Fact Sheet: RISE Growth Passive Discretionary Fund

31 March 2023

RISE
RETIREMENT INVESTMENTS AND SAVINGS FOR EVERYONE

OBJECTIVES

The RISE Growth Passive Fund is an aggressive multi-asset global balanced portfolio that targets CPI+6% over rolling seven years with the primary goal of maximising capital appreciation over the long term.

GENERAL INFORMATION

Regulation 28 Compliant	Yes
Benchmark	Consumer Price Index plus 6% over a rolling seven-year period

INVESTMENT HORIZON

Less Risk/Return | More Risk/Return

0-1 yrs	3 yrs+	5yrs+	7 yrs+	10 yrs+

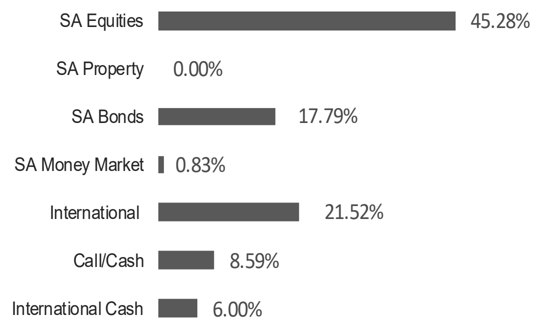
INVESTMENT FEES (TER)

Asset Management Fee	0.85% including VAT

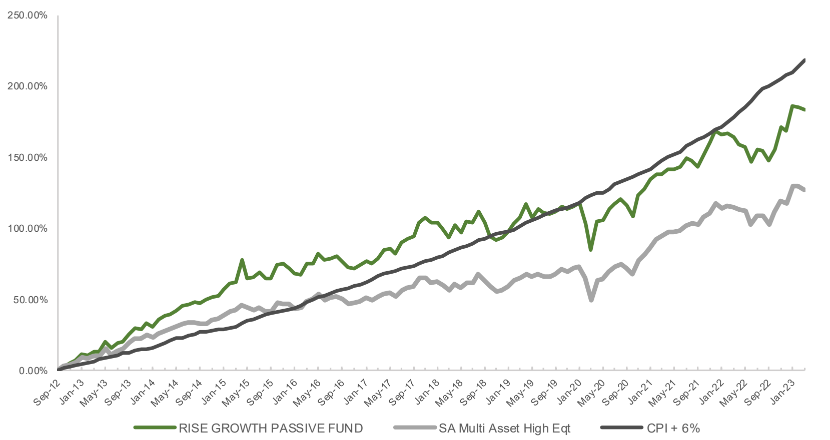
ASSET MANAGERS

MANAGER	PERCENTAGE
Satrix 40 ETF	45.28%
1nvest SA Property ETF	0.00%
Satrix SA Bond Portfolio	17.79%
NewFunds TRACI 3 Month ETF	0.83%
Satrix MSCI World ETF	16.21%
Sygnia Itrix 4th Industrial Rev Global Equity ETF	2.05%
Satrix MSCI China Feeder Portfolio	3.26%
Cash	8.59%
New Wave USD ETN	6.00%

ASSET ALLOCATION



CUMULATIVE PERFORMANCE



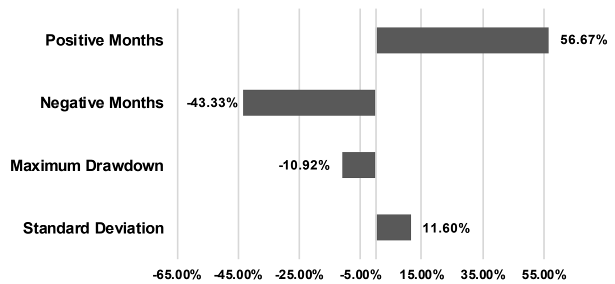
TOP TEN

South Africa, Republic Of (Government)	20.81%
Compagnie Financiere Richemont SA	9.89%
Naspers	6.31%
Standard Bank Group Ltd	5.25%
Anglo American Plc	4.87%
Investec Bank Ltd	2.84%
Nedbank Ltd	2.68%
Standard Bank Of South Africa Ltd	2.68%
Absa Bank Ltd	2.68%
Firstrand Bank Ltd	2.68%

PERFORMANCE SUMMARY

PERIODIC PERFORMANCE	FUND	CPI+6
1 Month	-0.59%	1.40%
3 Months	5.60%	3.23%
6 Months	14.53%	5.94%
1 Year	7.15%	14.24%
3 Years	15.31%	12.60%
5 Years	7.96%	11.74%

RISK STATISTICS



Monthly Returns (%)

Year	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	6.7	-0.4	-0.6										5.6
2022	-0.9	0.2	-0.9	-2.2	-0.6	-4.1	3.6	-0.3	-2.8	3.1	6.3	-1.0	-0.1
2021	3.1	1.8	0.0	1.4	0.0	0.6	2.5	-0.5	-2.0	3.8	3.4	3.0	18.3
2020	1.0	-6.7	-8.9	10.6	0.5	4.1	1.7	1.3	-2.0	-3.4	7.2	1.7	5.4
2019	2.4	2.7	2.1	4.4	-4.1	2.8	-1.2	-0.4	0.9	1.5	-0.8	1.0	11.5

Fact Sheet: Commentary

31 March 2023

Latest Market Commentary

Global Markets

Markets started on a rocky note in March with concerns over a banking system collapse. However, most major assets ended the month on a positive note. The S&P 500 ended the month up 3.5%, the MSCI World Index and MSCI Europe ended the month up 3.2% and 2.5% respectively, and the MSCI Emerging Markets ended the month up 3.1% in USD.

US Equities sold off, and oil prices fell in the beginning of March following the collapse of Silicon Valley Bank. The market had feared that there would be a contagion throughout the banking system. However, the US Federal Reserve (Fed) responded swiftly to calm the market and improve sentiment toward the end of the month

Over the quarter, UK equities underperformed global equities, and European stocks outperformed global equities.

The US Consumer Price Index increased by 0.4% in February, putting the annual inflation rate at 6%, which was in line with expectations. The inflation rate is still above the Fed’s target of 2%. As expected, the Fed announced another 0.25% interest rate hike, taking the interest rate to the highest it has been since 2007. The US dollar weakened on expectations that the deteriorating economic outlook will result in the Fed cutting rates in the second half of the year.

Inflation in the UK increased to 10.4% year on year in February, and the Bank of England hiked interest rates by 0.25%. Growth in Europe proved to be more resilient than expected, and despite inflation declining from 8.6% in January to 8.5% in February, the European Central Bank hiked rates by 0.50%.

Emerging Markets

Emerging Markets (EM) outperformed their developed counterparts in March, with the MSCI EM and MSCI China indices delivering 3% and 4.5%, respectively.

The China Manufacturing PMI (Purchasing Managers’ Index), as a gauge for production efficiency, remained upbeat at 51.9 in March, following 52.6 the previous month.

Commodities

In the past month, the Bloomberg Commodities Index experienced a decline of 0.21%. However, industrial metals demonstrated a positive trend, likely due to the anticipated growth of economic activity in China.

Gold prices rose due to a surge in safe-haven demand, caused by the recent banking sector instability and the expectation that the Federal Reserve would reduce the pace of its interest rate hikes.

Local Markets

In March, South African equities experienced a decline as a result of several negative factors. The country's economic growth outlook was particularly impacted by the South African Reserve Bank's larger-than-expected interest rate hike, higher inflation rates, and ongoing power outages.

As a result, the FTSE/JSE All Share Index and Capped SWIX fell by 1.3% and 2.0%, respectively, with financials taking a particularly hard hit and falling by 6.2%, while industrials were down 0.8%. Despite this, resources was the only sector to see an increase, rising by 2.8%. The JSE All Bond Index experienced a gain of 1.3%

Q1 2023 Performance

During Q1 2023, the FTSE/JSE All Share Index and Capped SWIX experienced gains of 5.2% and 2.4% respectively. The Industrials sector saw a significant surge of 13.6%, whereas the Financials sector experienced a decline of 0.3% and the Resources sector ended the quarter with a 4.7% decrease. The JSE All Bond Index gained 3.4%, while listed property suffered a loss of 4.8%. Cash, as measured by the STeFI Composite Index, performed positively with a return of +1.7%.

SARB Hikes with a Surprising 0.50% Interest Rate Hike

South African Reserve Bank Governor Lesetja Kganyago surprised markets by raising interest rates by 50 basis points. This decision has pushed the repo rate to 7.75%, leading to the prime lending rate soaring to 11.25%, marking the highest it has been since 2009.

After the announcement, the Rand reacted positively, appreciating 3.1% against the greenback. Market predictions expected a more moderate increase of 25 basis points. However the aggressive hike deemed necessary due to the rapid depreciation of the Rand and persistent inflation concerns.

Transaction Capital Plumets 60% in March

In March, the share price of Transaction Capital, the conglomerate that holds WeBuyCars and SA Taxi vehicle financing, experienced a significant drop of almost 60%. This was due to the company's announcement of restructuring its taxi business, which has been struggling to regain its pre-pandemic levels, resulting in a decline of 46% in earnings for the operation.

Despite this, the CEO of the group, David Hurwitz, has assured investors that any defaults in one subsidiary will not lead to a breach in covenant clauses on another.

CONTACT INFORMATION

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DISCLAIMER

*Performance history prior to 31 May 2019 is based on back dated data and returns achieved in managing assets on behalf of our clients. Please note that past performance is not an indication of future performance.