

# MERGENCE



## Mergence Equity Prescient Fund

30 April 2015

### INVESTMENT OBJECTIVE

The Mergence Equity Prescient Fund is a collective investment scheme that aims to provide investors with capital growth over the long term. The objective is to achieve returns that are in excess of the FTSE/JSE Shareholder Weighted Index (SWIX) over any three-year rolling period, without exposing the Fund to excessive risk.

Our philosophy of pragmatism underlines our approach to investing in equities, and thus the Fund's objective to be a consistent generator of alpha through cycles. Valuation is the key trigger to our decision making process. We seek to achieve our investment objective by buying/selling companies trading below/above our assessment of intrinsic value. Our equity investment process is comprehensive, proprietary research driven and long term focused.

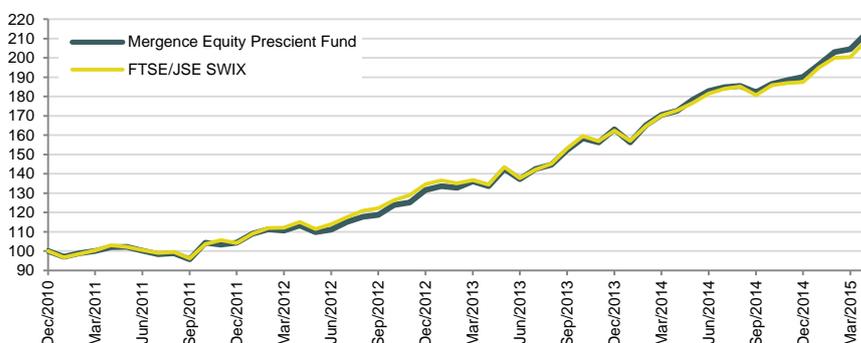
The Fund is suitable for investors who:

- seek specialist South African equity exposure as part of their overall investment strategy;
- believe long term equity exposure adds value;
- understand the nature of equity exposure in that there is a risk of market fluctuations.

### PERFORMANCE SUMMARY

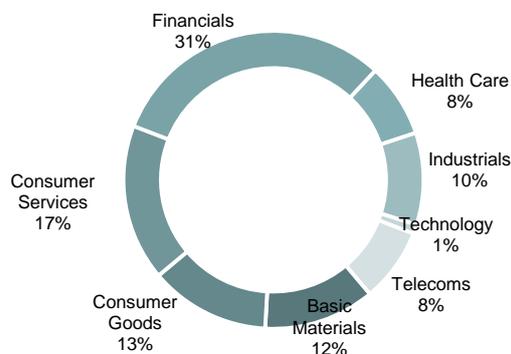
Cumulative returns	3 Months	1 Year	3 Years	Since Inception
Mergence Equity Prescient Fund	8.26%	23.14%	23.35%	19.01%
Benchmark	7.19%	20.96%	22.00%	18.55%

### Cumulative returns since inception



### PORTFOLIO CHARACTERISTICS

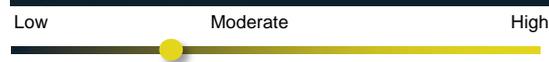
#### Industry Holdings



#### Top 10 Holdings

Naspers -N  
MTN  
Steinhoff  
Reinet  
RMB Hold  
Old Mutual  
Standard Bank  
Sasol  
Netcare  
Remgro

### EQUITY RISK PROFILE



### KEY FACTS

Asset Manager	Mergence Investment Managers
Portfolio managers	Bradley Preston & Fabian de Beer
Inception date	November 2010
ACI Classification	South African / Equity / General
Size of fund	R156.58 million
Benchmark	FTSE/JSE Shareholder-weighted Index (SWIX)
Minimum Investment	R 2 million

### FEES & CHARGES

Initial Fee:	zero (0.00%)
Performance fee:	zero (0.00%)
<b>Management Fee (VAT Incl):</b>	
Institutional	0.627% per annum
Retail	n/a
Total Expense Ratio (TER)	0.75%
Income Distribution	March 2014 (3.15 cents)

### ADMINISTRATION

Fund administrators	Prescient Management Company
Fund auditors	KPMG
Fund trustees	Nedbank Investor Services
Fund bankers	Nedbank
Custodians	Nedbank Investor Services

### CONTACT DETAILS

#### Mergence Investment Managers (Pty) Ltd

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### Statutory information

Collective Investment Schemes (unit trusts) should be considered as medium to long term investments. The value of units may go up as well as down and past performance is not necessarily a guide to future performance. Collective Investment Scheme prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio divided by the number of units in issue. Permissible deductions may include management fees, brokerage, securities transfer tax (STT), VAT, auditor fees, bank charges, trustee and custodian fees. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity and it may also engage in scrip lending. The manager reserves the right to open and close and portfolios to new investors in order to manage it more efficiently in accordance with its mandate and deed. A schedule of fees, charges, and maximum commissions is available on request from Prescient Management Company Ltd and/or Mergence Investment Managers (Pty) Ltd. Commissions and incentives may be paid and if so, are included in the overall cost. Forward pricing is used. In order to receive the price of the day, all transactions must be received before 13h00. The Fund is valued at the ruling price of the day. Prescient Management Company and Mergence Investment Managers are members of the Association for Savings & Investments SA (ASISA). The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. The investor furthermore agrees that Mergence Investment Managers will not be liable for the consequences of market influences and consequent charges in unit prices. Mergence Investment Managers (Pty) Ltd is an authorised financial services provider (FSP no: 16134).