

Fund fact sheet

Mergence Global Balanced Fund

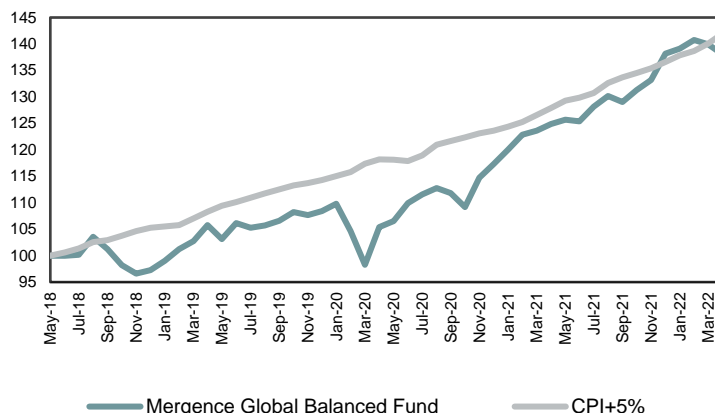
30 April 2022 - Issued: 24 May 2022



OVERVIEW

Fund Purpose	Generate stable long term returns through exposure to a diversified selection of assets.
Investment Style	Balanced
Benchmark	Headline Consumer Price Index + 5%
Investment Vehicle	Segregated
Inception date	Jun-18
Number of Months	47
Fund Size	R530,61 million
Minimum Investment	R100 million
Management Fee	Subject to mandate (usually between 0.50% and 1.00% p.a.)
Performance fees	Negotiable
Regulation 28 compliant	Yes

TRACK RECORD



INVESTOR PROFILE

The Fund is suitable for institutional investors:

- who seek a real return above inflation independent of the overall equity market returns
- who seek an investment solution with a strong focus on medium term capital preservation, while aiming to produce significant growth over the long term

INVESTMENT MANDATE

The Fund aims to generate stable long-term returns through exposure to a broadly diversified set of asset classes including equities, listed property, conventional bonds, and inflation-liked bonds, both domestically and internationally. The Fund employs active asset allocation and security selection to maximise return and reduce downside risk. The Fund may use derivatives at time for purposes of hedging or return enhancement.

INVESTMENT OBJECTIVE

The Fund is managed with the objective of generating real returns in excess of 5% per annum over the long term through exposure to a diversified set of asset classes and securities. The inclusion of international assets broadens diversification and should enhance risk adjusted returns. It may underperform relative to overall equity markets due to its diversified nature.

RISK ANALYSIS

Risk Measure	Fund
Return	8,50%
Standard Deviation	2,43%
Maximum Gain	7,22%
Maximum loss	-6,09%
Positive Months	70,00%
Beta to JSE All Share	0,46
Correlation to JSE All Share	0,95

PERFORMANCE DETAILS

Period	Fund	CPI + 5%	ALBI	ALSI
1 Month	-1,34%	1,40%	#N/A	#N/A
3 Months	-0,77%	3,03%	#N/A	#N/A
6 Months	5,17%	5,60%	#N/A	#N/A
1 Year	10,56%	10,98%	#N/A	#N/A
2 Year	14,47%	9,58%	#N/A	#N/A
YTD	-0,08%	4,02%	#N/A	#N/A
Since inception*	8,78%	9,40%	#N/A	#N/A

*Inception: June 2018

Year	Fund	CPI + 5%
2022 (YTD)	-0,08%	4,02%
2021	17,79%	10,47%
2020	8,20%	8,17%
2019	11,43%	8,56%
2018 (7 months)	-2,71%	4,71%

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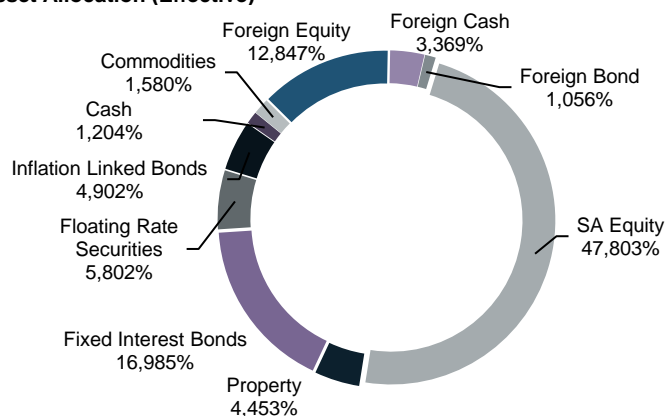
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FUND STRUCTURE

Asset Allocation (Effective)



Top 10 Equity Holdings

	% of Category	% of Total
Anglo American	8,96	4,00
Richemont	7,29	3,26
Naspers	5,70	2,55
British American Tobacco	5,53	2,47
Brait	5,32	2,38
Sasol	4,75	2,12
Standard Bank	4,72	2,11
Prosus	4,31	1,92
Firstrand	4,18	1,87
BHP Group	4,17	1,86

MONTHLY PERFORMANCE RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2022	0,69%	1,17%	-0,58%	-1,34%								
2021	2,32%	2,36%	0,62%	1,02%	0,67%	-0,27%	2,20%	1,58%	-0,88%	1,76%	1,47%	3,73%
2020	1,30%	-4,71%	-6,09%	7,22%	1,12%	3,21%	1,49%	1,03%	-0,80%	-2,38%	5,08%	2,24%
2019	1,78%	2,25%	1,49%	2,91%	-2,46%	2,93%	-0,82%	0,39%	0,83%	1,53%	-0,54%	0,72%

Please note that there are risks associated with financial products and past performance is not necessarily an indication of future performance.

PORTFOLIO MANAGEMENT



Bradley Preston, B Sc (Hons), M Sc (Financial Mathematics)

Chief Investment Officer

Brad joined Mergence Investment Managers in 2005 as part of the absolute return team and Portfolio Manager of the Mergence ESG Equity Fund. He has 16 years' experience in the asset management industry. In 2004 Brad received an MSc in Financial Mathematics from UCT with distinction for his thesis on derivative pricing. He is a regular commentator in the media and is well known for his views on responsible investing. In September 2021 his role was specialised into Chief Investment Officer as part of high-level changes to the Mergence executive leadership team to meet the company's strong growth.



Fazila Manjoo, BSc (Actuarial Science), Postgraduate Diploma in Management in Actuarial Science

Portfolio manager: Multi-Asset

Fazila joined Mergence in September 2020 as a Portfolio Manager in the Multi-Asset team. She has over 17 years of experience in the financial services industry and a passion for research, technology, and sustainability. Her career at Alexander Forbes started as an actuarial specialist. She then gained experience in investment management, risk, and research at some of South Africa's top asset managers, including Prescient, Stanlib, and Old Mutual. Fazila has a Postgraduate Diploma in Management in Actuarial Science from UCT and a BSc in Actuarial Science from the University of KwaZulu Natal.



Mohamed Ismail, MBA (Finance), BSc Hons (Advanced Mathematics of Finance), BSc (Actuarial Science, Mathematical Statistics), CFA

Head: Fixed Income

Mohamed joined Mergence Investment Manager on 1 March 2021 as Head of Fixed Income. Based in Johannesburg, Mohamed has joined the Multi-Asset Team in leading the fixed income investment process within Mergence's multi-asset funds. This team is also responsible for the expansion of Mergence's standalone Fixed Income product offering, building forth on its current base of the Composite Bond Fund and Money market fund. Prior to joining Mergence, Mohamed was with Ashburton Investments where he served as Portfolio Manager across a range of fixed income products. Before then, he ran the Momentum Bond Fund, as well as other income funds for Momentum Investments. He also served as the Head of Fixed Income whilst at Sanlam Capital Markets. In addition to his academic and professional qualifications, Mohamed is currently studying towards his second Master's degree in Quantum Computing.

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