

Fund Information

STANLIB Multi-Manager (Pty) Ltd

STANLIB Multi-Manager (Pty) Ltd was established in 1999 and is the centre of excellence for multi-managed solutions within STANLIB.

The investment team, led by Chief Investment Officer Joao Frasco, consists of an experienced team with a diverse set of investment skills. We have offices in Johannesburg and London, and currently have mandates in excess of R150 billion under stewardship.

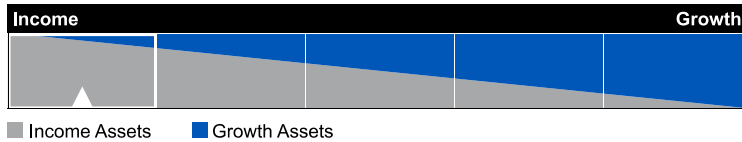
What is the fund's objective?

To outperform the average of investable peers' returns i.e. ASISA MA Income category, at risk levels consistent with that of the sector.

Given our standard assumptions*, we expect the Fund to deliver real returns of 3% p.a. i.e. CPI+3% p.a. over the long term (net of fees). To minimise the chance of capital loss, investors should expect to invest over periods of at least one year.

*The real return objectives are derived from our long-term real return expectations for a range of asset classes, our expected systematic exposure to those asset classes in each of the funds, and the alpha expected from the managers managing the funds (from security selection and asset allocation).

Portfolio characteristics



What are the investment guidelines?

The Fund can invest in a wide variety of assets such as cash, government and corporate bonds, inflation-linked bonds and listed property - both in South Africa and internationally. It is specifically designed to enjoy duration flexibility and exposure to the higher yielding credit market.

The selected asset managers have broad mandates allowing them maximum flexibility across a wide array of fixed interest instruments, and other instruments consistent with the guidelines of the ASISA MA Income Category; maximum 10% equity (incl. global), maximum 25% property (incl. global).

The Fund complies with provisions of the Collective Investment Schemes Control Act, No. 45 of 2002 and the Regulations thereto, as amended from time to time, and complies with Regulation 28 of Pension Funds Act.

How is the fund managed?

The Fund is designed to deliver superior investment returns more consistently than through a single asset manager or mandate.

Our approach allows investors to outsource the fund/manager selection decision, which includes the ongoing due diligence of managers and construction of portfolios, to meet pre-defined objectives over time.

The portfolio managers dedicated to the fund



Richo Venter
Portfolio Manager
BCom (Hons)(cum laude), CFA



Naweed Hoosenmia
Portfolio Manager
BSc (Hons) (Actuarial Science)

How do we select managers?

STANLIB Multi-Manager (Pty) Ltd follows a rigorous and disciplined manager research and selection process that starts by analysing the sector for which the portfolio is being built, and determining the key drivers of outperformance.

The manager research team conducts thorough quantitative and qualitative analyses, culminating in an extensive investment due diligence to identify those managers that have the skill and ability to outperform. This results in the production of high conviction buy/hold/sell lists, as well as mandate performance expectations under different environments, defining events and sell triggers/disciplines.

The portfolio management team then constructs a framework for blending managers into the portfolio that targets the key areas of outperformance and promotes diversification. We only entrust our client's assets to the highest quality managers, who are then selected into this framework to provide the portfolio with exposure to these sources of market outperformance over the long term.

Passive alternatives are considered in the process and where used, these help to lower portfolio costs.

On a regular basis the portfolio is reviewed to ensure it is delivering on its long term objectives. From time to time changes are made to improve the structure and or risk return profile of the portfolio.

Who are the underlying managers/funds?

Underlying managers	Portfolio managers	Strategic allocation
ALUWANI Capital Partners	Conrad Wood	33%
Ninety One	Malcolm Charles	33%
Prescient Investment Management	Guy Toms	34%

How do we approach risk management in the fund?

Risk management is a fundamental component of our investment philosophy and process and is therefore approached holistically. It permeates every part of our investment process, requiring participation and accountability from all individuals involved in the process.

As a multi-manager, our risk management process begins at the time of portfolio specification and design, because by the time securities are included in the portfolio by the underlying managers, one has already accepted the risks and has limited ability to mitigate them. Our process then moves to manager research and portfolio construction, where we seek to know the managers intimately and construct a portfolio to behave in line with our broader investment objectives.

"Risks Inherent in our Funds" is a document that classifies the sources of risk associated with the management of our Funds. It can be obtained from the website www.stanlibmultimanager.com.

Monthly Fact Sheet

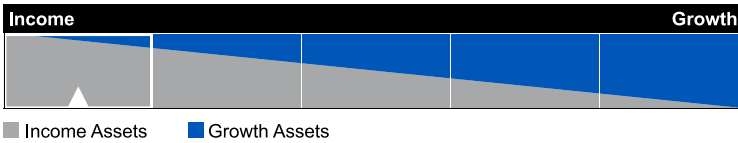
Investment description

The Fund is a flexible income solution which aims to provide investors with regular and stable income. It targets a higher return than a traditional money market fund and intends to manage the investor's exposure across the entire fixed interest yield curve, using a flexible duration strategy. The Fund can also invest in property and offshore. The Fund does not rely solely on cash to generate income, and blends managers with different philosophies. The Fund is regulation 28 compliant. The Fund also aims to outperform the average of the ASISA MA Income category.

Suitable investors

- Who wish to diversify single manager risk;
- Who are looking for a smart alternative to a typical money market portfolio;
- Who seek a reasonable level of income and inflation beating returns over time;
- Who have a low capacity for capital loss over the short term;
- Who typically have an investment horizon over periods from 12 to 36 months.

Portfolio characteristics



Performance and risk

Returns (%)	1yr	3yrs	5yrs	7yrs	Launch
Class B1					
Class	5.23	7.47	7.67	7.62	7.53
Rank/Out of	61/95	31/75	28/60	13/42	11/30
Sector Average	5.45	7.05	7.35	7.19	7.08
Benchmark	6.78	8.02	8.23	7.71	7.61
Highest	9.12	9.25	9.49	10.05	10.05
Lowest	4.21	4.21	4.21	3.96	3.96
Class A					
Class	4.86	7.14	7.36	7.35	7.33
Highest	8.82	8.93	9.19	9.97	9.97
Lowest	3.92	3.92	3.92	3.92	3.92

Returns (%) shown are cumulative for all periods shorter than or equal to 1 year and annualised for all periods greater than 1 year.

Highest – this reflects the highest 12 month return during the period.

Lowest – this reflects the lowest 12 month return during the period.

This portfolio was originally launched 02 January 2002. This portfolio underwent various changes culminating in a restructuring of the portfolio and amalgamation of assets from another portfolio and the current investment policy and name coming into effect from 14 March 2011. Returns data, for performance measurement purposes, is reflected from a Launch date of 14 March 2011.

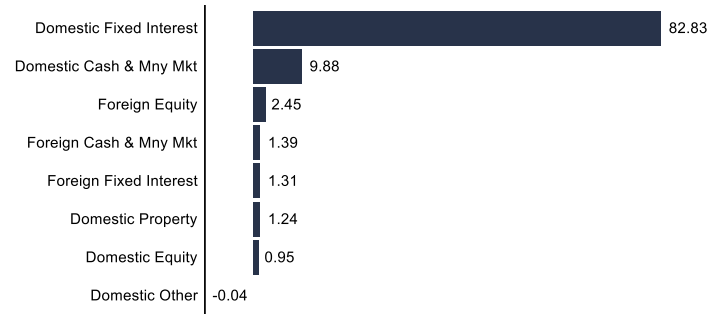
Annualised deviation (volatility)	B1	Benchmark	A
3 years	2.05	1.62	2.06

Annualised deviation – the standard deviation of the Fund's monthly returns. This is a measure of how much an investment's monthly returns vary from its average monthly return over the time period.

Underlying managers

ALUWANI Capital Partners
Ninety One
Prescient Investment Management

Asset allocation (look through) (%)



Modified duration

Fund	1.34 years
Benchmark	0.39 years

Portfolio facts

Portfolio Manager(s)	Richo Venter and Naweed Hoosenmia	
Sector	South African - Multi Asset - Income	
Size	R 1.36 billion	
Income distribution	Net income is calculated and accrued daily and is declared and distributed quarterly.	
Income declaration	31 March, 30 June, 30 September, 31 December	
Benchmark	STeFI Composite Index + 1%	
<i>The benchmark of this portfolio was changed on 01/01/2020, from JSE ALBI 1-3 Year Index to STeFI Composite Index +1%. All benchmark returns in this document have been calculated using the original benchmark from launch until 31/12/2019 and the new benchmark thereafter.</i>		
	Class B1	Class A
Launch	02 January 2002	02 January 2002
Number of units	470,327,514.56	62,722,619.16
NAV Price (cents per unit)	104.65	104.52
Minimum investment requirements -		
Lump sum	R 5,000	R 5,000
Monthly debit order	R 500	R 500
ISIN number	ZAE000035473	ZAE000035374
JSE code	STI1	STMI

Annual costs breakdown (% p.a. incl. VAT)	Class B1		Class A	
	1 yr	3 yrs	1 yr	3 yrs
Cost ratio data as at 30/06/2020				
Annual management fee	0.86	0.86	1.15	1.15
Annual adviser fee¹	0.00	0.00	0.29	0.29
Underlying fund fees	0.01	0.01	0.01	0.01
Other ²	0.05	-0.11	0.05	-0.11
Total Expense Ratio (TER)³	0.92	0.75	1.21	1.03
Transaction Costs (TC)⁴	0.01	0.01	0.01	0.01
Total Investment Charges (TIC)	0.93	0.76	1.22	1.04

¹Annual adviser fee, if applicable, is included in Annual management fee.

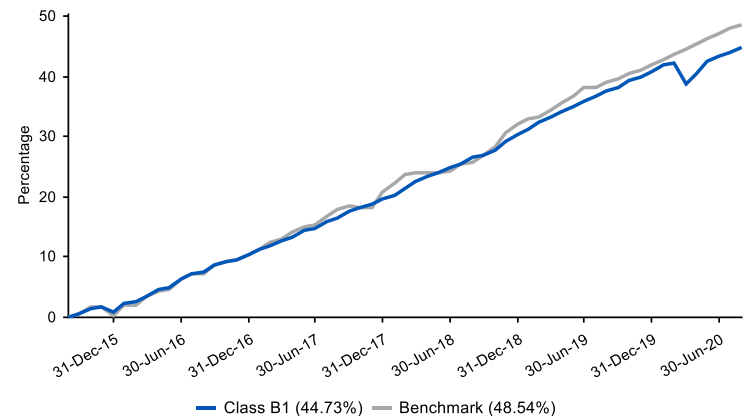
²Other includes bank charges, custody fees, sundry income, audit & trustee fees.

³TER is a measure of the actual expenses incurred per annum by the portfolio class.

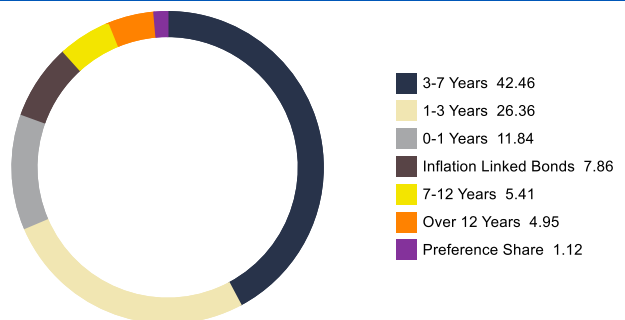
⁴TC includes brokerage, Securities Transfer Tax (STT) and STRATE levies.

The three-year TER figure is lower due to the performance fee refund in 2 November 2018

Cumulative performance (%) over 5 Years



Fixed interest allocation (look through) (%)



Income distributions (cents per unit)

Declared:	Jun 20	Mar 20	In last 12 months	2019
Class B1	1.80	1.76	7.45	7.28
Class A	1.73	1.68	7.16	6.98

Disclosures

Information to be considered before investing

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending.

The STANLIB Multi-Manager Absolute Income Fund is a portfolio of the STANLIB Collective Investment Scheme (the Scheme). The manager of the Scheme is STANLIB Collective Investments (RF) (Pty) Limited (the Manager). The Manager is authorised in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. Liberty is a full member of the Association for Savings and Investments of South Africa (ASISA). The Manager is a member of the Liberty Group of Companies. The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. A schedule of fees and charges and maximum commissions is available on request from the Manager. The trustee of the Scheme is Standard Chartered Bank.

This portfolio is permitted to invest in foreign securities. Should the portfolio include any foreign securities these could expose the portfolio to any of the following risks: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information.

This is a portfolio that derives its income primarily from interest-bearing instruments. The yield (if shown) is a current effective yield calculated daily.

Unit price – how it works

Prices are calculated and published on each working day, these prices are available on the Manager's website (www.stanlib.com) and in South African printed news media. This portfolio is valued at 15h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 15h00.

The payment of withdrawals may be delayed in extraordinary circumstances, when the Manager with the consent of the Fund trustees deems this to be in the interest of all Fund investors. These circumstances may include periods when significant underlying markets suspend trading which will prevent accurate valuation of the instruments held in the Fund. When the suspension of trading relates to only certain assets held by the Fund, these assets may be side-pocketed. This process allows normal liquidity on the assets that can be valued but, will delay liquidity on the affected portion of the Fund. If the Fund is faced with excessive withdrawals, the affected withdrawals may be ring-fenced, which is the separation and delayed sale of the assets reflecting the interest of the liquidity seeking investors. It ensures that the sale of a large number of units will not force the Manager to sell the underlying investments in a manner that may have a negative impact on remaining investors of the Fund.

Performance information

All performance returns and ranking figures quoted are shown in ZAR and are based on data sourced from Morningstar or Statpro and are as at 31 August 2020. Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager. Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Total Expense Ratio (TER) and Transaction Costs (TC) = Total Investment Charge (TIC) and other fees

The TER is calculated as a percentage of the average net asset value of the portfolio incurred as charges, levies and fees in the management of the portfolio. The TER is a measure of the actual expenses incurred by the fund over a one and three-year period (annualised). This includes the TER charged by any underlying fund(s) held as part of this Fund. A high TER does not necessarily imply a poor return nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TER's.

Transaction costs are disclosed separately. Transaction costs are a necessary cost in managing a fund and impacts the fund's return. They should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

The sum of the TER and Transaction Costs is shown as the Total Investment Charge (TIC).

Annual management fee: The Fund charges a fixed annual management fee (i.e. fee class) as a percentage of the assets under management, to ensure a simple and understandable fee structure. The Fund invests primarily in segregated mandates but may also invest in other unit trusts i.e. "Underlying Fund Fees", which are included in the Total Expense Ratio (TER). The annual management fee is accrued daily and paid on a monthly basis.

Advice fees: If an investor appoints an adviser, advice fees are contracted directly between the investor and the adviser. The Manager will facilitate the collection of advice fees (including initial advice fees up to a max. of 3.45%) only upon receiving an investors instruction to do so. An investor may cancel the instruction to facilitate the payment of advice fees at any time.

STANLIB Multi-Manager (Pty) Ltd does not provide financial advice

The investments of this portfolio are managed, on behalf of the Manager, by STANLIB Multi-Manager (Proprietary) Limited, an authorised financial services provider (FSP), FSP No. 763, under the Financial Advisory and Intermediary Services Act (FAIS), Act No. 37 of 2002.

This document is not advice, as defined under FAIS. Please be advised that there may be representatives acting under supervision.

Where can I find additional information?

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Manager and from the Manager's website (www.stanlib.com).

This document does not constitute an offer of sale. Investors are requested to view the latest Minimum Disclosure Document (MDD), for the provision of additional information pertaining to the product, as well as seeking professional advice, should they be considering an investment in the product. The Manager provides no guarantee or warranty as to the accuracy of the content of this document. Every effort has been made to ensure that the content is accurate at time of issue.

Manager: STANLIB Collective Investments (RF) (Pty) Limited Reg.No.1969/003468/07 17 Melrose Boulevard, Melrose Arch, 2196. T 0860 123 003 www.stanlib.com. **Trustees:** Standard Chartered Bank Reg.No.2003/020177/10 2nd Floor, 115 West Street, Sandton, 2196. T +27 (0)11 217 6600. **Third Party/Investment Manager:** STANLIB Multi-Manager (Pty) Ltd www.stanlibmultimanager.com.