

# Assetbase CPI + 4% Prescient Fund of Funds

## Minimum Disclosure Document and General Investor Report - Domestic Fund

### 30 September 2020

### Fund Objective and Investment Process

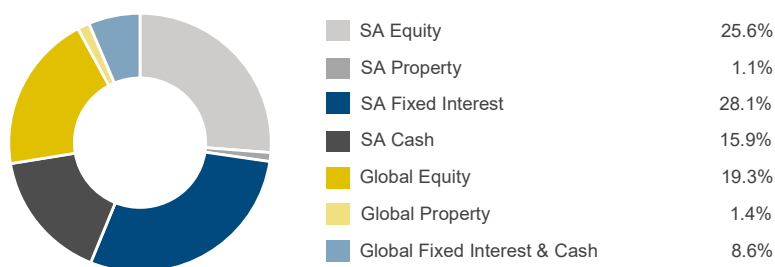
The objective of the portfolio is to achieve a total performance of at least 4% per annum better than the inflation rate over rolling periods of 5 years or more. The portfolio manager will continually assess the prospects for asset classes and reflect this assessment in the portfolio. The portfolio manager will research asset managers globally. The chosen asset managers' portfolios will be combined to achieve the total portfolio objective. The portfolio will, at all times, comply with Regulation 28 of the Pension Funds Act. This fund is suitable for long term investors with a moderate risk tolerance, who seek reasonable but relatively stable growth.

### Annualised Performance

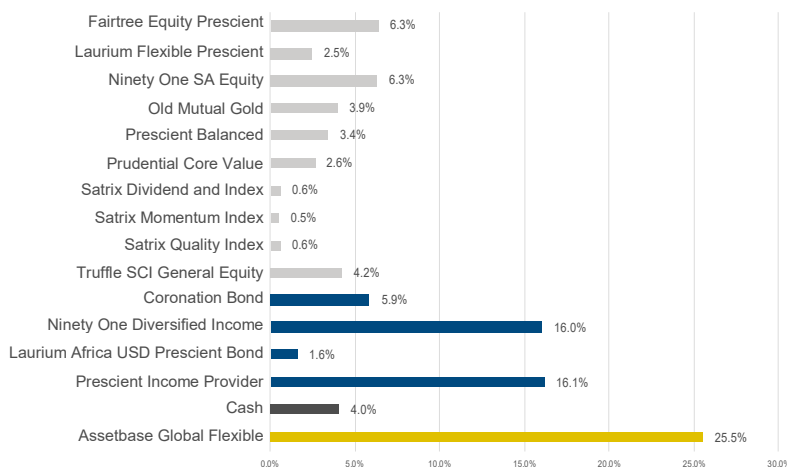
|  | YTD*         | 1-Year      | 3-Year      | 5-Year   | Since inception<br>03-11-2015 |
|--|--------------|-------------|-------------|----------|-------------------------------|
| <b>Assetbase CPI +4% Prescient Fund of Funds</b> | <b>11.5%</b> | <b>2.4%</b> | <b>3.8%</b> | <b>-</b> | <b>3.8%</b>                   |
| South Africa: Multi-Asset - Medium Equity        | 12.6%        | 2.7%        | 3.1%        | 4.3%     | 3.5%                          |
| Benchmark: CPI +4% p.a.                          | 3.0%         | 7.3%        | 7.9%        | 8.6%     | 8.7%                          |

\*YTD figures are not annualised.

### Asset Allocation



### Domestic Assets



### Global Assets

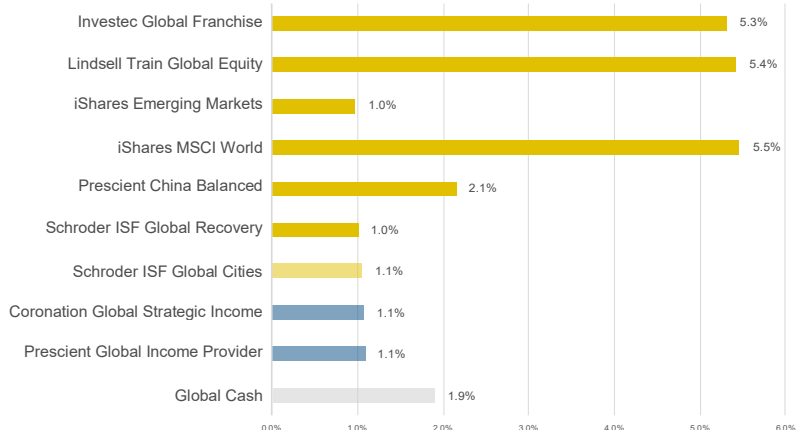


Chart totals may vary due to rounding.

Global Fixed Interest and Global Cash have been combined in the Asset Allocation breakdown.

### Fund Information

|   |   |
|---|---|
| <b>Portfolio manager</b>                  | James Downie<br>Director of Assetbase International (Pty) Ltd |
| <b>Sub advisor</b>                        | MitonOptimal South Africa (Pty) Ltd                           |
| <b>Latest price</b>                       | 103.26 cents  |
| <b>Fund size</b>                          | R 616 m   |
| <b>Benchmark</b>                          | CPI + 4% (after fees)   |
| <b>Fund inception</b>                     | 03 November 2015  |
| <b>Sector</b>                             | South Africa—Multi-Asset—Medium Equity                        |
| <b>Currency</b>                           | ZAR   |
| <b>Min lump sum investment</b>            | R5,000  |
| <b>Min monthly investment</b>             | R500  |
| <b>Regulation 28 compliant</b>            | Compliant   |
| <b>Annual date of income declarations</b> | 31 March  |
| <b>Valuation time</b>                     | 17h00   |
| <b>Transaction time</b>                   | 13h00   |
| <b>Administration</b>                     | Prescient Fund Services (Pty) Ltd                             |
| <b>Custodian/Bankers</b>                  | Nedbank Limited   |
| <b>Compliance officer</b>                 | Moonstone   |
| <b>Auditors</b>                           | Ernst & Young Incorporated                                    |
| <b>Risk rating</b>                        |   |

Conservative Moderate High

### Recommended Investment Horizon

1-3 years 3-5 years 5-7 years <7 years

### Total Investment Cost (TIC)

|                         |       |
|-------------------------|-------|
| <b>TER</b>              | 1.04% |
| <b>Transaction cost</b> | 0.10% |
| <b>TIC (incl. VAT)</b>  | 1.14% |

Includes the annual management fee of 0.40% (VAT inclusive)

### Top Ten Shares (% of SA Equity)

|                                 |      |
|---------------------------------|------|
| Naspers                         | 9.9% |
| Anglogold Ashanti LTD           | 7.8% |
| Gold Fields LTD                 | 7.2% |
| Impala Platinum Holdings LTD    | 5.4% |
| Prosus NV                       | 5.0% |
| Anglo American PLC              | 4.6% |
| Firststrand LTD                 | 3.3% |
| British American Tobacco PLC    | 3.1% |
| Northam Platinum LTD            | 3.0% |
| Harmony Gold Mining Company LTD | 2.9% |

### Fund Manager Commentary

The third quarter of 2020 was more benign than the first two quarters as markets drew breath and consolidated. Global volatility is still high as there are multiple places for uncertainty – the US Presidential election is days away, Brexit is unbelievably still unresolved after more than 4 years, China seems poised to launch more growth initiatives perhaps focused more domestically than globally and emerging markets remain fragile and dependent on what happens in the developed world. Despite supposed pundits forecasting the effect of a Biden win in the US, the effects on taxation, growth, inequality and, most importantly, relationships with China are unknown. Campaigning politicians always turn out differently to those in power so we have refrained from investing your money based on a single forecast or outcome. We have retained our philosophy of investing for growth in global companies, including South African Rand-hedges, and domestically for yield. As a result, we have used the last quarter to add to both global and domestic equity managers and have increased our exposure to Lindsell Train and 91 Global Franchise offshore and Fairtree, 91 and Truffle domestically. This has meant a consequent reduction in fixed interest managers and cash. The inflation targets for the South African portfolios is remaining challenging with the COVID ructions. The Global Flexible portfolio is performing well and is both ahead of its benchmark and in the upper quartile of competitive funds.

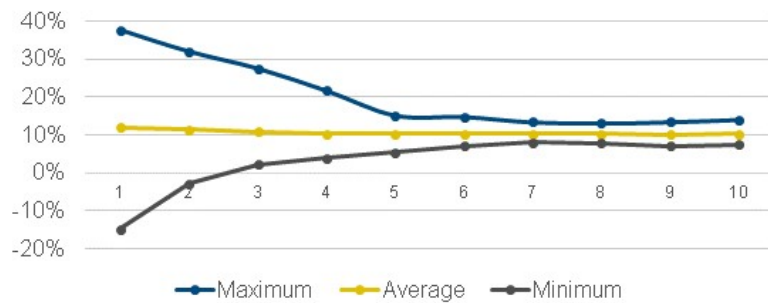
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30 September 2020

ASSET  
BASE

## Variability of Returns over Various Time Periods



The investment performance shown is for illustrative purposes only. Investment performance is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date.

## Annualised Performance

Highest % (07 November 2017) 13.90%  
Lowest % (23 March 2020) -11.77%

## Fund Distributions

|             |                     |
|-------------|---------------------|
| 31 Mar 2018 | 3.37 cents per unit |
| 31 Mar 2019 | 3.48 cents per unit |
| 31 Mar 2020 | 4.35 cents per unit |

## Glossary Summary

**Annualised performance:** Annualised performance show longer term performance rescaled to a 1-year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.

**Highest and Lowest return:** The highest and lowest returns for any one year over the period since inception have been shown.

**NAV:** The net asset value represents the assets of a Fund less its liabilities.

**Alpha:** Denoted the outperformance of the fund over the benchmark.

**Standard Deviation:** The deviation of the return stream relative to its own average.

**Max Drawdown:** The maximum peak to trough loss suffered by the Fund since inception.

**Max Gain:** Largest increase in any single month

**% Positive Month:** The percentage of months since inception where the Fund has delivered positive return.

## Contact information

### Trustee

Nedbank Investor Services  
2nd Floor, 16 Constantia Boulevard, Constantia Kloof,  
Roodepoort, 1709  
t: +27 21 534 6557  
w: [www.nedbank.co.za](http://www.nedbank.co.za)

The Trustee is registered and approved under the Collective Investment Schemes Control Act (No. 45 of 2002).

### Management & Administration

**Administration:** Prescient Fund Services (Pty) Ltd.  
**Management:** Prescient Management Company (RF) (PTY) Ltd.  
Prescient House, Westlake Business Park, Otto Close, Westlake, Cape Town, 7945  
P O Box 31142, Tokai, 7966  
t: +27 0800 111899  
w: [www.prescient.co.za](http://www.prescient.co.za)  
e: [info@prescient.co.za](mailto:info@prescient.co.za)  
Company Registration number: 2002/022560/07

### Investment Manager

Assetbase International (Pty) Ltd 7 Dale Avenue,  
Constantia, 7806  
PO Box 393, Constantia, 7848  
t: +27 (0)21 794 7748  
e: [james@assetbase.co.za](mailto:james@assetbase.co.za)

Assetbase International (Pty) Limited, Company Registration number: 1999/15141/07 is an authorised Financial Services Provider (FSP8140) under the Financial Advisory and Intermediary Services Act (No. 37 of 2002).

This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.

## Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down, and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net as set basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. During the phase-in period, TER's do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost of administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be affected by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER. A Fund of Funds is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for these portfolios. Where a current yield is included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest-bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change. The Manager retains full legal responsibility for any third-party-named portfolio. Where foreign securities are included in a portfolio, there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and possible limitations on the availability of market information. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 13:00 (SA), to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut off time Prescient shall not be obliged to transact at the net asset value price as agreed to. Funds are priced at either 3 pm or 5 pm depending on the nature of the Fund. Prices are published daily and are available on the Prescient website. Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the manager on request. This document is for information purposes only and does not constitute or form part of any offer /advice to issue or sell or any solicitation of any offer to subscribe for or purchase any particular investments. Opinions expressed in this document may be changed without notice at any time after publication. We, therefore, disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable directly or indirectly to the use of or reliance upon the information. Default risk: The risk that the issuers of fixed income instruments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The issuers credit quality is vital. The worse the credit quality, the greater the risk of default and therefore investment loss. Derivatives risk: The use of derivatives could increase overall risk by magnifying the effect of both gains and losses in a Fund. As such, large changes in value and potentially large financial losses could result. Developing Market (excluding SA) risk: Some of the countries invested in may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed. Foreign Investment risk: Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, political, tax, settlement risks and currency fluctuations. Interest rate risk: The value of fixed income investments (e.g. bonds) tends to be inversely related to interest and inflation rates. Hence their value decreases when interest rates and/or inflation rises. Property risk: Investments in real estate securities can carry the same risks as investing directly in real estate itself. Real estate prices move in response to a variety of factors, including local, regional and national economic and political conditions, interest rates and tax considerations. Currency exchange risk: Changes in the relative values of individual currencies may adversely affect the value of investments and any related income. Geographic / Sector risk: For investments primarily concentrated in specific countries, geographical regions and/or industry sectors, their resulting value may decrease whilst portfolios more broadly invested might grow. Derivative counterparty risk: A counterparty to a derivative transaction may experience a breakdown in meeting its obligations thereby leading to financial loss. Liquidity risk: If there are insufficient buyers or sellers of particular investments, the result may lead to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than expected. Equity investment risk: Value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. bankruptcy), the owners of their equity rank last in terms of any financial payment from that company. For any additional information such as fund prices, brochures and application forms, please go to [www.assetbase.co.za](http://www.assetbase.co.za) or contact Netto Invest at 021 - 530 1260 - [www.netto.co.za](http://www.netto.co.za)

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ASISA Member of the Association for Savings & Investment SA

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