

PPS DEFENSIVE FUND



INVESTMENTS

Fund data as at 30 April 2019

FUND DESCRIPTION

Sasfin Asset Management has been appointed as our exclusive single managed PPS Defensive Fund portfolio manager. Sasfin Asset Management has a risk-conscious mindset with a focus on protecting capital by maintaining a diversified asset class exposure. In the PPS Defensive Fund (and in our other partnership strategies) our approach is to identify a manager through our comprehensive research process, with the skill set and capabilities to successively manage a strategy. Partnership managers typically do not yet offer a similar strategy in the retail space.

The PPS Defensive Fund is aimed at investors looking for a low volatility, diversified multi asset portfolio, managed within Regulation 28 of the Pension Fund Act. The primary objective of the fund is to outperform the ASISA SA Multi Asset Low Equity category average and will aim for low short-term volatility with long-term capital growth. The investment horizon for this fund is greater than three years.

PORTFOLIO DETAIL

Top 10 holdings	Allocation
RSA R186 10.5% 20271221	4.8%
RSA I2029 CPI 2% 202903331	4.3%
RSA R2030 8% 20300131	4.0%
FirstRand ILB 2.60% 2028031	3.6%
FirstRand 3M JIBAR +225Bps 20240602	3.5%
FirstRand 3M JIBAR +200Bps 20250309	3.2%
Vanguard Total World Stock ETF	3.1%
Toyota Financial Services 3M JIBAR +145Bps 20190527	2.9%
Standard Bank 3M JIBAR +156Bps 20220131	2.9%
Standard Bank 3M JIBAR +162Bps 20220612	2.0%
As a % of total	34.2%

ASSET ALLOCATION

Asset	Allocation
SA cash	62.3%
SA bonds	18.4%
SA equity	12.0%
Foreign equity	3.1%
SA property	2.3%
Foreign cash	2.0%

ANNUALISED PERFORMANCE

	YTD	1 Year	3 Years	5 Years	10 Years	Since inception
PPS Defensive Fund	4.19%	n/a	n/a	n/a	n/a	5.07%
(ASISA) South African MA Low Equity	5.69	6.01%	5.60%	6.40%	8.52%	3.76%

	2018	2017	2016	2015	2014	2013
PPS Defensive Fund	n/a	n/a	n/a	n/a	n/a	n/a
(ASISA) South African MA Low Equity	1.24%	8.40%	3.59%	7.60%	8.20%	12.17%

FUND OVERVIEW

Range	Select (A2 class)
Portfolio category	(ASISA) South African MA Low Equity
Launch date	1 November 2018
Investment manager	PPS Multi-Managers Proprietary Limited (authorised FSP)
Benchmark	Category Average
Income distribution	Half-yearly
Investment horizon	Medium - three years and longer
Portfolio size	R 523 751 387
Market value (NAV price per unit)	103.93 cents
Number of units held	17 277 723 (participatory interests)
Asset management fee (excl. VAT)	0.90%
Trustee	Standard Chartered Bank
Risk profile	Low - Med

RISK METRICS*

Metric	Fund	Category average
Annualised Standard Deviation	n/a	n/a
Maximum Drawdown	n/a	n/a
Percentage of Positive months	n/a	n/a
Information Ratio	n/a	n/a
Sharpe Ratio	n/a	n/a

*Please note that the performance shown is over a 12 month rolling period. The performance of the fund will be published once a one year investment record has been established. The information provided in the Risk Metrics will be published once a one year investment record has been established.

RETURNS SINCE INCEPTION*

Annual figures	Fund
Highest	n/a
Lowest	n/a

MATURITY ALLOCATION

Maturity	Allocation
< 1 Year	13.6%
1 - 3 years	11.2%
3 - 7 years	45.1%
7 - 12 years	30.1%

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ASSET MANAGER

Manager	Percentage
Sasfin Asset Managers	100.0%

DISTRIBUTIONS

Date	Cents Per Unit
31-Dec-18	1.09

FEES (INCLUSIVE OF VAT)*

Fees	Percentage
Total expense ratio (TER)	1.07%
Transaction costs (TC)	0.16%
Total investment charge (TIC= TER+TC)	1.23%

*The TER and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product. Calculations are based on actual data where possible and best estimates where actual data is not available.

DISCLOSURES

Collective Investment Schemes in Securities (CIS) are generally medium-to long-term investments. The value of participatory interests (units) may go down as well as up, and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending up to 10% of the market value of the portfolio to bridge insufficient liquidity. The manager does not provide any guarantee either in respect of the capital or the return of a portfolio. A fund of funds is a portfolio that invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the fund of funds.

Total Expense Ratio (TER) is a measure that can be used by investors and advisers to determine how much of a Financial Product's underlying assets are relinquished as payment for services rendered in the administration of the Financial Product. **Transaction Costs (TC)** is a measure of the total costs incurred in buying and selling assets underlying the CIS are a necessary cost in administering the CIS and impact CIS's returns.

It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of CIS, the investment decisions of the investment manager and the TER. TER's and TC's are expressed as a percentage of the daily net asset value of the CIS calculated over a period of three years on an annualised basis. A 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. **Total Investment Charges (TIC)** is a measure of total cost relating to the investment. The TER and TC disclosed are estimates based on our best estimate of the underlying costs. A schedule of fees, charges and maximum commissions are available on request.

Performance figures are from PPS Multi-Managers and Morningstar. These performance figures are for lump sum investments with income distributions reinvested on the ex-dividend date. All PPS Multi-Managers performance figures and values are quoted after the deduction of costs and applicable taxes incurred within the Fund. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of the reinvestment of income and dividend withholding tax. The reinvestment of income is calculated based on actual distributed amount and factors such as payment date and reinvestment date will be considered. Please note that performance over periods greater than one year is annualised. Annualised performance is the average return earned on an investment each year over a given time period.

This fund is exposed to foreign securities and as such, it may be subject to the macroeconomic, settlement risks and political risks brought about by this exposure. It may also be subject to currency risk, which means the underlying investments of the fund could depreciate or appreciate against the reporting currency of the investor. Because these securities are listed on other exchanges, it may be subject to the relevant regulatory authority, and thus the tax implications and legislative changes of that particular entity. There may also be delays in realizing investments, due to system or liquidity issues experienced by the respective exchange. In addition, market and investment value fluctuations may occur. Overall, please be advised that, as indicated by the risk profile and potentially influenced by asset allocation, risks may be associated with this fund such as general market risk, company risk, credit risk, counterparty risk and third party operational risk.

Unit Trust prices are calculated on a Net Asset Value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses from the Fund divided by the number of units in issue. Transactions must be received by PPS Management Company (MANCO) by 2pm to receive the net asset value price for that day. Transaction requests received after this cut off time will only be processed on the next business day, and will receive the price of that day. Linked Investment Service Providers (LISP), specify their own transaction timelines and may take up to five business days to process. Portfolio valuations occur at 3 p.m. on business days, except the last business day of the month, when it will be 5pm. Prices are published daily and are available in the daily newspapers.

The manager may close the portfolio to new investors to ensure the portfolio is managed according to its mandate.

PPS Investments (39270), PPS Multi-Managers (28733), PPS Investment, Administrators (45924) and PPS Insurance (1044) are licensed Financial Services Providers. PPS Management Company is a licensed collective investment scheme manager. PPS Nominees is an independent nominee company approved by the Financial Sector Conduct Authority (FSCA).

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PPS Multi-Managers is the appointed investment manager for the PPS Management Company.

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