

**Fund Objective**

The objective of this multi-managed portfolio is to provide investors with steady compounding of capital over time through focused and concentrated holdings in companies of the highest quality. Growth of capital is more important than level of income.

**Fund Strategy**

Apart from assets in liquid form the portfolio will invest in shares, across all economic groups and industry sectors of a certified securities exchange as well as across the range of large, mid and smaller cap shares and any other securities that the Act may allow from time to time such other financial instruments as may be permitted by prevailing regulations.

This will be a highly focused equity portfolio concentrating on a maximum of 40 securities of the highest quality and may not hold more than 20 domestic securities listed on the Johannesburg Stock Exchange and 20 foreign securities on a foreign listed exchange at any given point. This portfolio, will at no time, duplicate any Sanlam Multi Managed equity portfolio.

The portfolio will maintain a minimum equity exposure of 85%. The Manager will also be allowed to invest in both listed and unlisted financial instruments (derivatives) as allowed by the Act from time to time in order to achieve its investment objective.

In addition to collective investment schemes in property, the portfolio may apart from the above, the portfolio may also invest in participating interest of portfolios and may also invest in Exchange Traded Funds listed on a recognized exchange. The Manager shall be permitted to invest on behalf of the portfolio in offshore investments as legislation permits.

**Why choose this fund?**

- The fund's focused investment approach ensure that only a limited number of carefully researched and quality securities are invested in.
- The long term "search for quality" investment strategy relies on research expertise for above average stock picking.
- The fund is focused on the long term growth of capital and as a result, returns could be more volatile.

**Fund Information**

<b>ASISA Fund Classification</b>	South African SA - Equity - General
<b>Risk Profile</b>	Aggressive
<b>Benchmark</b>	FTSE/JSE Shareholder Weighted Index (SWIX)
<b>Fee Class Launch date*</b>	15 August 2016
<b>Portfolio Launch date</b>	15 August 2016
<b>Minimum investment</b>	LISP Minimums apply
<b>Portfolio Size</b>	R 292 million
<b>Quarterly Distributions</b>	31/03/19: 3.32 cents per unit 31/12/18: 0.00 cents per unit 30/09/18: 4.64 cents per unit 30/06/18: 4.70 cents per unit
<b>Income decl. dates</b>	31/03   30/06   30/09   31/12
<b>Income price dates</b>	1st working day in April, July, October and January
<b>Portfolio valuation time</b>	15:00
<b>Transaction cut off time</b>	15:00
<b>Daily price information</b>	The local newspaper and <a href="http://www.sanlamunitrusts.co.za">www.sanlamunitrusts.co.za</a>
<b>Repurchase period</b>	3 working days

<b>Fees (Incl. VAT)</b>	<b>B3-Class (%)</b>
<b>Advice initial fee (max.)</b>	neg.
<b>Manager initial fee (max.)</b>	0.00
<b>Advice annual fee (max.)</b>	neg.
<b>Manager annual fee (max.)</b>	0.75
<b>Total Expense Ratio (TER)</b>	1.86

Advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor.

This fund is available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

Manager annual fee | Performance Fees: Minimum fee: 0.75% p.a. (incl. VAT), maximum fee: 1.71% (incl. VAT) and sharing rate: 20%.

Performance fees will only be charged once the performance benchmark is outperformed, irrespective of whether the fund performance is positive or negative. If the fund performs in line or below the benchmark, then the minimum fee of 0.75% p.a. (incl. VAT) is charged. The performance fee is accrued daily, based on daily performance and paid to the manager annually.

PERIOD: 15 August 2016 to 31 December 2018

Total Expense Ratio (TER) | 1.86% of the value of the Financial Product was incurred as expenses relating to the administration of the Financial Product. 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. Inclusive in the TER of 1.86%, a performance fee of 0.52% of the net asset value of the class of Financial Product was recovered.

Transaction Cost (TC) | 0.25% of the value of the Financial Product was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product 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 Financial Product, the investment decisions of the investment manager and the TER.

Total Investment Charges (TER + TC) | 2.11% of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

**Top 10 Holdings**

<b>Top 10</b>	<b>% of Equity</b>
Naspers	11.90
Bidvest Group Limited	5.08
Standard Bank Group Limited	4.88
Anheuser-Busch Inbev SA INV	4.43
Life Healthcare Group Holdings	4.34
Firststrand Limited	4.04
AVI Limited	3.89
Discovery Holdings Limited	3.89
Clorox Company	3.31
Clicks Group Limited	3.27

**Performance (Annualised) as at 31 Mar 2019 on a rolling monthly basis\***

<b>B3-Class</b>	<b>Fund (%)</b>	<b>Benchmark (%)</b>
1 Year	-4.21	0.43
3 Year	N/A	N/A
5 Year	N/A	N/A
Since inception	-1.58	2.98

An annualised rate of return is the average rate of return per year, measured over a period either longer or shorter than one year, such as a month, or two years, annualised for comparison with a one-year return.

**Performance (Cumulative) as at 31 Mar 2019 on a rolling monthly basis\***

<b>B3-Class</b>	<b>Fund (%)</b>	<b>Benchmark (%)</b>
1 Year	-4.21	0.43
3 Year	N/A	N/A
5 Year	N/A	N/A
Since inception	-4.15	8.16

Cumulative return is the aggregate return of the portfolio for a specified period.

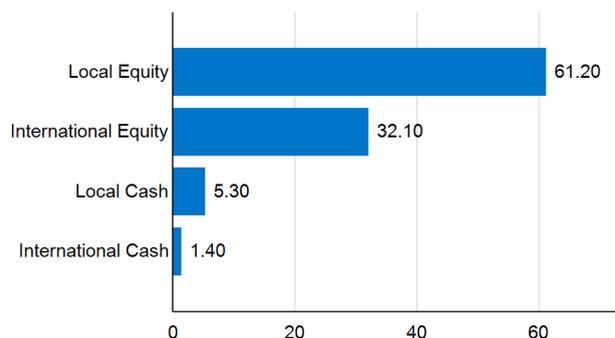
**Risk statistics: 3 years to 31 Mar 2019**

Std Deviation (Ann)	N/A
Sharpe Ratio (Ann)	N/A

**Actual highest and lowest annual returns\***

Highest Annual %	17.29
Lowest Annual %	-15.93

\*Performance figures sourced from Morningstar.

**Asset Allocation**

**Investment Manager Monthly Commentary**

The levels reached by global equities in their wider rally for 2019 remains dependent on signs of a resolution in the trade war. However, concern about the darkening outlook for global growth has drawn investors back into government bond markets in March. A weaker outlook for the global economic growth in the first quarter of 2019 was reflected in the decline in sovereign bond yields as a dovish Fed and ECB led to a repricing of interest rate outlooks. Furthermore, risks to growth remain and the US yield curve (measured by the difference between the 10-year and 3-month Treasury yields) inverted, thereby flashing a recession signal for the first time since 2007. The Fed signalled no rate rises this year, bringing its projections more in line with market expectations. The ECB's actions were more dovish than expected, with a fresh round of cheap lending for Eurozone banks due to start in September. The highly uncertain outcome of Brexit and a slowdown in global growth will continue to create a challenging mix for the ECB. South Africa made it through another scheduled Moody's review to retain its local currency investment-grade rating with a stable outlook. Moody's delayed South Africa's ratings review with SA national elections on 8 May 2019.

With signs of a deepening global economic slowdown and negative headlines, emerging market currencies came under pressure in March. As such, the rand depreciated some 2.50% relative to the dollar. Markets largely shrugged off concerns around trade disputes and geopolitical uncertainty. The MSCI World index delivered some 3.92% in rands. Emerging markets underperformed their developed counterparts. The MSCI Emerging Markets index delivered some 3.42% in rands. The flight from risk kept investors piling into government bonds, pushing yields lower. The JP Morgan Global Aggregate returned some 4.16% in rands. Emerging market bonds lagged their developed market counterparts, delivering some 3.70% in rands. The outlook for developed market REITs and commercial real estate remains favourable, despite some mixed macroeconomic news this year and potential headwinds for distribution growth. As such, developed market property delivered some 6.32% in rands.

The local equity market followed global equity markets higher and rallied some 1.56% in rands. The positive outcome was driven by Resources and Industrials both rallying some 4.61% and 3.49% respectively. Financials struggled in March, declining some 4.78%. Local longer dated bond yields were largely unchanged over the month. The SA 10-year government bond yield rallied some 13 basis points in the month. As such, the All Bond index delivered some 1.33% in rands. Inflation-linked bonds underperformed their fixed coupon counterparts, delivering some -0.85% in rands. The listed property sector continues to struggle having given the weakest dividend forecasts in more than a decade as they struggle to grow rentals and fill vacancies amid weak business and consumer confidence. As such, the SAPY declined some 1.46% in rands.

**Appointed Investment Manager**

First Avenue Investment Management

**Investment Manager Disclaimer**

The management of investments are outsourced to First Avenue Investment Management, FSP 42693, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

**Risk Profile (Aggressive)**

This is a high-risk portfolio that aims to deliver capital growth over the long term (greater than 5 years). It is designed to substantially outperform the markets and therefore carries a long-term investment horizon (5 years and upwards). The portfolio will be diversified across all major asset classes with significant exposure to equities, and may include offshore equities. There may be some capital volatility in the short term, although higher returns may be expected from five years or beyond.

**Trustee Information****Standard Bank of South Africa Ltd**

Tel no.: 021 441 4100

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**Additional Information**

All reasonable steps have been taken to ensure the information on this MDD is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performance is not necessarily a guide to future performance, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge.

Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments 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 such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The fund may from time to time invest in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. A copy of the Performance fee Frequently Asked Questions can be obtained from our website: [www.sanlaminvestments.com](http://www.sanlaminvestments.com). The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments Scheme.

**Glossary Terms****Distributions**

The income that is generated from an investment and given to investors through monthly or quarterly distribution payouts.

**Financial Instruments (Derivatives)**

Derivatives are instruments generally used as an instrument to protect against risk (capital losses), but can also be used for speculative purposes. Examples are futures, options and swaps.

**Exchange Traded Funds**

An exchange-traded fund (ETF) is an investment fund traded on stock exchanges, much like stocks. An ETF holds assets such as stocks, commodities, or bonds, and trades close to its net asset value over the course of the trading day. Most ETFs track an index, such as a stock index or bond index.

**LISP (Linked Investment Service Provider)**

A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

**Sharpe ratio**

The Sharpe ratio measures risk-adjusted performance of an investment or portfolio. It measures the amount of risk associated with the returns generated by the portfolio and indicates whether a portfolio's returns are due to excessive risk or not. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

**Standard deviation**

Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the amount of expected volatility in an investment.

**Total Expense Ratio (TER)**

This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

**Manager information:**

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