

# Succession Income Plus

May 2021



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

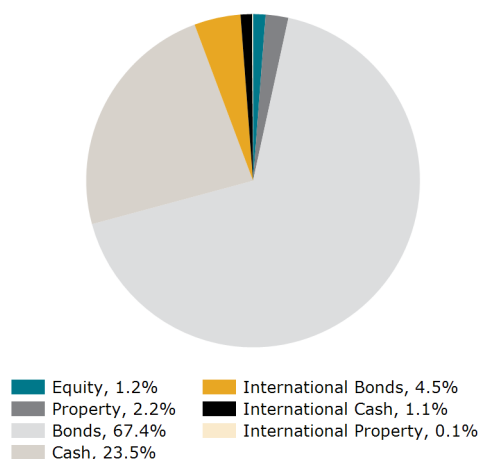
## FUND DETAILS

<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 373 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



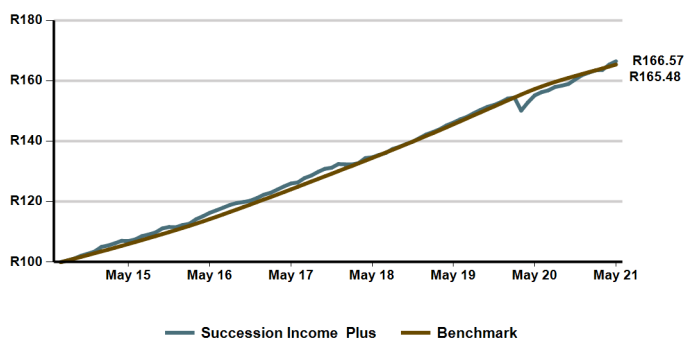
## INVESTOR PROFILE

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	0.67	0.39
3 Months	1.83	1.17
6 Months	3.73	2.33
1 Year	7.27	5.15
2 Years (annualised)	6.72	6.57
3 Years (annualised)	7.32	7.14
5 Years (annualised)	7.44	7.69
Since Launch	7.75	7.65

RISK STATISTICS (2 YEARS)	FUND*
Returns (annualised)	6.72%
Standard deviation (annualised)	2.81%
% Positive months	95.83%
Maximum drawdown	-2.81%
Sharpe ratio	0.41

## MANAGER SELECTION (%)

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

MONTHLY FUND PERFORMANCE* (%)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
Fund 2021	0.51	0.46	0.08	1.07	0.67								2.83
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
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

## FEES (% INCL. VAT)

Annual wrap fee	0.29	Underlying Manager TER's	0.52
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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

As nations continued the restart of their economies during the month of May supported by vaccinations in the respective populations, the market showed concerns that upside data surprises may result in more persistent inflation. It would force central banks to bring about a premature end to the growth rebound. This emphasises that investors seem to be particularly worried about inflation in the long term and the varied effects it can have on the market. Despite these concerns, economic activity has been very strong over the month of May, due to the ongoing vaccine rollouts allowing economies to gradually re-open, as well as sizeable fiscal support, particularly in the UK and US.

Global equity markets recorded gains for a fourth consecutive month at the end of May. The MSCI World Index returned 1,26% month-on-month in US\$ and – 4,24% in ZAR. European equity and US equity markets obtained positive returns over the month. FTSE (£) up 1,11% month-on-month, Euro Stoxx 50 (€) up 2,53% and S&P 500 (US\$) up 0,70% month-on-month. European equities once again outperformed other regions. In May, the MSCI Emerging Market Index returned 2,12% month-on-month in US\$ and – 3,42% in ZAR. After a very strong run from the start of 2020 to February this year, Asian equities have given back some of their gains in the last quarter before rallying in the latter half of May. Growth stocks have led the decline in Asian equities, due to Chinese growth stocks being corrected (decline in the stock price) by over 20% since February this year. Despite this, emerging market equities outperformed developed market equities for the first time since January. In a trend that has been dominant for the past few quarters, equity markets were dominated by cyclical, value stocks.

Expectations of stronger economic growth and inflation led to a strong rise in global inflation-protected bonds backed by strong demand.

The South African equity market managed to produce another month in the "green", as the FTSE/JSE All Share Index closed the month at 1,56%.

On a sector basis for May, Financials led the pack at 9,17% month-on-month, Industrials closed at 0,90%, and Resources lagging somewhat at -1,39% month-on-month. Noticeable sectors that took a hit in the month of May, include the Technology (-7,89% month-on-month), Chemicals (-7,30% month-on-month) and Forestry (-11,57% month-on-month). SA Bonds outperformed Emerging Market peers, as the All Bond Index closed the month at 3,73%. Cash once again gave a mediocre performance, as expected in a low interest rate environment, with the STEFI returning 0,31%.

Our currency continued to show strength and continued its strong run, closing stronger against most major currencies in May. The ZAR gained as much as 5,74% against the US\$, followed by 4,11% and 2,99% against the euro and sterling respectively, and was relatively flat relative to the Japanese yen (0,08%).

## 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.

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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