

Succession Balanced Fund

June 2021



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

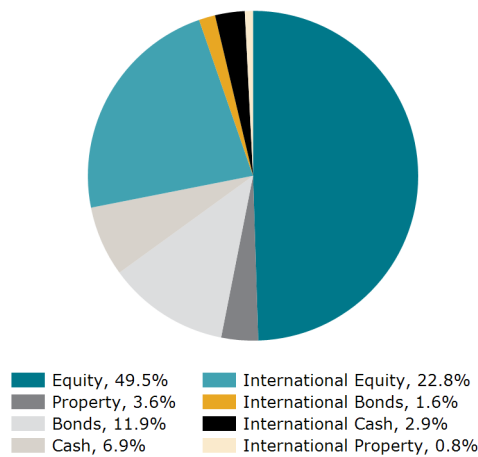
FUND DETAILS

Fund Category	SA Multi Asset High Equity
Benchmark	Avg SA Multi Asset High Equity
Risk Profile	Moderate Aggressive
Launch Date	09 March 2020
Fund Size	R 26 million

FUND OBJECTIVE

The 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%). The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

ASSET ALLOCATION



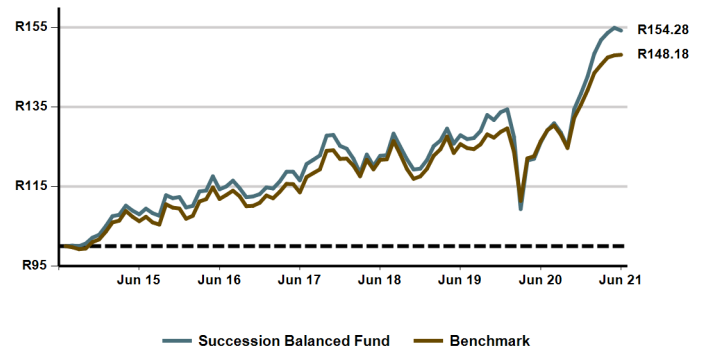
INVESTOR PROFILE

This fund is suitable for investors looking for:

- High level of capital growth
- Able to tolerate high levels of volatility

CUMULATIVE PERFORMANCE SINCE LAUNCH

Indicative value of R100 invested at launch of strategy, after fees.



PERFORMANCE (%)	FUND	BENCHMARK
1 Month	-0.45	0.10
3 Months	1.57	1.76
6 Months	11.49	9.30
1 Year	22.30	17.21
2 Years (annualised)	9.82	8.58
3 Years (annualised)	7.92	6.77
5 Years (annualised)	6.18	5.78
Since Launch	6.47	5.85

For illustrative purposes only and based on the historic performance of the SFP multi-managed strategy.

MANAGER SELECTION (%)

Amplify SCI Balanced	10.90	Nedgroup Global Equity Feeder	4.40
Amplify SCI Flexible Equity	9.90	PSG Flexible	10.30
Bateleur Flexible Prescient	7.00	Satrix Balanced Index	14.20
Centaur BCI Flexible	8.00	SI:MM Cash	1.90
Coronation Balanced Plus	9.90	SIM Inflation Plus	6.80
Fairtree Equity Prescient	7.30	Truffle SCI Flexible	9.40

FEES (% INCL. VAT)

Annual fund management fee	0.30%
Total Expense Ratio (TER)	1.26%
Total Cost Ratio (TCR)	0.22%
Total Investment Charges (TER + TC)	1.48%

The TER was incurred as expenses relating to the administration of the Financial Product. The TC was incurred as cost relating to the buying and selling of the assets underlying the Financial Product. The TIC was incurred as cost relating to the investment of the Financial Product. The higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's.

The TER shown is based on the highest fee tier where applicable and is calculated as at 31 March 2021.

CONTACT DETAILS

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Succession Financial Planning Advisory Services (Pty) Ltd (FSP) Licence No. 41158

MANAGER COMMENT

Most stock markets, including that of South Africa, retreated from recent highs and finished June on a mediocre note with modest gains or month-on-month declines. The market showed fears over the highly contagious delta variant and global inflation concerns following the announcement from the US Federal Reserve Bank regarding future interest hikes, while investors also took profits at the end of the quarter. Vaccination rollouts continued to accelerate in most developed countries, especially in Europe, while emerging markets continued to lag. Allowing governments in developed markets to continue the easing of COVID-related mobility restrictions in turn increased economic activity levels in these countries.

Global equity markets continued to march higher in June and recorded gains for a fifth consecutive month. The MSCI World Index returned 1.40% month-on-month (m/m) in USD and 5.52% in ZAR. US equity markets outperformed European equity markets with both obtaining positive returns for the month. The S&P 500 (US\$) was up 2.33%, the FTSE (£) up 0.16% and the Euro Stoxx 50(£) up 0.70%.

Equity markets have been benefiting from post pandemic economic normalisation in the form of cyclical, value stocks over the past few months. However, June instead saw the return of its 'pandemic beneficiaries', predominately technology businesses. A key catalyst for this rotation back into structural growth companies was the Fed's announcement mentioned above.

In June, emerging markets were also held back by rotation into growth companies, with the MSCI Emerging Market Index returning -0.11% month-on-month in USD and 3.95% in ZAR. The outliers for the month included Brazil and Russia, which benefited from their high exposure to energy companies, which rallied along with the strong oil price. On the back of this and lagged vaccination campaigns in emerging markets, it was no surprise to see developed market equities outperform emerging market equities.

The South African equity market winning streak came to an end this month, as the FTSE/JSE All Share Index closed at -2.43%, despite this it remains double digits up year to date.

Industrials managed to finish the month 0.56% up, with resources and financials delivering a poor return of -6.55% and -2.62%. SA listed property closed the month 3.37% up, with cash (STEF) once again returning a modest 0.31%.

In terms of our currency, the weaker dollar, lower US interest rates and SA's strong terms of trade were all supportive of a stronger rand in the first half of June, but was thrown off by the Fed's announcement, resulting in the currency trading with a bearish tone and closing the month 3.91% lower against the USD. Furthermore, the ZAR was down 0.94% and 1.13% against the euro and sterling respectively. The only win came in the form of 1.46% month-on-month to the Japanese yen.

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

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