

BIDVEST GLOBAL GROWTH BUNDLE

JUNE 2021



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BUNDLE FACTS

Target (MSAAMMAR)	Morningstar Moderately Aggressive Target Risk US\$
Benchmark (US\$)	US\$ CPI Inflation + 4%
Easy Equities Bundle Inception	January 2019
Investment Horizon	> 5 Years

INVESTMENT OBJECTIVES

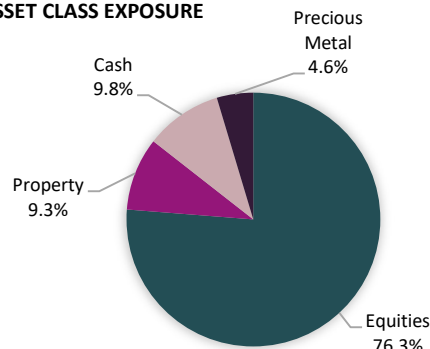
To produce long-term capital growth measured in hard currency terms at a rate of “consumer price inflation plus four percent” (measured in US dollar terms) over periods of five years and more, achieved through investing in global assets using a flexible investment approach.

INVESTMENT STRATEGY

The Bidvest Global Growth Bundle is advised by Cannon Asset Managers to invest in growth assets, especially equities and real estate assets, priced in global currencies. The portfolio has complete flexibility in the allocation of assets in terms of countries, currencies and regions and targets a long-term return of US dollar price inflation plus four percent (CPI +4%). The portfolio advisor has full discretion in asset allocation between and within asset classes, countries and regions. The strategic asset allocation favours capital growth assets, particularly equities and real estate.

With the US dollar making up 41.7% of the IMF’s global currency basket, the bundle has a long-term strategic target to chiefly hold assets priced in US dollars, along with exposure to the other major currencies, including the Euro, Chinese yuan, Japanese yen and British pound.

ASSET CLASS EXPOSURE

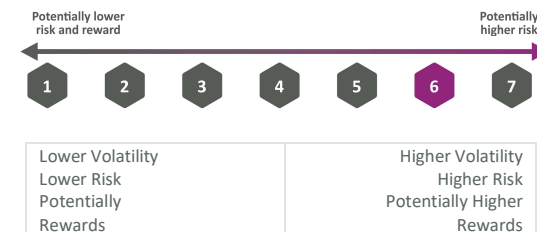


The exposure within the different asset classes is managed on a passive basis, which ensures holdings deliver efficient asset-class returns and investment costs are kept as low as possible. The primary goal of the bundle is to produce high capital growth over the longer term through exposure to global assets priced in US dollars.

INVESTMENT GUIDELINES

The Bidvest Global Growth Bundle invests in a portfolio of equities, property, bonds, commodities and cash. The exposure to growth assets and the high exposure to dollar-priced assets means that the bundle does not comply with the investment limits governing retirement funds (Regulation 28 of the Pension Funds Act). There are no limits or constraints to the geographic allocation or currency allocation of the portfolio. Similarly, the portfolio may be aggressively managed, with underlying assets being shifted between different markets and various asset classes to reflect changing economic, political, business and environmental conditions. The advisor has full discretion over asset allocation to maximise total returns over the long term.

SUITABLE FOR*



The bundle is suited to investors who:

- seek long-term capital growth ahead of US dollar consumer price inflation;
- can tolerate short-term portfolio volatility associated with an aggressive investment mandate;
- need global investment exposure; and
- have an investment horizon of at least five years.



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* Riskalyze is a cutting-edge technology that identifies your acceptable levels of risk and reward. For more information please go to www.riskalyze.com.

BENCHMARK

The investment results are measured against two benchmarks, namely:

- the market value-weighted average return of funds in the ASISA Global Flexible Multi-Asset Category as reported by Morningstar (www.morningstar.com); and
- the US consumer price index inflation rate plus four percent (CPI + 4%).

As an aggressive investment, the bundle is managed to produce high capital growth for investors who can tolerate short-term market volatility and are willing to accept the risks associated with an aggressive mandate.

EFFECTIVE ANNUAL COST (EAC)

Underlying Fund Total Expense Ratio (TER)	0.53
Transaction Costs	0.13
Asset Management Charge	0.65
Effective Annual Cost (%)	1.31

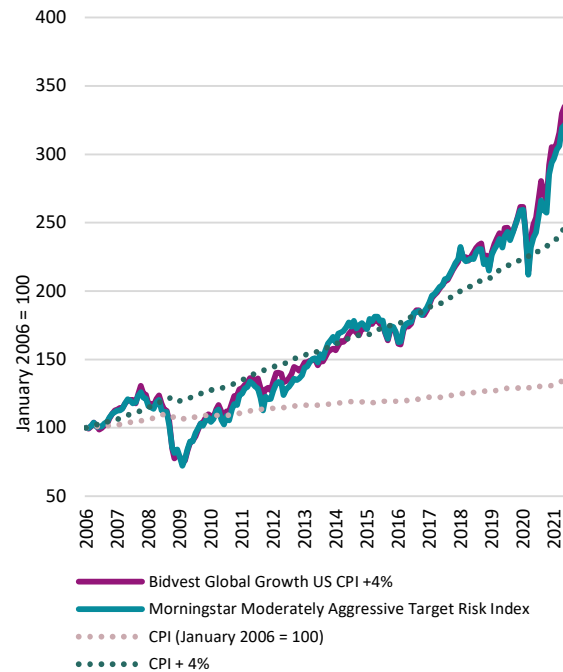
The estimated effective annual cost is made up of (a) the weighted average of the total expense ratio (TER) of the exchange traded funds that make up the bundle; (b) a reasonable best estimate of the transaction costs incurred in managing the bundle; and (c) the asset management fee charged by Cannon Asset Managers as the bundle advisor. Keeping investment costs as low as possible is an explicit objective of Cannon Asset Managers as the bundle advisor. All figures are quoted inclusive of value added tax (15% as of 1 April 2018).

Independent financial advisors are eligible to charge an additional advice fee of up to 0.50% per annum.

INVESTMENT WRAPPER

Living Annuity: If you invest via a living annuity an additional fee of 0.40% per annum will be levied for the savings wrapper, increasing the effective annual cost to 1.71% per annum.

PORTFOLIO ATTRIBUTES & INVESTMENT RESULTS



PORTFOLIO ATTRIBUTES & INVESTMENT RESULTS

Return & Risk Attributes	US\$ CPI +4%	Industry Average [†]	Bidvest Bundle
Average Yearly Return (%)	5.9	7.8	8.7
Average Yearly Volatility (%)	1.1	12.6	11.9
One-Year Return	9.6	33.7	32.9
Three-Year Return	6.8	13.3	13.9
Five-Year Return	6.6	12.8	13.9
Ten-Year Return	6.0	9.6	9.7
Return Since Inception (%)	139.3	221.1	237.1
Highest Monthly Return	1.4	10.9	11.3
Lowest Monthly Return	-1.4	-15.7	-18.8
Highest Annual Return	9.7	47.4	50.1
Lowest Annual Return	2.0	-37.1	-38.0
Positive Months (%)	95.7	67.6	65.9
Success Rate (%)	NA	84.0	84.0

[†]The return and investment performances set out in this document are for illustrative purposes only. The performance is calculated by taking the actual initial fees and all ongoing fees into account for the strategic asset allocation percentages of the bundle and all income is reinvested on the reinvestment date. For the period from 2006 to 2018, proxy data were used based on Cannon Asset Managers underlying mandates to represent the bundle's returns. The highest and lowest annual returns reported are on a rolling 12-month basis since inception, and not per calendar year; this metric is intended to capture how much the bundle and the benchmark returns have varied for a rolling 12-month period. MSAAMMAR represents the Morningstar Moderately Aggressive Target Risk Index.

‡ The Success Rate measures the instances in which the investment performance of the portfolio is ahead of consumer price inflation over the investment horizon of the portfolio, as noted under the section "Benchmark".

The effective annual cost (EAC) calculation is made in accordance with ASISA effective annual cost (EAC) standard available at www.asisa.org.za/codes-standards-guidelines/standards/.

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