

# Succession Balanced

February 2022



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

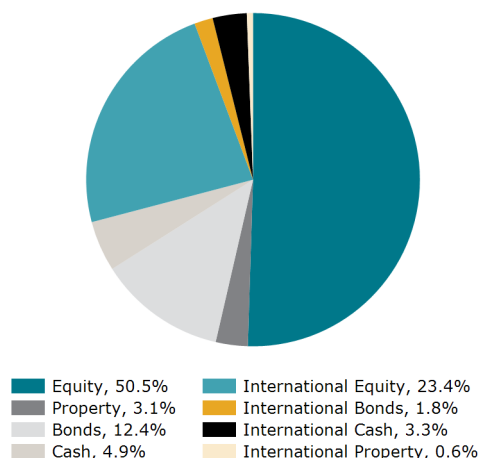
## FUND DETAILS

|                          |                                |
|--------------------------|--------------------------------|
| <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 457 million                  |
| <b>Platform</b>          | Glacier                        |

## 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



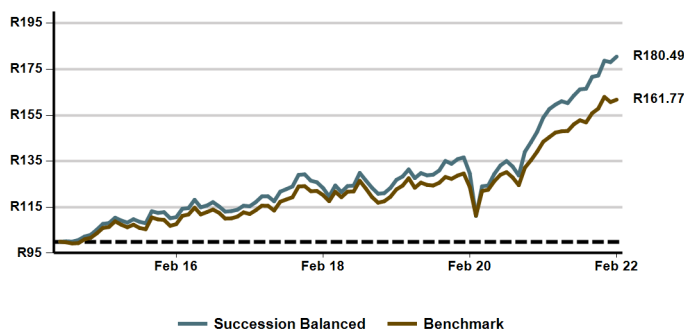
## INVESTOR PROFILE

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              | 1.35  | 0.65      |
| 3 Months             | 4.77  | 2.46      |
| 6 Months             | 8.56  | 5.85      |
| 1 Year               | 17.25 | 12.76     |
| 2 Years (annualised) | 17.99 | 14.34     |
| 3 Years (annualised) | 12.46 | 9.64      |
| 5 Years (annualised) | 9.36  | 7.62      |
| Since Launch         | 8.10  | 6.55      |

| RISK STATISTICS (2 YEARS)       | FUND*   |
|---------------------------------|---------|
| Returns (annualised)            | 17.99%  |
| Standard deviation (annualised) | 15.53%  |
| % Positive months               | 79.17%  |
| Maximum drawdown                | -14.21% |
| Sharpe ratio                    | 0.88    |

## MANAGER SELECTION (%)

|                             |       |                               |       |
|-----------------------------|-------|-------------------------------|-------|
| Amplify SCI Balanced        | 11.00 | Fairtree Equity Prescient     | 7.00  |
| Amplify SCI Flexible Equity | 9.00  | Nedgroup Global Equity Feeder | 4.00  |
| Bateleur Flexible Prescient | 7.00  | PSG Flexible                  | 11.00 |
| Centaur BCI Flexible        | 8.00  | Satrix Balanced Index         | 15.00 |
| Coronation Balanced Plus    | 8.00  | SIM Inflation Plus            | 5.00  |
| Coronation Optimum Growth   | 5.00  | Truffle SCI Flexible          | 10.00 |

| MONTHLY FUND PERFORMANCE* (%) | JAN   | FEB   | MAR    | APR   | MAY  | JUN   | JUL  | AUG  | SEP   | OCT   | NOV  | DEC  | YTD   |
|-------------------------------|-------|-------|--------|-------|------|-------|------|------|-------|-------|------|------|-------|
| Fund 2022                     | -0.33 | 1.35  |        |       |      |       |      |      |       |       |      |      | 1.01  |
| Fund 2021                     | 3.14  | 4.17  | 2.44   | 1.23  | 0.91 | -0.49 | 2.03 | 1.66 | 0.16  | 3.10  | 0.34 | 3.73 | 24.72 |
| Fund 2020                     | 0.56  | -5.14 | -14.21 | 11.57 | 0.27 | 4.05  | 2.85 | 1.44 | -1.78 | -2.91 | 7.98 | 3.01 | 5.42  |

## FEES (% INCL. VAT)

|                 |      |                          |      |
|-----------------|------|--------------------------|------|
| Annual wrap fee | 0.29 | Underlying Manager TER's | 1.03 |
|-----------------|------|--------------------------|------|

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  
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## MANAGER COMMENT

Following a difficult start to the year for global markets, the month of February did no favours in easing such difficulty. Most nations ended the month in negative territory, but once again South African markets showed resilience and advanced. The prospects of tightening monetary policy continue to weigh on investor sentiment, with expectations on the number of interest rate hikes increasing significantly in the US and Europe in their efforts to get inflation under control. Furthermore, global markets declined initially because of Russia's troop buildup along the Ukraine border and then the eventual invasion of Ukraine, delivering a further hit to growth expectations.

Global equity markets were relatively flat during the first half of the month but retreated as soon as the Russian invasion of Ukraine took hold. Headlines suggesting, Vladimir Putin placed his nuclear deterrent forces on high alert, raising fears of the conflict escalating beyond Ukraine and leaving investors exiting risky assets. Developed equity markets experienced its second consecutive month in negative territory, as the MSCI World Index returned -2.65% m/m in USD and -2.76% in ZAR. Despite most S&P 500 companies reporting strong earnings in 4Q21, the S&P 500 (US\$) closed the month at -3.00%, as the new developments of Russia's invasion of Ukraine weighed on US stocks. European equities were hurt even more during the month, with the Euro Stoxx 50 (€) returning -5.89% m/m.

As expected, the current environment hurt emerging markets more than developed market peers, the MSCI Emerging Market Index returned -3.06% m/m in USD and -3.17% in ZAR. Russian assets bore the brunt of the sell-off, with the MSCI Russia Index down around 53% m/m. Some emerging markets fared better, particularly those with significant commodity exports such as Brazil and South Africa, which ended the month higher.

The South African equity market continued its strong start to the year, as the FTSE/JSE All Share Index closed the month at 2.95%. The local bourse was amongst only a few major global markets to end the month in positive territory and year-to-date is only second to the Brazilian stock market. Mining shares once again pushed the JSE higher, as well as financial counters.

On a sector basis, Resources led the pack by some distance, returning 16.07% m/m, with gold and platinum miners the best performers in the sector. Financials lagged at -4.66% m/m, but banks released better-than-expected trading updates, showing strong earnings momentum (Nedbank, Standard Bank and FirstRand delivered strong returns). Industrials returned -7.73% m/m, noticeably Naspers (around -22% m/m) and Prosus (around -26% m/m) weighing on the sector. Bonds continued to gain slightly, as the All Bond Index (ALBI) closed at 0.54% m/m. SA listed property lost more ground for the second month, returning -3.26% m/m. Cash (STeFI) delivered a moderate return of 0.32% m/m. South African value managers (8.40% m/m) outperformed growth managers (0.54% m/m), consistent with what occurred globally.

The ZAR managed to end the month relatively unchanged m/m against major currencies. The ZAR won as much as 0.11% against the USD and sterling, losing as much as 0.04% and 0.08% against the Japanese yen and euro respectively.

## PORTFOLIO MANAGER



**Wade Witbooi**  
BCom Business Management  
PGDip Financial Planning  
CIPM

Wade joined Sanlam Multi Managers in May 2016 as a portfolio manager within the investment team. Wade is currently the lead portfolio manager within the hybrid model portfolio group (MPG) and manages portfolios within the Glacier Invest Discretionary Fund Manager (DFM) business. Wade has completed the requisite regulatory exams and supervision period.

Wade started his career at Glacier by Sanlam on their graduate trainee programme in 2010 after a stint working as a summer camp counsellor in the USA. For the first two years he worked within their communication centre, operations team, as well as their investment administration departments where he acquired a thorough understanding of the financial adviser market and client servicing requirements. In 2012 he joined the Glacier Research team as an investment analyst focussing on manager research within the retail asset management landscape. Other responsibilities included market research, economic commentary, and financial advisor support. Wade then joined Sanlam Investments 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.

Wade holds a B.Com degree in Business Management from the University of the Western Cape, a Post Graduate Diploma in Financial Planning from the University of the Free State, a Certificate in Investment Performance Measurement (CIPM) from the CFA institute, and has completed the first level regulatory examination for representatives.

## 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)