

# Succession 2.5% Real Income

June 2023



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

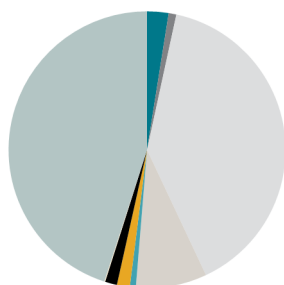
## FUND DETAILS

<b>Fund Category</b>	SA Multi Asset Income
<b>Benchmark</b>	CPI+2%
<b>Risk Profile</b>	Conservative
<b>Investment period</b>	2 years or longer
<b>Launch Date</b>	01 August 2020
<b>Fund Size</b>	R 2 million
<b>Platform</b>	Glacier

## FUND OBJECTIVE

This wrap fund aims to provide investors with a stable income and 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 have an investment horizon of 3 years or longer. The fund is Regulation 28 compliant.

## ASSET ALLOCATION



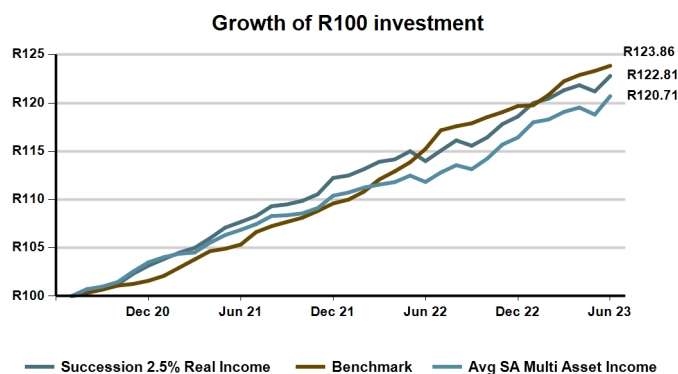
Equity, 2.5%	International Bonds, 1.5%
Property, 0.9%	International Cash, 1.4%
Bonds, 39.6%	International Property, 0.1%
Cash, 8.3%	Smoothing Portfolio, 45.0%
International Equity, 0.7%	

## INVESTOR PROFILE

This fund is suitable for investors looking for:

- a low to moderate level of income
- protection over the short to medium term
- capital growth with an investment horizon of at least 3 years or longer

## CUMULATIVE PERFORMANCE SINCE LAUNCH



Performance (%)	Fund*	Benchmark	Avg SA Multi Asset Income
1 Month	1.32	0.43	1.61
3 Months	1.22	1.31	1.37
6 Months	3.54	3.49	3.67
1 Year	7.74	7.47	7.94
2 Years (annualised)	6.79	8.43	6.28
YTD	3.54	3.49	3.67
Since Launch	7.30	7.61	6.67

## RISK STATISTICS (2 YEARS)

	FUND*
Returns (annualised)	6.79%
Standard deviation (annualised)	2.00%
% Positive months	87.50%
Maximum drawdown	-0.89%
Sharpe ratio	0.66

## MANAGER SELECTION (%)

Amplify SCI Defensive Balanced (Matrix)	5.00	Prescient Income Provider	8.00
Amplify SCI Strategic Income (Terebinth)	10.50	Sanlam Multi-Managed Smooth Growth	45.00
Amplify SCI Wealth Protector (Truffle)	5.00	SIM Flexible Income	5.00
Granate BCI Multi Income	8.00	SMM Inflation Linked Bond (SIM)	8.50
Matrix SCI Stable Income	5.00		

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2023	1.18	0.38	0.72	0.43	-0.53	1.32							3.54
Fund 2022	0.23	0.58	0.67	0.22	0.74	-0.89	0.96	0.92	-0.48	0.74	1.19	0.66	5.67
Fund 2021	0.66	0.64	0.47	0.95	1.05	0.54	0.57	0.94	0.17	0.34	0.62	1.52	8.80

## FEES (% INCL. VAT)

Annual wrap fee	0.40	Underlying Manager TER's	0.91
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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

Among the biggest interest rate and inflation increases in history, lie numerous global challenges. June had no shortage of global and local issues affecting the economy, various countries and their citizens. Job and salary cuts in China have led to factory workers striking, which in turn has caused unrest. This is detrimental to the growth of the Chinese economy. The US debt limit was also reached, and the US Congress needed to vote on whether the US debt limits had to be raised or suspended. Additionally, the US GDP was revised, with inflation slowing down for the month. Also making headlines on a global scale is the continuation of the Russia-Ukraine conflict with Putin saying that the Wagner uprising was doomed to fail. Locally, the electricity crisis continued into winter, leaving South Africans with limited, to no alternative, electricity in the dark. In addition, South Africa being accused of weaponising Russia has raised questions as to its status as part of the African Growth and Opportunity Act (AGOA).

Global equity markets rallied strongly into mid-year with the MSCI World Index ending the month on 6.05% in dollar terms. The threat around the US debt limit was safely avoided and a pause in rate hikes by the US Fed kept equity markets afloat. Global Bonds were in negative territory and ended at -0.01% month-on-month (m/m) and Global Property ended the month positive at 3.18% in dollar terms. Emerging markets have lagged developed markets year-to-date, with foreign-listed Chinese companies the biggest laggards in the face of a disappointing rebound in Chinese economic activity, but remained in positive territory at 3.89% m/m. The FTSE 100 Index ended the month positive at 0.99% and the S&P 500 ended positive at 6.61% m/m in dollar terms.

The local market also finished strong in June, with the FTSE/JSE All Share Index ending positive at 1.35% m/m. Industrials were at 3.65% m/m and Resources at -8.17%. Local Property ended the month at 0.92% m/m, and Financials and Cash ended at 11.39% m/m and 0.65% m/m respectively. The rand ended the month at 4.90% against the US dollar, 2.50% against the euro, 2.26% against the pound, 7.32% against the yen and 3.25% against the Australian dollar.

## PORTFOLIO MANAGER



### Rafiq Taylor

BCom (Hons) Financial Analysis and Portfolio Management ; BCom (Politics, Philosophy & Economics)

Rafiq heads up the retail consulting function within the investment team. This follows his roles at Sanlam Investments' multi manager business, Sanlam Multi Manager International, which he joined in 2006. He was initially appointed as an Investment Analyst and was responsible for carrying out manager research analysis. He was later promoted to Portfolio Manager, managing investment portfolios for institutional and retail investors. In 2012, Rafiq helped establish the retail investment consulting offering that he now heads up.

He started his career in the financial services industry in 2004 as a Client Service Consultant at Glacier Financial Solutions (previously Innofin), where he serviced financial advisers.

Rafiq holds B.Com in Politics, Philosophy and Economics and B.Com (Honours) in Financial Analysis and Portfolio Management from the University of Cape Town.

## MANAGER INFORMATION

Sanlam Multi Manager International (SMMI) (Pty) Ltd

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