

Preservation of capital whilst targeting a healthy income yield (Risk Score : 25)

Launch date – September 2018

Recommended investment term is 2 years or more.

## Investment Strategy Description:

EasyAssetManagement's Conservative 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 value relative to each asset class.

Maximum equity exposure is 40% with no minimum limit. Foreign exposure (excluding Africa) is limited to 30.

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

Returns are likely to be less volatile than those of an equity-only fund or a balanced fund. A major portion of the strategy is typically invested in money market and fixed income instruments to secure an attractive income yield.

The Enhanced 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 preserve investor's capital with a low probability of capital loss over any 18-month period.

## Investment charges:

Bundle Fee	0.26%	
Ter*	0.23%	
Transaction Costs*	0.11%	<i>* Estimate calculation over</i>
Total Investment Charge*	0.60%	<i>3-year annualized period</i>

## Suitable for:

Risk averse investors who want to draw an income over an extended period.

Investors with a need for protection of capital over any 18-month period or longer

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

Investors looking to achieving returns better than inflation but are comfortable with lower potential return over time compared to products with more risk and higher equity exposure.

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

Investors requiring higher stability and lower risk over the short term (2-4 years)

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

## Benchmark : CPI +3

The benchmark aims to deliver returns above inflation over a rolling 2-year period, targeting CPI + 3%.

## Annualised Returns (%p.a.)

	Strategy	CPI+3% <sup>2</sup>
This Month	0.85%	0.00%
YTD (not annualised)	10.71%	4.62%
Last 1 year	15.96%	7.17%
Last 3 years	9.38%	8.66%
Last 5 years	10.38%	8.03%
Last 10 years*	9.89%	8.04%
Since February 2005*	10.77%	8.75%

\*Simulated data: February 2005 to December 2017

Market Data sourced from Bloomberg

## Risk & Performance Since 2005

	Strategy	CPI+3% <sup>2</sup>
Total Return (cumulative)	514.35%	343.26%
Annualised Return	10.77%	8.75%
Best Month	8.65%	N/A
Worst Month	-7.62%	N/A
Max Drawdown (Since Inception)	-9.17%	N/A
Max Drawdown (last 5 years)	-2.97%	N/A
Highest Annual Return***	26.36%	N/A
Lowest Annual Return***	-6.13%	N/A
Annualised STD Deviation	6.77%	N/A

\*Simulated data: February 2005 to December 2017

Market Data sourced from Bloomberg

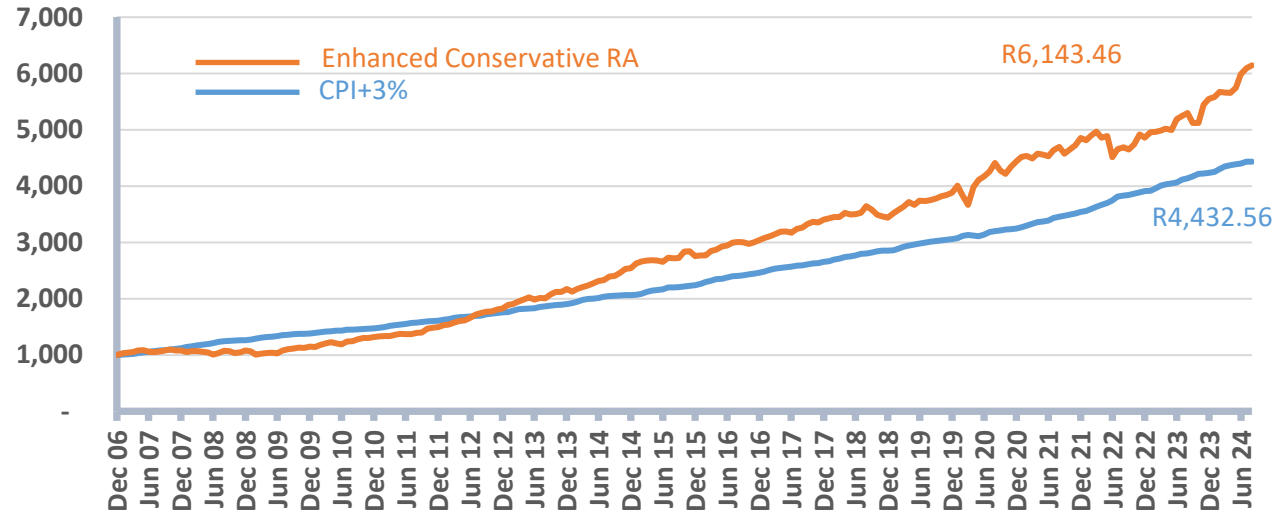
The above return and investment performance is not guaranteed and is for illustrative purposes only.

\*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.

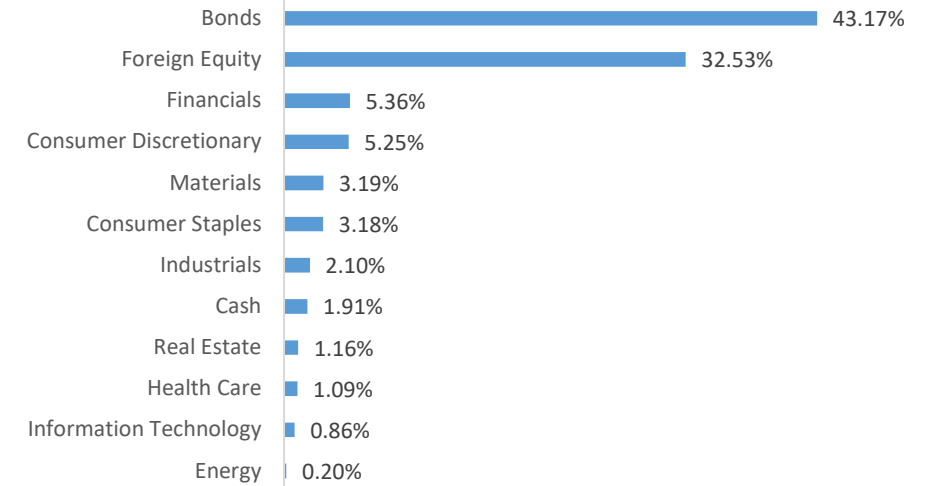
\*\* This strategy is managed to comply with Regulation 28 of the Pension Funds Act.

\*\*\* 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 EasyEquities does not provide any guarantee either with respect to the capital or return of the strategy.

[www.assetmanagement.easyequities.co.za](http://www.assetmanagement.easyequities.co.za)  
[www.easyequities.co.za](http://www.easyequities.co.za)

Contact Us  
[helpme@easyequities.co.za](mailto:helpme@easyequities.co.za)  
[info@emperor.co.za](mailto:info@emperor.co.za)

Postnet Suite 247  
 Private Bag X1  
 Melrose Arch, 2076



Johannesburg  
 WeWork, The Link  
 173 Oxford Rd  
 Rosebank  
 Johannesburg  
 2196

#### Disclaimer:

First World Trader Proprietary Limited trading as EasyEquities ("EasyEquities") is a licensed financial services provider under the Financial Advisory and Intermediary Services Act, 2002 ("FAIS") with FSP licence no. 22588. EasyEquities is the discretionary financial services provider in respect of this strategy (which is defined as a "Bundle" in the EasyEquities Terms and Conditions and the applicable Bundle Mandate). This strategy is not a collective investment scheme as defined in the Collective Investment Schemes Control Act, 2012.

EasyAssetManagement Proprietary Limited ("EAM") is a licensed financial services provider under FAIS with FSP licence no. 44978. EAM is acting as a juristic representative (as defined in FAIS) under the FAIS licence of the Purple Group Limited to provide advice (as defined in FAIS) to EasyEquities in respect of the composition and weightings of the financial products which form part of the holdings of this strategy. EAM is not the discretionary financial services provider in respect of this strategy.

There are no guarantees that the objectives within each risk classification will be met. Not all the risks and significant issues related to or associated with the investment products are disclosed herein and therefore, prior to investing or transacting, you should fully understand the products and any risks and significant issues related to or associated with them. Individuals should undertake their own analysis and/or seek professional advice based on their specific needs before purchasing or selling investments. The value of the investment may go down as well as up. For all periods the performance information includes the reinvestment of dividends and interest unless otherwise noted. A schedule of fees, charges and commissions is available on request from EasyEquities. EasyEquities does not provide any guarantee either with respect to the capital or the return of the strategy. This document is for information purposes only and does not constitute advice for the purposes of FAIS. Individuals should undertake their own analysis and/or seek professional advice based on their specific needs before purchasing or selling investments.

For more information, please contact **087 940 6121**.