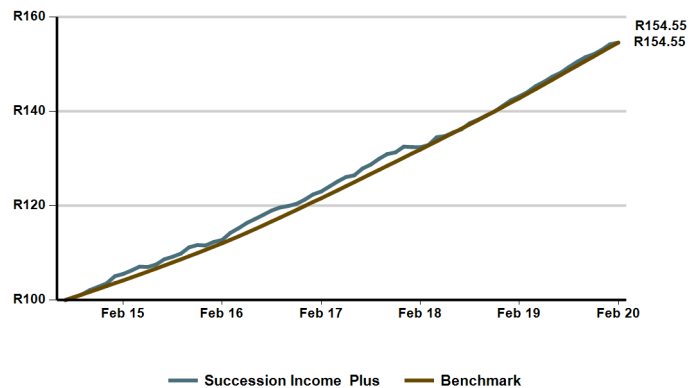
## INVESTOR PROFILE

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	0.22	0.62
3 Months	1.62	1.95
6 Months	3.47	3.96
1 Year	7.96	8.26
2 Years (annualised)	8.05	8.26
3 Years (annualised)	7.91	8.33
5 Years (annualised)	7.93	8.21
Since Launch	8.11	8.11

RISK STATISTICS (2 YEARS)	FUND*
Returns (annualised)	8.05%
Standard deviation (annualised)	0.82%
% Positive months	100.00%
Maximum drawdown	0.00%
Sharpe ratio	0.98

## MANAGER SELECTION (%)

Amplify SCI Strategic Income	10.00	Prescient Income Provider	20.00
Coronation Money Market	5.00	SIM Active Income	15.00
Coronation Strategic Income	25.00	SIM Enhanced Yield	13.00
Nedgroup Investments Flexible Income	12.00		

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2020	0.78	0.22											1.00
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
Fund 2018	-0.07	-0.03	0.35	1.25	0.17	0.60	0.48	0.96	0.52	0.66	0.59	0.85	6.52

## FEES (% INCL. VAT)

Annual wrap fee	0.29	Underlying Manager TER's	0.54
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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

February was a risk-off month for global markets. This was a result of global concerns regarding the coronavirus (officially named COVID-19). By the end of February the disease, which is suspected of originating in Wuhan, China, had spread to 46 other countries. The World Health Organisation reported 82 000 people worldwide, with 3 600 outside China. South Korea reported 2 300 of these cases, the most outside of China. Containing the spread of the disease became paramount for national governments. Several nations implemented travel restrictions to and from affected areas. Due to uncertainty in the market and greater pessimism, central banks across the globe took notice of economic and financial conditions. All major central banks stated their intention to act appropriately if the spread of the virus escalated. On the back of the market uncertainty, risk assets struggled. The MSCI World Index was down 4.13% (in USD), while the MSCI Emerging Markets Index was down 5.35% (in USD). Safe haven assets had a good month in comparison with developed market bonds, returning 0.76% (in USD), and emerging market bonds declined 0.82% (in USD). Global property had a particularly poor month, declining 8.19% (in USD). Global inflation-linked bonds declined 0.22% (in USD).

Locally, the State of the Nation Address (SONA) and the Budget Speech took centre stage. In the SONA, President Cyril Ramaphosa laid down the blueprint for South Africa's future. The major announcement was the intention to allow municipalities to source electricity from independent power producers. A few days later Finance Minister Tito Mboweni took the stage to paint the picture of how local debt would be brought to sustainable levels and potentially avoid a downgrade. The major announcement from the Budget was the plan to reduce the public sector wage bill by R160 billion over the next three years. To the relief of the constrained local consumer, the government did not raise VAT or personal income taxes. Despite a market-friendly budget, the local market followed the global trend. Equities declined 8.99% (in rand). Due to growth concerns in China, resources were hardest hit, declining 11.15% (in rand). On the back of expected interest rate cuts, gold miners had a relatively strong month, declining only 1.72% (in rand). Local property declined 15.69% (in rand). Local bonds had a marginal decline of 0.04% (in rand). Inflation-linked bonds and cash were the best performing asset classes, delivering 0.78% and 0.54% respectively (both in rand).

## 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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