

BIDVEST GLOBAL STABLE BUNDLE

JUNE 2021



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BUNDLE FACTS

Target (MSAAMMCR)	Morningstar Moderately Conservative Target Risk US\$
Benchmark (US\$)	US\$ CPI Inflation +2%
Easy Equities Bundle Inception	January 2019
Investment Horizon	> 2 Years

INVESTMENT OBJECTIVES

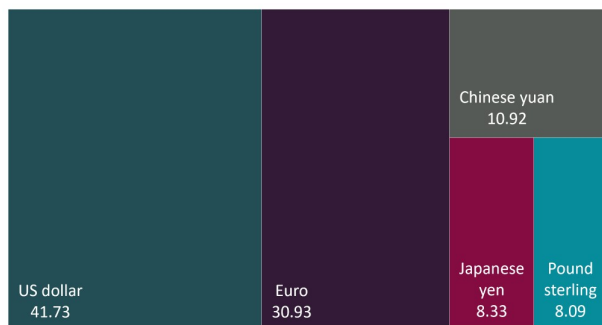
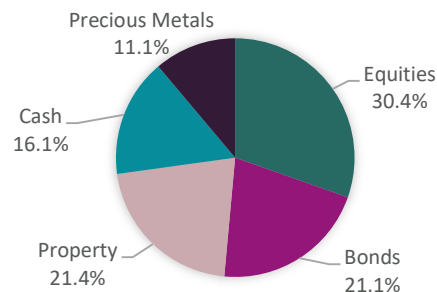
To protect the real value of investments from negative returns over the short term (one year) measured in terms of hard currency purchasing power, whilst steadily growing the investment to produce returns ahead of price inflation (measured US dollar terms) with low volatility by investing in an equal-weighted portfolio of primary assets.

INVESTMENT STRATEGY

The Bidvest Global Stable Bundle is advised by Cannon Asset Managers. The bundle is invested across all the major asset classes in global currencies (chiefly US dollar), including equities, property, bonds, commodities and cash. The objective is to protect initial capital from downside risk and to produce a long-term investment return ahead of US dollar price inflation with a conservative risk profile. The investment strategy targets an equal-weighted portfolio of equities, bonds, property and cash, although this is varied tactically from time-to-time to protect investments against market risks or to take advantage of asset class mispricing.

With the US dollar making up 41.7% of the IMF's global currency basket, the bundle has a long-term strategic target to hold assets chiefly priced in US dollars, along with exposure to 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 using passive investments, which ensures that the holdings deliver efficient asset-class returns and investment costs are kept as low as possible. The primary goals of the bundle are to protect capital from negative returns whilst steadily growing the value of the investment ahead of US dollar price inflation.

INVESTMENT GUIDELINES

The Bidvest Global Stable Bundle invests in a portfolio of equities, property, bonds, commodities and cash. The bundle does not comply with the investment limits governing retirement funds (Regulation 28 of the Pension Funds Act) because of its high exposure to global assets. The bundle may have exposure to growth assets, including equities (up to 40% as a low-equity investment) and property (up to 25%). As a result, the bundle will not hold more than 65% exposure to equities and property combined. The strategy targets an equal-weighting in the major asset classes to achieve the two goals of protecting initial capital from downside risk while achieving modest capital growth to preserve the real value of the investment priced in hard currency.

SUITABLE FOR*



Lower Volatility Lower Risk Potentially Rewards	Higher Volatility Higher Risk Potentially Higher Rewards
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The bundle is suited to investors who:

- want to protect their investment against market fluctuations in hard currency terms;
- are looking for modest long-term capital growth measured in hard currency terms; and
- have an investment horizon of at least two



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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 Morningstar Moderately Conservative Target Risk Index, measured in US dollar terms and reported via www.morningstar.com; and
- the US consumer price index inflation rate plus two percent (CPI + 2%) measured in US dollars.

As a low-risk investment, the bundle also has an implicit objective to achieve investment returns whilst managing volatility and drawdowns such that the bundle produces a return above the rate of consumer price inflation over a rolling two-year period measured in US dollar terms.

EFFECTIVE ANNUAL COST (EAC)

Underlying Fund Total Expense Ratio (TER)	0.41
Transaction Costs	0.13
Asset Management Charge	0.65
Effective Annual Cost (%)	1.19

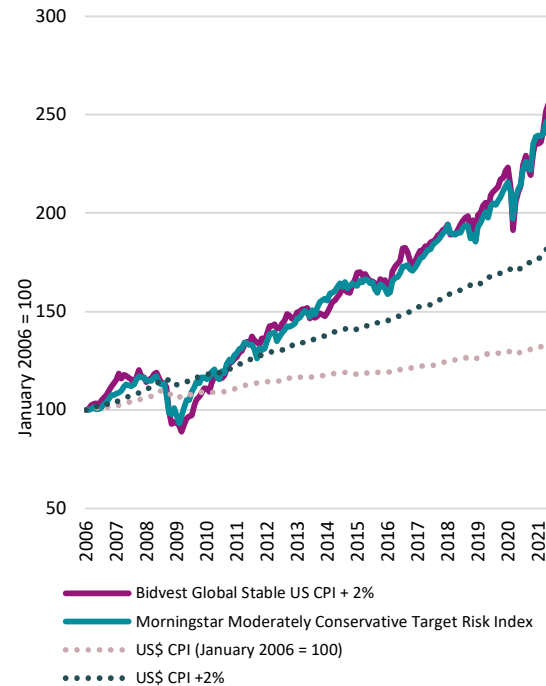
The estimated effective annual cost is made up of (a) the weighted average of the total expense ratio (TER) of the exchange traded funds that make up the bundle; (b) a reasonable best estimate of the transaction costs incurred in managing the bundle; and (c) the asset management fee charged by Cannon 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.

PORTFOLIO ATTRIBUTES & INVESTMENT RESULTS



PORTFOLIO ATTRIBUTES & INVESTMENT RESULTS

Return & Risk Attributes	US\$ CPI +2%	Industry Average [†]	Bidvest Bundle
Average Yearly Return (%)	3.9	6.1	6.1
Average Yearly Volatility (%)	1.1	6.6	7.9
One-Year Return	7.5	16.3	20.0
Three-Year Return	4.8	9.5	9.7
Five-Year Return	4.6	8.1	7.9
Ten-Year Return	4.0	6.5	6.7
Return Since Inception (%)	85.0	147.5	156.8
Highest Monthly Return	1.2	5.9	7.4
Lowest Monthly Return	-1.6	-8.5	-11.1
Highest Annual Return	7.6	25.2	27.8
Lowest Annual Return	0.0	-18.9	-23.2
Positive Months (%)	90.3	67.6	67.6
Success Rate (%)	NA	93.3	84.7

[†]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. MSAAMMCR represents the Morningstar Moderately Conservative 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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