

# Succession Income Plus

January 2022



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

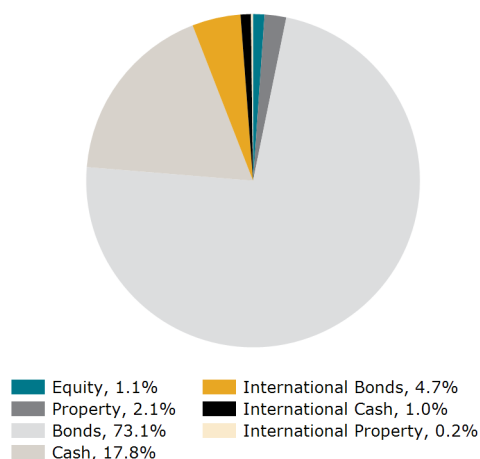
## FUND DETAILS

<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 335 million
<b>Platform</b>	Glacier

## 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



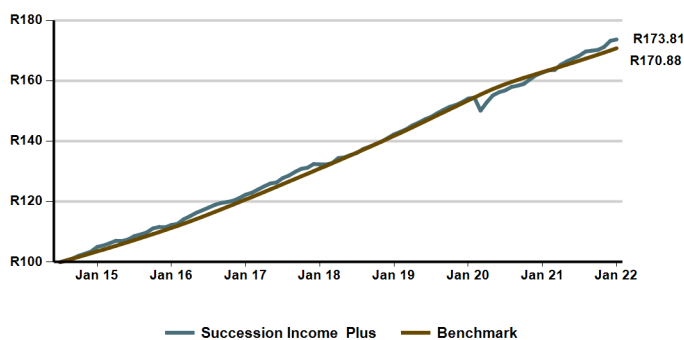
## INVESTOR PROFILE

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	0.27	0.42
3 Months	2.03	1.24
6 Months	3.18	2.46
1 Year	6.75	4.85
2 Years (annualised)	6.16	5.47
3 Years (annualised)	6.88	6.40
5 Years (annualised)	7.27	7.19
Since Launch	7.65	7.41

RISK STATISTICS (2 YEARS)	FUND*
Returns (annualised)	6.16%
Standard deviation (annualised)	2.86%
% Positive months	95.83%
Maximum drawdown	-2.81%
Sharpe ratio	0.59

## MANAGER SELECTION (%)

Amplify SCI Strategic Income	20.00	Prescient Income Provider	18.00
Coronation Strategic Income	18.00	SIM Enhanced Yield	14.00
Nedgroup Investments Flexible Income	15.00	SIM SA Active Income	15.00

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2022	0.27												0.27
Fund 2021	0.51	0.46	0.08	1.07	0.67	0.55	0.58	0.80	0.17	0.15	0.59	1.17	7.01
Fund 2020	0.78	0.22	-2.81	1.83	1.51	0.68	0.39	0.71	0.28	0.36	0.96	0.87	5.86

## FEES (% INCL. VAT)

Annual wrap fee	0.29	Underlying Manager TER's	0.51
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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

Following a strong 2021 for global markets, January was a volatile and shaky month, except for South African markets which continued to advance. Concerns over spiraling inflation, higher interest rates, the shift towards tightening monetary policy by many central banks, and the geopolitical tensions in Eastern Europe weighed on risk sentiment. This resulted in many global stocks retreating from their highs of last year. Despite the US markets recovering slightly during the final trading days of the month, Wall Street suffered its worst start to the year since the Global Financial Crisis (GFC).

Global equity markets started the year on a negative note, as the prospect of tightening monetary policy conditions weighed on stocks, particularly growth stocks, which recorded their biggest monthly underperformance relative to value stocks since 1999. Developed equity markets experienced their worst start to the year since 2016 as the MSCI World Index closed 5.34% down m/m in USD and 8.25% down in ZAR. The increasingly hawkish stance by the Fed and inflation concerns weighed on US stocks, with the S&P 500 (US\$) closing the month 5.17% down. European equities also ended the month poorly, with the Euro Stoxx 50(€) returning -2.75% m/m.

Emerging equity markets also had a tough start to 2022, but fared significantly better than their developed market peers as they started to retrieve some of the underperformance suffered to developed markets in 2021. The MSCI Emerging Market Index returned -1.93% m/m in USD and -4.94% in ZAR. Chinese equities, which have been amongst the worst performing global equities for the past year, managed to start the year among the best performing. Unfortunately, geopolitical tension prevented Russian markets from contributing to the emerging market rally.

The South African equity market started the year in the "green", as the FTSE/JSE All Share Index closed the month 0.86% up. The local bourse benefitted from improved sentiment towards emerging markets and a rally in commodity prices. Mining shares were once again amongst the best performers.

Resources led the pack at 3.92% m/m, followed by Financials and Industrials which closed the month 0.48% and 1.89% down respectively. Bonds continued to gain slightly, as the All Bond Index (ALBI) closed with a return of 0.85% m/m. SA listed property had a tough start and was down 2.85% m/m. Cash (STeFI) delivered a moderate return of 0.34% m/m. South African value managers (4.40% m/m) outperformed growth managers (-0.63% m/m), consistent with what occurred globally.

The ZAR experienced strong gains against most major currencies, as the market continued to price in more rate hikes in 2022, which in turn makes South African assets more attractive globally. The ZAR gained as much as 4.66%, 4.15%, 3.17% and 0.06% against the euro, sterling, USD, and Japanese yen.

### 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

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