

Fund Objective

The Sanlam Namibia Property Fund is a specialist index tracking fund which tracks the performance of the FTSE/JSE SA Listed Property Index (J253). The Fund is rebalanced quarterly.

Fund Strategy

We believe that the benchmark choice and resulting returns from the most important elements of an equity strategy - by investing in a passive vehicle the returns to investment strategies are known. By applying a full replication strategy there is no risk of deviation from the chosen benchmark.

Why choose this fund?

- *Investors wanting exposure to SA Listed Property stocks at a compelling cost.
- *The fund is a cost-effective, asset allocation tool which investors can use to diversify their portfolios with sector specific exposure.
- *Investors requiring an overall yield including both income generation and long-term capital appreciation.

Fund Information

Classification	General Property Fund
Risk profile	Moderate aggressive
Benchmark	SA Listed Property Index
Portfolio launch date	1 June 2011
Minimum investment	Lump Sum N\$ 5 000 Monthly N\$ 200
Portfolio size	N\$73.6 million
Last two distributions	30 Jun 21: 0.00 cents per unit 31 Mar 21: 9.5 cents per unit
Income decl. dates	31 Mar 30 Jun 30 Sept 31 Dec
Income price dates	1st working day of the month
Valuation time of fund	15:00
Transaction cut off time	13:00

Fees (Incl. VAT)

	Retail Class (%)
Initial Fee	N/A
Annual Service Fee	0.80

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

Top 10 Holdings

Securities	% of Portfolio
GrowthPoint	20.40
NEPIROCK (NEP)	17.63
Redefine	9.45
Resilient	6.88
Fortressa	6.56
Equites Prop F	4.22
Vukile	4.13
MAS (MSP)	3.35
Hyprop	3.17
Sirius (SRE)	2.72

Top 10 Holdings as at 30 Jun 2021

Performance (Annualised)

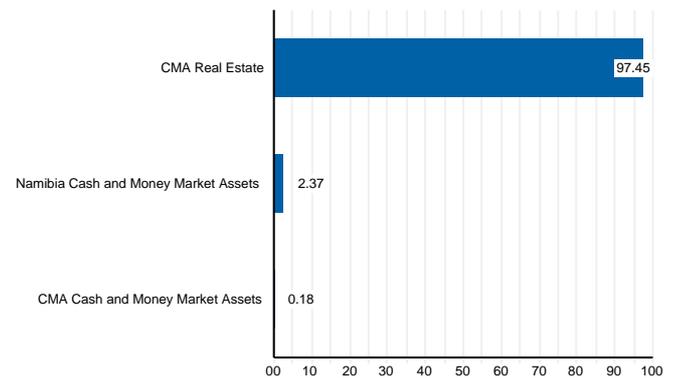
Retail Class	Fund (%)	Benchmark (%)
1 year	39.43	36.20
3 year	(8.83)	(6.98)
5 year	(7.40)	(5.63)
10 year	3.20	4.13

Annualized return is the weighted average compound growth rate over the period measured.

Performance (Cumulative)

Retail Class	Fund (%)	Benchmark (%)
1 year	39.43	36.20
3 year	(24.21)	(19.51)
5 year	(31.91)	(25.15)
10 year	36.97	49.89

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

Asset Allocation


Portfolio Manager(s) Quarterly Comment - 30 Jun 2021**Market Commentary Q2 2021**

A contagious Delta variant of the Covid-19 virus has spread to almost 100 countries worldwide, sparking new lockdown restrictions. This has left businesses to suffer another hit while they were still scrambling to recover from last year's losses. Local equities were flat over the second quarter of 2021 (Q2) as South Africa went back to an adjusted Level 4 lockdown amid the third wave of the virus. International markets experienced a positive quarter as the vaccine rollout accelerated in developed markets, while herd immunity was still not reached.

For the quarter, the MSCI World Index (+7.7%), MSCI Emerging Markets (EM) Index (+5.1%) and MSCI USA Index (+8.8%) all gave positive returns in net US dollar. The Latin American emerging markets performed well in Q2 with the MSCI EM Latin American Index returning 15%. The MSCI South Africa Index (-1.5%) was in negative territory over the quarter while the MSCI China Index returned 2.3%. The MSCI Europe Index returned 7.4% while the MSCI United Kingdom Index gained 6%. All returns are in net US dollar.

The tension between Saudi Arabia and the United Arab Emirates (UAE) increased in their OPEC standoff, forcing the organisation to halt two talks, which has left markets worrying about the failed agreements. Throughout this, the oil price continued to rally, as the UAE blocked a deal by Saudi Arabia and Russia that would see output increase in the second half of the year. The oil price ended the quarter at \$74.6 a barrel, a 17.4% gain from the start of the period. At the beginning of the quarter, the gold price moved up and reached beginning-of-year levels, but then lost ground as the US Federal Reserve (Fed) looked to speed up the expected pace of policy tightening. For the quarter, the price of the precious metal was up 4.8%, ending at \$1 765 an ounce. The US Government 10-year bond closed the quarter at 1.48% as job numbers in the US showed gains, but not enough to raise inflation.

Locally, the South African equity indices, namely the FTSE/JSE Top 40 (Top 40) (-0.8%), FTSE/JSE All Share (ALSI) (+0.1%) and FTSE/JSE Capped Shareholder Weighted All Share (Capped Swix) (+0.6%) all showed flat to negative returns through the quarter. The South African Government 10-year Bond yield started the period at a yield of 9.5% and closed the quarter at 8.9%, resulting in the All Bond Index (ALBI) (+6.9%) ending the quarter with a positive return. The cash benchmark, the Alexander Forbes Short-Term Fixed Interest (STeFI) Composite Index (+0.9%) delivered positive money market returns for the quarter. The FTSE/JSE SA Listed Property Index (SAPY) (+12.1%) ended the quarter in positive territory, doubling its Q1 returns.

The South African rand strengthened against the US dollar through the period. For the full quarter, the rand appreciated by 3% to the dollar, closing at R14.31 to the greenback, R19.75 to the pound and at R16.96 to the euro.

The South African Reserve Bank (SARB) again unanimously voted to keep its repo rate unchanged at 3.5% during its May meeting as

widely expected by analysts. Continuing with his stance on the slowness of the vaccine rollout, Governor Lesetja Kganyago warned that the slow progress of the rollout and the energy issues at Eskom were posing downside risks to South Africa's economic outlook.

Forecast growth for South Africa was revised and increased to 4.2% from the previous 3.8% for the year 2021, and these numbers were published before the increase in lockdown restrictions in June. The SARB emphasised that they see two interest rate hikes coming, for the year.

Fund performance and changes

In the second quarter of 2021, the SAPY was the best performing index with a return of 12.12%, outperforming the FTSE/JSE All Property Index (ALPI), which returned 11.14%, by 0.98%.

The top contributors to the performance during the quarter were Growthpoint (GRT) (+18%), Resilient (RES) (+20%) and NEPI Rockcastle (NRP) (+8%). Hyprop (HYP) (-6%) and Fortress B (FFB) (-4%) were the only property securities in the SAPY which had a negative return during the quarter.

During the June 2021 FTSE/JSE index review there were no constituent additions to or deletions from the index. The one-way turnover was 1.07%.

The fund performed in line with the SAPY benchmark. Any deviations from the benchmark could solely be attributed to cash drag.

Portfolio Manager(s)

The Satrix Investment Team

Manager Information: Sanlam Namibia Trust Managers Limited. Physical address: 154 Independence Avenue, Windhoek 9000, Postal address: PO Box 317, Windhoek, Namibia

Unit Trusts are usually medium- to long term investments. The value of units can fluctuate and past performance is not necessarily a guideline for the future. Unit Trusts are traded at current closing prices. Forward pricing used. A Statement of Fees and levies is available on request from the management company. Commission and incentives may be payable and if this is the case, it is included in the total cost.

Maximum commissions is available from the manager/scheme. Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. The following charges are levied against the portfolio: Brokerage, auditor's fees, bank charges, trustee fees and RSC levies. Member of the ACI.