

Fund Fact Sheet

Mergence SWIX Fund

30 April 2021 - Issued: 24 May 2021



OVERVIEW

	Low	Moderate	High
Equity Risk Profile			
Fund Purpose	Generate capital growth over the long term		
Investment Style	Relative Return		
Benchmark	FTSE/JSE Shareholder Weighted Index [SWIX]		
Investment Vehicle	Segregated / Pooled		
Inception date	November 2007		
Number of Months	161		
Fund Size	R 1,716 billion		
Minimum Investment	R 50 million (none for pooled)		
Management Fee	Subject to mandate (usually between 0.45% and 0.75% per annum)		
Performance fees	Negotiable		

INVESTMENT OBJECTIVE

The Mergence SWIX Fund 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. The fund is managed as a core mandate targeting maximum active returns relative to tracking error volatility.

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. We embrace a style agnostic approach given the cyclical nature of performance of a strong bias to either value or growth styles. Our investment process is based on detailed bottom up fundamental analysis. We aim to invest in high quality businesses that are trading at a discount to our assessment of fair value. Our equity investment process is comprehensive, proprietary research driven and long term focused.

INVESTOR PROFILE

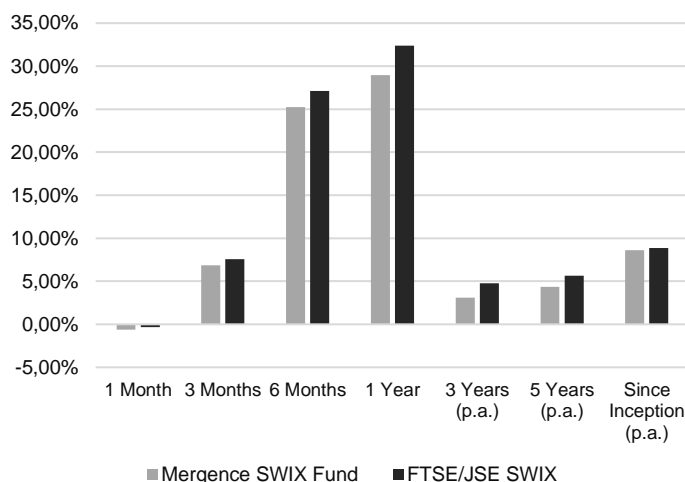
The Fund is suitable for investors:

- who seek specialist South African equity exposure as part of their overall investment strategy;
- who believe long term equity exposure adds value;
- who know the nature of equity exposure, in that there is entry risk and the potential of capital loss.

CARBON FOOTPRINT

The Mergence SWIX Fund is conscious of its carbon footprint and is actively encouraging improved disclosure and carbon management across all JSE listed companies. The Mergence SWIX Fund's Carbon Footprint is available on request.

PERIODIC RETURNS



PERFORMANCE** SUMMARY

Period	Fund	SWIX	Active Return
Tracking Error	2,14%		
Information Ratio	-0,12		
1 Month	-0,62%	-0,31%	-0,31%
3 Months	6,88%	7,58%	-0,70%
6 Months	25,25%	27,14%	-1,89%
1 Year	28,95%	32,40%	-3,44%
3 Years (p.a.)	3,11%	4,79%	-1,68%
5 Years (p.a.)	4,34%	5,67%	-1,32%
Since Inception (p.a.)	8,60%	8,86%	-0,26%

Year	Fund	SWIX	Active Return
2021	12,23%	12,93%	-0,70%
2020	0,76%	2,61%	-1,85%
2019	6,01%	9,32%	-3,30%
2018	-10,71%	-11,67%	0,96%
2017	17,07%	21,21%	-4,15%
2016	4,66%	4,13%	0,53%
2015	7,31%	3,62%	3,69%

** Returns are quoted gross of fees. Please also note that there are risks associated with financial products and past performance is not necessarily an indication of future performance.

TOP TEN HOLDINGS

	% of Equity	% of Total
Naspers	25,20%	24,76%
Anglo American	5,42%	5,33%
FirstRand	4,73%	4,65%
British American Tobacco	4,44%	4,37%
Implats	4,25%	4,18%
Standard Bank	4,14%	4,07%
Sibanye Stillwater	3,68%	3,61%
Aspen	3,65%	3,59%
BHPBilliton	3,52%	3,46%
Sasol	2,36%	2,32%

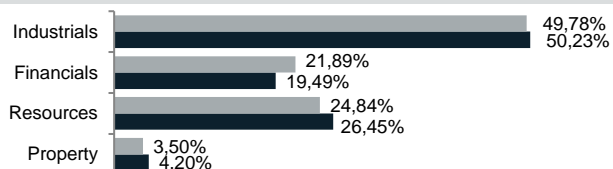
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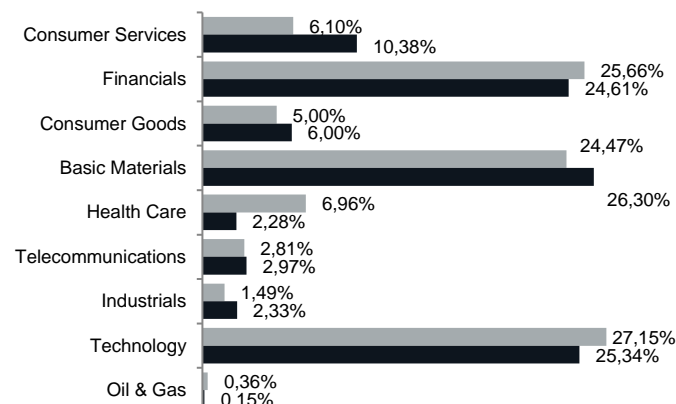
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BROAD SECTOR EXPOSURE



SECTOR ALLOCATION



MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2021	5,01%	4,32%	3,09%	-0,62%								
2020	-2,13%	-8,92%	-13,67%	13,95%	-1,38%	8,80%	0,55%	-1,06%	-0,55%	-3,01%	8,39%	2,96%
2019	2,84%	1,73%	1,23%	5,98%	-5,18%	2,61%	-2,70%	-2,78%	-0,20%	1,98%	-1,55%	2,42%
2018	-0,31%	-0,75%	-5,12%	4,01%	-3,73%	2,43%	0,36%	0,30%	-4,80%	-5,98%	-0,11%	3,03%
2017	2,30%	-1,62%	1,54%	4,40%	-0,21%	-3,35%	5,26%	2,03%	-1,33%	6,06%	2,29%	-1,04%
2016	-2,53%	0,07%	8,16%	0,50%	1,86%	-1,51%	1,19%	-0,05%	-0,89%	-3,06%	-0,93%	2,22%
2015	2,93%	3,77%	0,60%	4,56%	-3,64%	0,95%	0,26%	-3,41%	-0,55%	7,47%	-2,10%	-3,10%
2014	-3,72%	5,77%	2,86%	1,42%	2,72%	2,91%	0,94%	0,25%	-1,84%	2,56%	-0,28%	0,46%
2013	1,99%	-0,87%	2,03%	-1,94%	8,43%	-3,93%	3,92%	1,94%	5,15%	3,75%	-1,40%	4,48%

INVESTMENT PROFESSIONALS



Peter Takaendesa, BCom Hons (Economics), Mcom (Econ), MCom (Finance & Econometrics)

Head: Equities

Peter joined Mergence in 2014 as a senior equity investment analyst specialising in the technology, media and telecoms (TMT) sector. He has over 14 years' financial services industry experience during which time he worked for Credit Suisse Standard Securities and RMB Morgan Stanley. Peter also received top ratings in the Financial Mail annual analyst rankings and winning the ABSIP South Africa equity analyst of the year in 2011 are some of Peter's achievements. In November 2019, Peter was promoted to Head of Equities for Mergence Investment Managers. He obtained an MCom at Rhodes University majoring in Finance and Economics, followed by several professional industry certifications. Prior to joining the financial services industry, Peter was a university lecturer in Economics and published several papers in leading academic journals. He is a regular commentator in the media.



Izak van Niekerk, B Acc (Hons) CA (SA)

Co-Portfolio Manager: Equities

Izak joined Mergence in 2011 as an Equity analyst, he plays an active role within the investment team focussing on equity research. He is a qualified chartered accountant and has over 14 years' experience in the financial services industry as well as BAcc (Hons) from the University of Stellenbosch and is a member of SAICA. Before joining Mergence Investment Managers in 2011, he spent two years at PricewaterhouseCoopers in Johannesburg as an audit manager for financial services clients in the Banking and Capital Markets division. In November 2019, he was appointed as a Co-Portfolio Manager for Listed Investments at Mergence Investment Managers.

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