Nedgroup Investments Core Diversified Fund

Class B

August 2019

NEDGROUP INVESTMENTS

CORE RANGE

RISK RATING

1 2 **3** 4 5

Low Medium High

Risk reward profile

Equity and property investments are volatile by nature and subject to potential capital loss. For credit and income instruments, while unlikely, capital loss may also occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.

GENERAL INFORMATION

ASISA category

South African Multi Asset High Equity

Benchmark

Inflation + 5% over rolling 5 years

Investment manager

Taquanta Asset Managers (Pty) Ltd is authorised as a Financial Services Provider under the Financial Advisory and Intermediary Services Act (FSP No. 618).

Inception date

01 September 2009

Appropriate term

Minimum 3 - 5 years

Market value

R 10,852 Million

Income distributions

Frequency: Semi-annually

June 2019: 36.32 cpu

Previous 12 months: 71.83 cpu

Fees and charges (excluding VAT)

Initial fees	0.00%
Annual management fee	0.35%
Total expense ratio	0.45%
Transaction costs	0.10%
Total investment charges [2]	**0.55%**

Please Note:

Differences may exist due to rounding

CONTACT
Client Services Centre

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Website: www.nedgroupinvestments.co.za

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Minimum Disclosure Document

Portfolio profile

The portfolio is suitable for investors requiring moderate capital growth and aims to provide low cost exposure to a range of local and global asset classes. Diversification across all asset classes helps to reduce risk and volatility relative to a general equity portfolio. The portfolio complies with Regulation 28 of the South African Pension Funds Act.

Performance [1]

Period	Portfolio	Benchmark	ASISA category average
1 year pa	-2.0%	9.2%	-1.6%
3 Years pa	3.4%	9.8%	3.0%
5 Years pa	5.5%	10.2%	4.5%
7 Years pa	9.3%	10.6%	7.7%
10 Years pa	10.5%	10.4%	8.5%
Lowest 1 year return	-5.7%		
Highest 1 year return	24.2%		

Risk

Period	Portfolio	ALSI
Volatility [5 years]	7.2%	11.4%

Portfolio structure

Equity	46.2%
Property	5.6%
Bonds	7.2%
Inflation linked bonds	4.5%
Cash	9.0%
Foreign equity	18.8%
Foreign property	2.7%
Foreign bonds	2.2%
Foreign inflation linked bonds	2.2%
Foreign cash	1.6%

Top 10 holdings

Share	Percentage
Naspers Ltd	5.2
Standard Bank Group Ltd	2.4
R186 10.5% 211226	2.4
FirstRand Ltd	2.0
MTN Group Ltd	2.0
Anglo American Plc	1.9
Sasol Ltd	1.7
British American Tobacco Plc	1.5
Sanlam Ltd	1.4
Absa Group Ltd	1.2
Total	**21.7**

1) The annualized total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Due to the delayed release of inflation data, relevant benchmarks will lag by one month.
Data source: © Morningstar Inc. All rights reserved.

2) Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact fund returns. It should not be considered in isolation as returns may be impacted by other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund. Both the TER and TC of the Fund are calculated on an annualised basis, beginning 01/07/2016 and ending 30/06/2019.

NEDGROUP INVESTMENTS CORE DIVERSIFIED FUND

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CORE RANGE

Investment manager commentary
Taquanta Asset Management

The market returns for the different asset classes within the Nedgroup Investments Core Diversified Fund are given below. The volatility of the fund is low relative to the volatility of most of the underlying asset classes due to the benefits of diversification.

Asset Class Returns (rands)

(Performance over periods to 31 August 2019)

Asset class	Benchmark	Return (pa)				Volatility (inception)
		1 year	3 years	5 years	Inception	
Equity	Shareholder Weighted Index (SWIX)	-4.7%	2.2%	4.0%	11.5%	11.4%
Property	Listed Property Index (J253T)	-5.5%	-3.3%	3.6%	11.4%	13.3%
Bonds	All Bond Index (ALBI)	11.2%	9.8%	7.8%	8.7%	6.9%
Inflation linked bonds	SA ILB Index (CILI)	3.9%	1.9%	3.7%	7.0%	5.5%
Cash	STeFI Call	6.6%	6.7%	6.5%	6.0%	0.2%
Foreign equity	MSCI All Country World Index (ACWI)	3.3%	10.3%	13.3%	16.1%	13.4%
Foreign property	FTSE EPRA/NAREIT Developed Index	13.1%	6.5%	13.7%	17.4%	13.9%
Foreign bonds	Barclays Global Aggregate Bond Index	11.7%	3.2%	9.1%	9.7%	13.7%
Foreign inflation linked bonds	Barclays Global ILB Index	11.0%	3.5%	9.0%	10.7%	13.6%
Foreign cash	Composite USD/GBP/EUR Libor	0.7%	0.9%	4.6%	5.7%	13.7%
Nedgroup Investments Core Diversified Fund Class B		**-2.0%**	**3.4%**	**5.5%**	**10.5%**	**7.1%**

WHO WE ARE
Nedgroup Collective Investments (RF) Proprietary Limited, is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investments unit trust funds. It is a member of the Association of Savings & Investment South Africa (ASISA). Nedgroup Investment Advisors Proprietary Limited is the appointed investment manager of the unit trust fund

OUR TRUSTEE
The Standard Bank of South Africa Limited is the registered trustee.
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PERFORMANCE
Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

PRICING
Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

FEES
A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments.

DISCLAIMER
Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact Nedgroup Investments.

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