

# PPS MANAGED FUND



INVESTMENTS

As of 30 Jun 2022

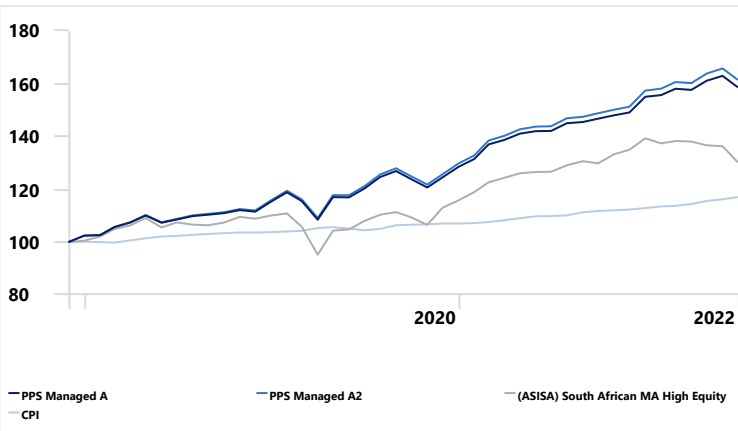
## FUND DESCRIPTION

36ONE Asset Management has been appointed as the exclusive manager of the PPS Managed Fund. This fund seeks to achieve medium to long term capital growth by investing across asset classes, utilising 36ONE's fundamental bottom up approach, combined with a top-down macroeconomic overlay. In the PPS Managed Fund (as in our other partnership strategies) our approach is to partner with a manager that our comprehensive research process has identified as having the skill set and capability to successfully manage the strategy. Partnership managers typically do not yet offer a similar strategy in the retail space.

The PPS Managed Fund aims to outperform CPI+5%, and has an investment horizon of greater than six years. This fund is managed according to Regulation 28 of the Pension Funds Act and therefore is a suitable standalone vehicle for retirement savings.

## ILLUSTRATIVE PERFORMANCE

Estimated growth of R100 000 invested with all distributions reinvested (for illustrative purposes only). Growth is represented in R '000



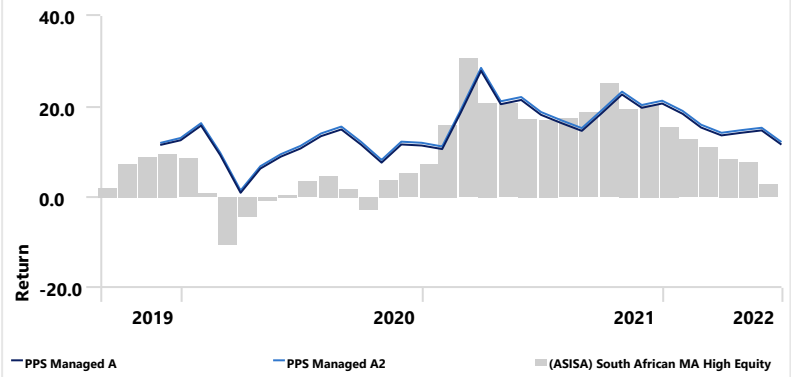
## FUND OVERVIEW

<b>List of classes*</b>	A & A2 class
<b>Portfolio category</b>	South African - Multi Asset - High Equity
<b>Launch date</b>	1 November 2018 (A & A2)
<b>Investment manager</b>	PPS Multi-Managers Proprietary Limited (authorised FSP)
<b>Benchmark</b>	CPI for all urban areas + 5%
<b>Income distribution</b>	Half-yearly
<b>Investment horizon</b>	Long-term - six years and longer
<b>Portfolio size</b>	R2 884 868 512
<b>Market value (NAV price per unit)</b>	144.06 (A); 144.41 (A2)
<b>Number of units held</b>	1 076 (A); 273 587 850 (A2)
<b>Manager fee (excl. VAT)</b>	1.55% (A) ; 1.10% (A2)
<b>Trustee</b>	Standard Chartered Bank
<b>Risk profile</b>	Medium - High

\*On PPS Investments platform, A2 class is available in Select range.

\*\*\*Please note the Manager fees on the MDD's for the period 30 November 2021 to 31 ^May 2022 (^Published 21 June 2022) for the PPS Managed A & A2 Fund classes were understated, and as a result the 31 May 2022 MDD has been amended on 23 June 2022 to reflect the correct figures.

Rolling Window: 1 Year 1 Month shift



## ANNUALISED PERFORMANCE

	3 months	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
PPS Managed A	0.61%	11.62%	13.48%	—	—	—	13.75%
PPS Managed A2	0.75%	12.18%	14.06%	—	—	—	14.31%
CPI + 5%	3.43%	11.53%	9.57%	9.52%	9.88%	10.09%	9.50%
(ASISA) South African MA High Equity	-5.68%	2.83%	6.62%	6.05%	5.28%	7.91%	7.66%

	YTD 2022	2021	2020	2019	2018	2017	2016
PPS Managed A	2.30%	20.69%	11.41%	12.58%	—	—	—
PPS Managed A2	2.56%	21.31%	12.02%	13.08%	—	—	—
CPI + 5%	6.07%	10.47%	8.18%	8.56%	10.18%	9.62%	11.61%
(ASISA) South African MA High Equity	-6.52%	20.32%	5.19%	9.52%	-3.60%	9.97%	1.31%

## ASSET MANAGERS



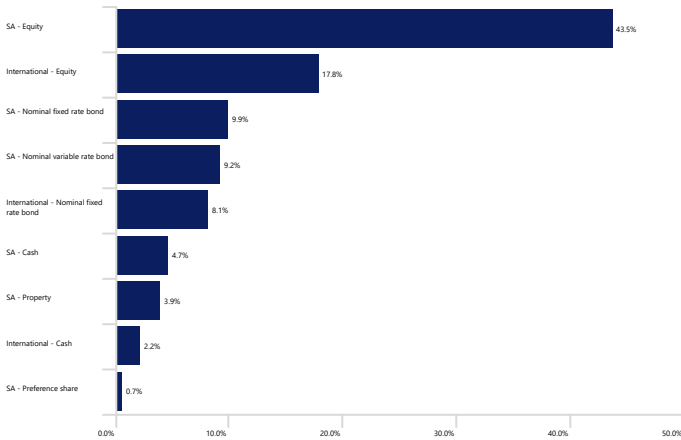
## RISK METRICS\*\*

Metric	A	A2	Benchmark
Annualised Standard Deviation	8.4%	8.4%	1.3%
Maximum Drawdown	-8.8%	-8.9%	-0.3%
Percentage of Positive months	79.1%	79.1%	95.3%
Information Ratio	0.45	0.52	—
Sharpe Ratio	1.06	1.12	—

\*\*Risk metrics calculated over a 3 year period

As of 30 Jun 2022

## ASSET ALLOCATION



## PORTFOLIO DETAIL

Top 10 Holdings	Allocation
Glencore Xstrata	5.0%
British American Tobacco	5.0%
USA T-Bill 0% 20220721	4.8%
ABSA Group Ltd	4.6%
Prosus	3.7%
Mediclinic International	3.5%
SunCoke Energy	3.5%
Sasol	3.5%
RSA 8.875% 20350228	3.3%
USA T-Bill 0% 20220908	3.3%

## MATURITY ALLOCATION

Maturity	Allocation
< 1 year	4.7%
1 - 3 years	21.0%
3 - 7 years	39.2%
7 - 12 years	11.9%
12 and more years	23.2%

## HIGHEST & LOWEST RETURNS SINCE INCEPTION (12-month rolling performance)

Metric	A	A2
Highest	27.9%	28.6%
Highest Month End Date	31 Mar 2021	31 Mar 2021
Lowest	1.0%	1.5%
Lowest Month End Date	31 Mar 2020	31 Mar 2020

## 1 YEAR FEES (%) (INCLUSIVE OF VAT)

Fees	A	A2
Total expense ratio (TER)	1.82	1.30
Transaction costs (TC)	0.40	0.40
<b>Total investment charge (TER+TC)</b>	<b>2.22</b>	<b>1.70</b>

## 3 YEAR FEES (%) (INCLUSIVE OF VAT)

Fees	A	A2
Total expense ratio (TER)	1.84	1.33
Transaction costs (TC)	0.42	0.42
<b>Total investment charge (TER+TC)</b>	<b>2.26</b>	<b>1.75</b>

## DISTRIBUTIONS

Date	A	A2
30 Jun 2022	1.26	1.59
31 Dec 2021	2.12	2.45

## MANAGER COMMENTARY

The fund's performance was positive for the quarter. The fund outperformed the ASISA SA Multi Asset High Equity Category but underperformed the CPI+5% benchmark. Holdings in tobacco, healthcare, and chemicals were the largest contributors to performance, whilst diversified miners and banks were the largest detractor from performance. Recession fears in the United States and Europe have impacted global equities, with further pressure on commodity prices such as metals which shot to record levels at the start of the war in Ukraine. Despite banks benefiting from an increase in interest rates, recession concerns are also weighting on their valuations. The fund's exposure to local cash and bonds contributed positively to performance, however both local and global equities detracted from performance. Over the past quarter, the fund further increased its exposure to bonds –mainly additional tier paper issued by the banks, whilst deploying some cash into global and equity markets where we have found pockets of attractively valued securities.

As of 30 Jun 2022

## 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.

**Total Expense Ratio (TER)** is a measure that can be used by investors and advisers to determine how much of a CIS's underlying assets are relinquished as payment for services rendered in the administration of the CIS. 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.

**Transaction Costs (TC)** is a measure that can be used by investors and advisers to determine the costs incurred in buying and selling assets underlying the CIS. TC's 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.

**Total Investment Charges (TIC)** is a measure of total cost relating to the investment. TIC is the sum of the total expense ratio (TER) and the transaction cost (TC).

TER's and TC's are expressed as a percentage of the daily net asset value of the CIS calculated over the past one year and three-year period on an annualised basis. The TER and TC disclosed are estimates based on our best estimate of the underlying costs.

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. Performance is based on NAV to NAV calculations and calculated on a rolling monthly basis. The past performance is relevant to the investment or the service offered by the manager.

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 the 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.

A schedule of fees, charges and maximum commissions are available on request. This fund does not charge performance fees.

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

Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge.

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).

### MANAGER DETAILS:

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### EMAIL:

### WEBSITE:

### TRUSTEE DETAILS:

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Sandton, 2196  
011 217 6600

### TELEPHONE:

### EMAIL:

SouthAfrica.Securities-Services@sc.com

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