

Maximising long-term returns while minimising short-term risk.

Launch date – January 2018

Recommended investment term is 3 years or more.

Capital Growth and Income (Risk Score: 36)

## Investment Strategy Description:

EasyAssetManagement's Moderate RA strategy invests in a wide range of assets, including money market instruments, shares (equity), bonds, property and commodities - both in South Africa and Internationally. Equity weights are selected based on finding the best asset value relative to each asset class.

Maximum equity exposure is 60% with no minimum limit. Foreign exposure (excluding Africa) is limited to 45.

The strategy is managed to comply with the investment limits governing retirement funds.\*\*

The strategy is diversified across a range of assets reflecting its objectives of reasonable growth and capital stability. Returns are likely to be less volatile than those of an equity-only fund or a balanced fund (high equity).

The Core Strategy is managed using rule based algorithms whereby both the asset allocation and stock selection is actively analysed and adjusted to protect, grow capital and improve risk-adjusted returns of passive investments.

## Portfolio Objective:

The goal is to offer investment stability and provide capital growth over the medium to long term, while aiming to deliver returns above inflation plus 5% over time.

## Investment charges:

|                          |       |   |
|--------------------------|-------|---|
| Bundle Fee               | 0.27% |   |
| Ter*                     | 0.23% |   |
| Transaction Costs*       | 0.10% | <i>* Estimate Calculation over 3-year annualized period</i> |
| Total Investment Charge* | 0.60% |   |

## Suitable for:

Investors seeking a fund that aims to achieve both income and capital growth.

Pensioners and other investors requiring an income, especially those in the early stages of retirement.

Pensioners and other investors requiring an income, especially those in the latter half of retirement.

Trusts, endowments, foundations and charities who require long-term funding with a low to moderate spending rule.

Conservative investors with an objective to accumulate capital over the long term.

- This fund is not suitable for investors seeking to aggressively accumulate wealth over more than 5 years.*

## Benchmark : CPI +5

The benchmark aims to deliver returns above inflation over a rolling 2-year period, targeting CPI + 5%.

## Annualised Returns (%p.a.)

|                      | Strategy | CPI+5% |
|----------------------|----------|--------|
| This Month           | 0.84%    | 0.84%  |
| YTD (not annualised) | 11.18%   | 6.23%  |
| Last 1 year          | 16.64%   | 9.81%  |
| Last 3 years         | 10.29%   | 11.00% |
| Last 5 years         | 12.24%   | 10.23% |
| Last 10 years*       | 9.76%    | 10.19% |
| Since February 2005* | 12.62%   | 10.84% |

\*Simulated data: February 2005 to December 2017

Market Data sourced from Bloomberg

## Risk & Performance Since 2005

|                                | Strategy | CPI+5%  |
|--------------------------------|----------|---------|
| Total Return (cumulative)      | 925.18%  | 412.23% |
| Annualised Return              | 12.11%   | 8.74%   |
| Best Month                     | 8.66%    | N/A     |
| Worst Month                    | -5.82%   | N/A     |
| Max Drawdown (Since Inception) | -10.95%  | N/A     |
| Max Drawdown (last 5 years)    | -2.72%   | N/A     |
| Highest Annual Return***       | 35.60%   | N/A     |
| Lowest Annual Return***        | -9.96%   | N/A     |
| Annualised STD Deviation       | 7.95%    | N/A     |

\*Simulated data: February 2005 to December 2017

Market Data sourced from Bloomberg

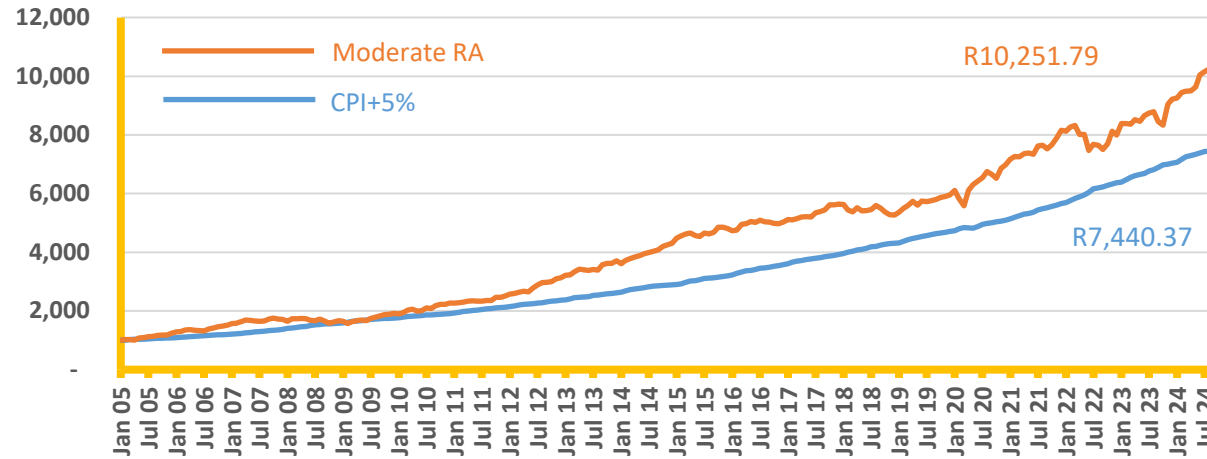
The above return and investment performance is not guaranteed and is for illustrative purposes only.

\*For the period from February 2005 to December 2017, simulated performance is shown. Simulations used market data sourced from Bloomberg. Simulations are generated using rule based algorithms that determine investment decisions. The algorithms analyse the balance sheet and income statements of equities and each assets return relative to other assets. Investment decisions are made on this data using historic comparisons. The simulated performance is calculated taking all fees into account and income is assumed to be reinvested as it is received.

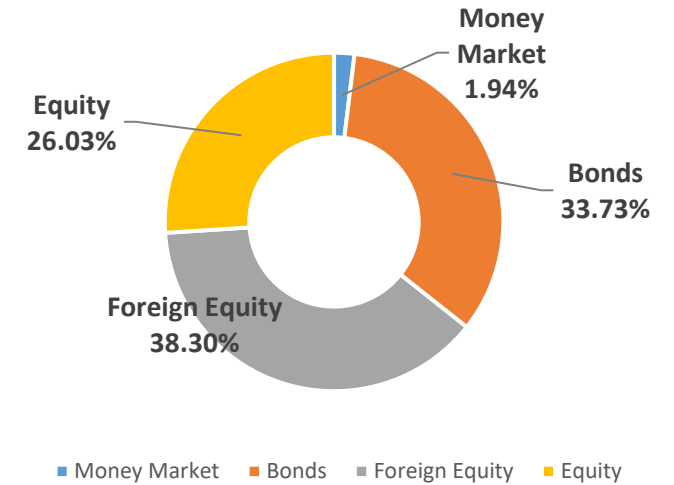
\*\* This strategy is managed to comply with Regulation 28 of the Pension Funds Act.

\*\*\* Highest and lowest annual return : The highest or lowest consecutive 12-month returns since inception. This is a measure of how much the portfolio and the benchmark returns have varied for a rolling 12-month period.

### Total Return:



### Asset Allocation:



For the period from February 2005 to December 2017, simulated performance is shown. Simulations used marked data sourced from Bloomberg. Simulations are generated using rule based algorithms that determine investment decisions.

The above graph is for illustrative purposes and the Manager does not provide any guarantee either with respect to the capital or return of a portfolio.

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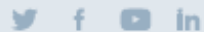
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