Fund Fact Sheet

Glacier Invest Cautious (LA)

February 2024

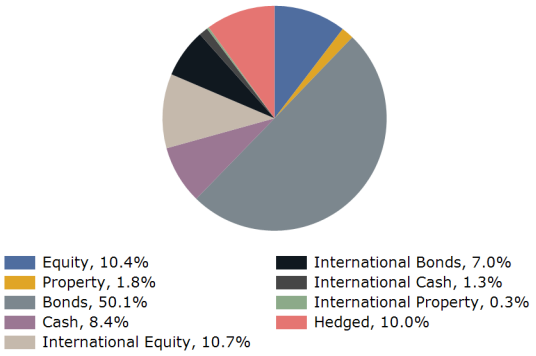
Fund Details

Fund Category	SA Multi Asset Low Equity
Benchmark	Avg SA Multi Asset Low Equity
Risk Profile	Cautious
Investment period	3 years
Launch Date	01 April 2020
Fund Size	R 274 million
Platform	Glacier

Fund Objective

The wrap fund aims to provide investors with income commensurate with the associated risk over a medium term time horizon. Capital preservation is paramount to ensuring the longevity of capital and is undertaken by investing in strategies that provide more explicit downside protection while attempting to capture as much upside when exhibited. The fund may also be exposed to Retail Investment Hedge Funds. Investors in this fund should have an investment horizon of 3 years. The fund is in compliance with Regulation 28 of the Pension Funds Act, 1956.

Asset Allocation

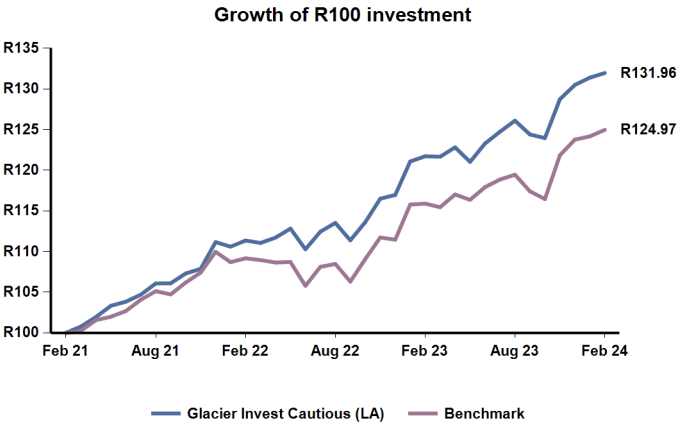


Investor Profile

This fund is suitable for investors looking for:

- Low to moderate levels of income withdrawals from their living annuity
- Capital preservation over the short to medium term
- An investment horizon of 3 years

Cumulative performance - 3 years *



Performance (%)	Fund*	Benchmark
1 Month	0.44	0.65
3 Months	2.51	2.57
6 Months	4.65	4.62
1 Year	8.41	7.83
2 Years (annualised)	8.86	6.99
3 Years (annualised)	9.68	7.71
Since Launch	12.52	10.18

Manager Selection (%)			
Amplify SCI Absolute Income Retail Hedge (Acumen)	2.50	Bateleur Flexible Prescient	5.00
Amplify SCI Defensive Balanced (Matrix)	5.00	Granate BCI Multi Income	4.00
Amplify SCI Diversified Income Retail Hedge (Terebinth)	2.50	Ninety One Global Multi-Asset Income FF	5.00
Amplify SCI Flexible Equity (Abax)	7.00	Ninety One Opportunity	5.00
Amplify SCI Global Equity FF (Sarofim&Co)	2.00	Prescient Flexible Bond	6.00
Amplify SCI Income Plus Retail Hedge (Matrix)	2.50	Prescient Income Provider	8.00
Amplify SCI Real Income Retail Hedge (Marble Rock)	2.50	Saffron SCI Active Bond Fund	1.00
Amplify SCI Strategic Income (Terebinth)	12.00	Satrix Bond Index	2.50
Amplify SCI Wealth Protector (Truffle)	8.00	SIM Flexible Income	9.00
Aylett Balanced Prescient	4.50	SMM Inflation Linked Bond (SIM)	6.00

Monthly Fund Performance* (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2024	0.69	0.44											1.13
Fund 2023	3.52	0.53	-0.04	0.94	-1.45	1.86	1.18	1.09	-1.34	-0.36	3.85	1.37	11.57
Fund 2022	-0.50	0.68	-0.26	0.59	0.99	-2.25	1.97	0.95	-1.88	2.01	2.54	0.39	5.22

Fees (% incl. VAT)	
Annual Solution Fee	0.46
Underlying Manager TER's	0.96

* The investor is liable for CGT on any transactions in the units of the underlying unit trusts 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.

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Manager Comment

Both the UK and Japan moved into a technical recession in Q4 2023 after posting two consecutive quarters of negative economic growth. UK Prime Minister Rushi Sunak is under pressure to find ways to stimulate the UK economy and address the country's cost of living crisis. Japan battled with high economic uncertainty and inflation, which weighed heavily on private consumption and foreign investment.

US inflation rose more than expected in January because of stubbornly high shelter prices which impacted consumers. A preliminary Reuters poll showed that China's manufacturing activity contracted in February as factory owners struggled to secure local and international orders. Eurozone business activity fell for the ninth month in a row, but the rate of decline eased in January.

In SA, President Cyril Ramaphosa delivered his State of the Nation Address and Finance Minister Enoch Godongwana presented the National Budget. In these speeches, government updated citizens on the steps it will take to move the economy in the right direction.

After a positive start to 2024, global equity markets accelerated in February, with the MSCI World Index ending the month at 4.24% in dollar terms. Emerging markets (EMs) underperformed developed markets (DMs) for four consecutive months before February but managed to slightly beat DMs, with the MSCI EM Index ending positively at 4.77% month-on-month (m/m) in dollar terms. Chinese equites rallied strongly due to economic stimulus and contributed to the performance of the MSCI EM Index. Although it was announced that Japan slipped into a recession, the Nikkei still managed to end the month positively at 7.99% in yen terms. Both Global Bonds and Global Property entered negative territory at -1.26% m/m and -0.55% m/m in dollar terms. Tech stocks contributed to the S&P 500's positive performance of 5.34% m/m in dollar terms, with Nvidia, Meta and Amazon being the top contributors. The Dow Jones Index was positive at 2.5% m/m in dollar terms and the FTSE gained 0.19% m/m in pound.

The South African stock market was in negative territory in February, when the FTSE/JSE All-Share Index ended at -2.44% in rand terms. Industrials and Financials were negative, at -0.79% m/m and -1.2% m/m, but Resources was the biggest laggard, at -6.92% m/m. Local Property and Cash were both positive for the month, at 0.82% and 0.65% respectively in rand. The bond market underperformed, with the FTSE/JSE All-Bond Index ending at -0.58% m/m in rand terms. Bonds of 1-3 years ended the month at -0.04%, with bonds of 3-7 years at -0.88%, bonds of 7-12 years at -0.78% and bonds of above 12 years ending at -0.53%.

Expectations of sustained higher US interest rates boosted the dollar, which was stronger against all major DM and most major EM currencies in February. The rand was among the worst-performing currencies. It depreciated against the US dollar by -3.05% m/m, the euro by -2.68% m/m and the pound by -2.4% m/m. However, the currency appreciated against the Japanese yen by 2.39% m/m.

Portfolio Manager

Paul Wilson

BSc (Hons) Actuarial Mathematics;
CFA Charterholder

About the Portfolio Manager

Paul joined Sanlam in 2011 as an investment analyst before being appointed to his current position of Chief Investment Officer in 2013. As CIO, Paul heads up a substantial team of experienced investment professionals in Sanlam's Multi-Management team. As solutions architects, the team performs in-depth macro and manager research that informs the portfolio construction process, which is encompassed within a disciplined framework. Sanlam's multi manager investment team has an exceptional tactical asset allocation track record, giving them a distinct competitive edge.

In his previous capacity as head of research, Paul ensured that the quality of data was high and appropriate for the investment process. His responsibilities included due diligence at a manager level, developing new analysis methods, writing articles and doing research. In his role as portfolio manager, Paul was responsible for client portfolios and making trading and investment decisions.

Before joining Sanlam, Paul fulfilled the roles of head of asset manager research and an investment consultant at Jacques Malan Consultants & Actuaries. He also gained experience as a business analyst at Monocle Solutions and a Quantitative Analyst at RisCura Solutions in 2004.

Paul is a certified Chartered Financial Analyst (CFA) and also has a BSc (Honours) in Actuarial Mathematics from the University of Pretoria.

Manager Information

The management of this portfolio has been outsourced to Sanlam Multi Manager International (Pty) Ltd by Glacier Financial Solutions (Pty) Ltd

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