



The Premier Guide
by Glacier Research

October 2021

Wealth

Introduction



2 I recently read an interesting article on the art of waiting and how to wait well (Farman, 2020). The author begins by describing a curious event in the Big Apple where high rises were literally the next big thing and where people started to complain about having to wait for their elevators. Complaints started to proliferate, and landlords decided to get the engineers out to try and solve this dilemma. The engineers' conclusion was that the problem was unsolvable! Elevators take as long as they take!

It took a lonely psychologist to come up with a grand solution: just add mirrors. Yes, we were vain back then and we're still vain today, but how did a psychologist solve this problem of waiting? To get to the answer, we first need to understand the cause of the original irritation and that was simply that people had to wait and, according to Farman, humans despise waiting, especially waiting caused by external events over which we have no control and that involves not being able to do anything. The psychologist understood this and added the mirrors, which in turn gave everyone the chance to do something by staring at themselves in the mirror, adjusting their hair, clothes etc.

Playing the waiting game in South Africa

South Africans can truly identify with the frustration around waiting. We constantly seem to be waiting for things to improve – for better governance, for more work and for better opportunities. Waiting too long and not having anything to do while you're waiting leads to frustration. We all became aware of this as scenes of looting played themselves out during July. And this all happened while our President was asking us to wait a little longer as the third COVID-19 wave made its devastating way through our country.

Don't touch that phone

Farman talks about how to wait **well**. Is that even possible, and under what circumstances? In a world where patience is in short supply, where it's all about instant gratification and being accessible 24/7, waiting potentially offers us the time to pause, reflect and possibly gain perspective. I like this positive approach, so next time when standing in a queue perhaps try some meditation; breathe deeply; count the number of sounds you hear around you; smile at a stranger; or read a book. Don't reach for your phone.

With some (worthwhile) things in life, effort and patience are required. This is true when learning or excelling in most pursuits such as riding a bike or painting a portrait. And relationships – both personal and professional – take time and effort, initially, and in the long term.

While takeaway meals may be quick and convenient for busy people, they don't beat a home-cooked meal, which takes time to prepare and perfect. The same can be said of good red wine (and sometimes white wine) that gets scored and evaluated on its ability to lie idle and age properly.

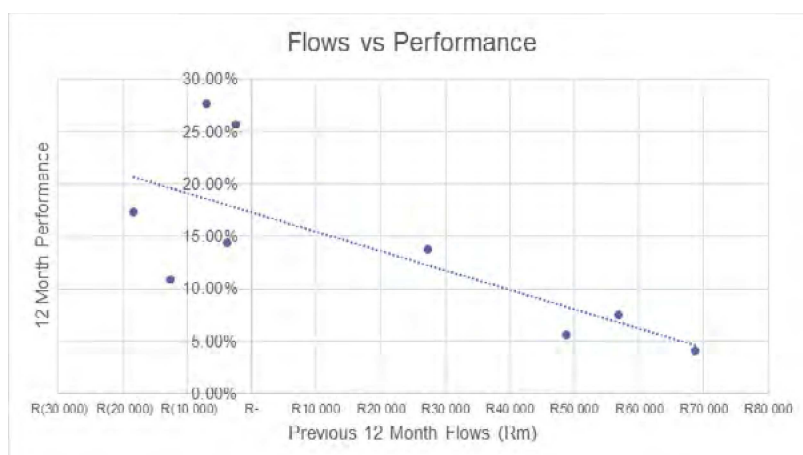
Time to invest

Another area where waiting can be considered valuable, of course, is in investing and building wealth. Here, the

ability to not get distracted by short-term noise and stay the course is invaluable for long-term wealth creation. It sounds simple but in reality, it's difficult for most of us. Impatience in investing means the need to 'do something' which takes the investor's eye off their long-term investment plan. It also leads to market timing, which has been shown to be detrimental to long-term wealth creation.

A case in point is the graph below that plots the 12-month ASISA flows to 30 June 2020 against the subsequent 12-month performances to 30 June 2021. A clear negative relationship is observable. The best-performing asset classes over the previous 12 months (to 30 June 2021) were local equities (up around 28%), small caps (specifically, the ones most exposed to the South African economy) and local property (+25.61%). However, investors were selling out of these asset classes prior to the start of this period of relatively strong performance.

The same is true for local balanced funds (+ 17.31%) and even global equity (+14.27%). Intriguingly, the biggest inflows over the same time period were registered in South African money market funds (+ 4.01%), SA Multi-Asset Income funds (+ 7.38%) and SA Interest-Bearing Short-Term funds (+ 5.50%).



Waiting isn't wasting

Clearly, many investors were positioned wrongly and missed out on some great returns, being stuck in cash and lower risk assets. The decision to move back to these asset classes after these strong performances, causes even more anxiety and so some of us will stay

underexposed to growth assets for even longer.

While waiting can sometimes be uncomfortable and it may feel like 'wasting' time, more often than not, it's beneficial. Appreciate it for what it can offer and let's look at it positively.

Shopping List changes

We continue to make changes to ensure that the Shopping List remains a valuable tool in our clients' arsenal. Besides some minor physical changes to improve navigation and reading, the biggest changes this quarter were around some funds.

Firstly, we removed two funds. The first one, Coronation Capital Plus, was due to a change in the Fund's risk objectives and the fact that it moved to a new category, from South African Multi-Asset Medium Equity to South African Multi-Asset High Equity.

This was one of the longest-serving funds on our Shopping List, and it presented quite a significant change for the team. The second fund, the Sanlam Living Planet Fund, was removed due to a manager change. While we continue to believe in the merits of this fund, we would like to build comfort in the way the Fund will be managed in future.

1. Coronation Capital Plus Fund

The Coronation Capital Plus Fund has undergone some changes, resulting in its reclassification (from the ASISA SA MA Medium Equity Category) to the ASISA SA MA High Equity Category. This fund was the most conservative Shopping List fund in the SA Multi-Asset Medium Equity category. The Fund had an internal risky asset (equity and property) limit of 70%. This limit was raised from 60% in October 2017 and remained well below the 85% limit (60% equity and 25% property) of its peers. Consequently, when markets have run in the past, this fund underperformed its category peers.

Since August 2021, the Fund's risk budget has changed. The maximum effective equity exposure increased from 60% to 70%. This limit is in line with its previous risk budget, barring the removal of the 60% equity cap. This fund may invest the remaining 10% of the risk budget in listed property and commodities. In addition, its risk objective changed from capital preservation over a rolling 18-month period to significantly lower downside risk relative to a typical Reg 28-compliant balanced fund. Hedging will centre around reducing tail risks rather than explicit capital preservation over set shorter-term periods. The fund management approach remains unchanged. As a result, we have deemed it prudent

to remove the Fund from the SA MA Medium Equity Category in the Shopping List.

2. Sanlam Living Planet Fund

Despite a strong run of recent quantitative performances, we have qualitative concerns regarding the future management of the Fund. The portfolio management on this strategy has historically been the responsibility of Hendrik Pfaff. Pfaff was an employee of the WWF during the time when the strategy was initially added to the list and was further supported by Cerin Maduray. Pfaff was key in the management of the strategy, given his unique combination of investment expertise, as well as acting as a bridge between the WWF, their research resources, and their focus on environmental and sustainability objectives. Pfaff has since changed roles and is no longer employed by the WWF, nor will he be involved in the management of the Fund. The mandate has since been transferred to Sanlam. Going forward, the strategy will be managed on a committee basis, with representatives from across the Sanlam Multi-Management business. We see this as a material change and have taken the decision to evaluate the impact this may have over the short term.

We welcome new equity funds

With the removal of the Foord Equity Fund in our previous edition, we had to ensure that we provide sufficient choice for our clients that follow a predominantly building-block approach and where the client would like to choose a more South African-centric equity fund in conjunction with another manager of her choice to obtain exposure to globally listed equities.

Therefore, we are excited to welcome three new funds to our Shopping List – the 36One SA Equity Fund, the Rezco Equity Fund and the Truffle SA Equity Fund. In conjunction with our incumbent SA-only equity fund, the Fairtree Equity Fund, we believe these funds will offer compelling portfolio construction opportunities for our clients.

We believe all three managers have strong investment teams alongside robust investment processes and clearly defined philosophies. Truffle follows a benchmark-cognisant approach, while Rezco is benchmark-agnostic with a concentrated portfolio. Meanwhile, 36One are

known for their flexibility and willingness to trade around investment ideas. Furthermore, all three managers display good stock-picking ability, and we feel they will add value to clients looking for SA-only equity exposure. They are also smaller managers, and a lot more nimble and able to navigate the South African listed equity space.

Francis Marais

Head: Glacier Research



Looking ahead

While many of us are planning for 2022, it is my wish that the remainder of 2021 will be a time of prosperity, health and positivity. Let's appreciate the moments when not doing anything can be game-changing - mentally, emotionally and when building long-term wealth.

Q2 2021

South Africa's GDP expanded by 1% in the first quarter of 2021, which translates to an annualised growth rate of 4.6%. This is modestly lower than the downwardly revised 1.4% growth recorded in the last quarter of 2020. Eight of the ten industries ended the quarter higher, while two industries lagged – electricity, gas & water (-2.6%) and agriculture (-3.2%). Mining (+18.1%), finance (+7.4%) and trade (+6.2%) were the biggest drivers of growth on the production side. Clothing & footwear was the highest at 22% on the expenditure side.

South African equity markets had a disappointing quarter as the All Share Index gained a meagre 0.05% with resources (-5.09%) being the leading detractor. In contrast, Financials and industrials returned 7.53% and 5.50%, respectively. Owing to the strength of the rand, large caps were down 0.84% while mid-caps and small caps gained 5.92% and 8.01%, respectively.

The SARB kept interest rates unchanged at 3.50% in May as widely expected, on a unanimous vote. The Bank indicated that risks to the growth outlook appear balanced while overall risks to inflation are now appearing to be more to the upside. The Bank further cited slow vaccination progress, limited energy supply and policy uncertainty as key challenges for economic growth. The rand continued to strengthen over the quarter by 3.40% against the US dollar and 3.01% against the British pound and 2.32% against the euro.

Locally, the bond market delivered some decent gains over the quarter with the ALBI gaining 6.86% with most of the returns coming from the longer end of the curve as long-term yields retreated. The 12-year+ area was up 10.09%, followed by the seven- to twelve-year area which was up 6.65%. The front end of the curve was rendered softer returns as the three- to seven-year and one- to three-year areas rose 2.01% and 1.40%, respectively. Inflation-linkers were up 3.19%. Cash (STeFI) delivered a marginal gain of 0.92% while preference shares gained 3.81%. Property was the best-performing asset class, gaining 11.14%.

Developed market equities continued to outperform their emerging market (EM) counterparts. The MSCI Developed World rose 7.31% in US dollar terms (3.66% in rand) while the MSCI Emerging Markets gained 4.42% in US dollar terms (0.87% in rand). Global bonds rose 1.31% in US dollars. However, they continued to weaken in rand terms (-2.13%). Rand strength played a meaningful role while inflation remained a key talking point in global markets. The Fed kept interest rates unchanged at 0-0.25%, in line with market expectations and maintaining its asset purchase programme. Similarly, the ECB and Bank of England kept rates unchanged at 0% and 0.1%, respectively.

**Rand strength
played a
meaningful role
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global markets.**

The Team



Cindy Mathews-De Vries

Cindy holds a MSc degree in Computational Finance, cum laude, a BSc in Computer Science and Mathematics, and an Associate in Management (AIM) qualification. She has nine years' financial services industry experience of which seven were spent as an equity analyst. She started her career as a software developer at Tellumat and later as a quantitative analyst at Futuregrowth Asset Management. Cindy joined Glacier as a discretionary fund manager in January 2017.



Darren Burns

Darren is a CFA® charterholder and holds degrees in Investment Management (University of Stellenbosch) and Financial Analysis and Portfolio Management (Honour - University of Cape Town). Darren joined Glacier from SecureWealth, where he was as a director, financial adviser and analyst for seven years. He joined Glacier as a discretionary fund manager in October 2016. He has also completed his RE 1, 3 and 5 exams and has the relevant experience as both a representative and key individual for Category I and Category II licences.



Dean de Nysschen

Dean is the senior research and investment analyst at Glacier and a CFA® charterholder. He holds a BCom degree in Investment and Financial Management from the University of Stellenbosch. He joined Glacier as a research & investment analyst in April 2018, prior to which he was responsible for equity research, analysis and manager research at a Cape Town-based private wealth and asset manager.



Francis Marais

Francis is a CFA® charterholder and holds a Bachelor of Commerce (Honours) degree in Financial Analysis from the University of Stellenbosch. Francis completed his MBA (Cum Laude) through the University of Stellenbosch Business School (USB) in 2020. He started his career at Sanlam Employee Benefits, before spending four years as the operations and research manager at a Category II Discretionary FSP. Francis joined the Glacier Research team in March 2015 and was the senior research and investment analyst, before taking up the role as head of Glacier Research in October 2018.



Imraan Khan

Imraan holds a BCom degree in Finance and Economics and a BCom (Hons) degree in Finance and Investment from the University of the Western Cape. He joined Glacier in 2011 as a client service consultant from a graduate programme at Santam. Imraan joined Glacier Research in November 2016.



Liesl-Mari de Jager

Liesl-Mari holds a BA (Hons) degree in Industrial Psychology, cum laude, and an MBA, cum laude. She has 23 years' financial services industry experience, of which five years were spent as an equity analyst. Liesl-Mari joined Glacier in 2002 and was previously the head of Glacier Risk and Compliance, then head of Glacier Research before taking up the role as head of Discretionary Fund Management.



Mansoor Narker

Mansoor joined the Glacier Research team in March 2020 as a research and investment analyst. He started his career in 2008 at IDS Fund Services, a specialist hedge fund administrator. IDS was later acquired by Sanne Group Plc, a global provider of alternative assets and corporate services. During his tenure, Mansoor progressed to senior fund accountant and then assistant manager, overseeing a team of fund accountants at Sanne's Hedge Funds division. He was responsible for, among others, hedge fund NAV reporting and valuations. Mansoor obtained a BCom degree in Finance at the University of the Western Cape in 2006 and a BCom (Honours) degree in Investments (cum laude) from the same institution in 2008. He has passed Level 2, and currently is a Level 3 candidate on the CFA® Programme.



Nomfundo Ntoyanto

Nomfundo joined Glacier in October 2018 as an investment administration and reporting consultant at Glacier International. She joined the Glacier Research team in February 2020 as a junior research and investment analyst. Before joining Glacier, Nomfundo was an administrator at Curo Fund Services. She holds a BCom (Honours) degree in Finance and Investments from the University of the Western Cape which she completed in 2015. She passed the CFA® Level 1 in 2018.



Patrick Mathabeni

Patrick holds a BCom degree in Finance and BCom (Hons) degree in Business Management (Finance stream) from the University of South Africa. He is currently a Level II candidate in the CFA® programme. He started his career at Old Mutual, and later joined State Street Global Services. He joined Glacier Research in January 2018.



Sanusha Gopaul

Sanusha holds a BCom degree in Risk Management from the University of South Africa (UNISA) and a Certificate in Compliance Management from the University of Cape Town. She joined Glacier in 2010 as a client services consultant. Sanusha joined the Glacier Discretionary Fund Management team in December 2015.



Shawn Phillips

Shawn holds a BCom (Hons) degree in Financial Analysis and Portfolio Management from the University of Cape Town. He also holds a BSocSci degree in Philosophy, Politics and Economics from the University of Cape Town. He has passed Level I of the CFA® programme. Shawn joined Glacier Research in January 2016.



Saleh Jamodien

Saleh holds a Business Science degree in Finance from the University of Cape Town (UCT) and has passed both the CFA® Level I and FRM level I exam. He is currently a CFA Level II candidate. He started his career at Allan Gray as a client service consultant and joined Glacier Research in February 2019 as a graduate research and investment analyst.

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Fund Selection Process

AIM To identify funds that deliver consistent, long-term out-performance and display the ability to protect capital when markets are falling.

Initial screening

1

An initial shortlist of funds is drawn using broad screening criteria including fund size (greater than R250m), age and track record (at least three years for certain sectors), as well as the reputation and experience of the asset management house. The results of this screening are then subjected to rigorous quantitative and qualitative analysis.

Quantitative Analysis

2

Quantitative analysis looks at the performance, consistency, risk, drawdown and correlation of the funds.

1. Performance

Static and rolling returns over numerous time periods are scrutinised and special attention is paid to performance in negative markets. The effect of tax is considered where applicable.

Once performance is scrutinised, we review the consistency of that performance. Particular attention is paid to consistent first and second quartile performance over the long term. We look for smooth return profiles relative to the category or peers.

2. Consistency

3. Risk

To determine the overall risk of a fund, we look at volatility (standard deviation, downside deviation) and other well-known risk ratios (Sharpe, Treynor, Information and Calmar ratios), where applicable. These measurements are analysed on a static and rolling basis to determine if there have been significant changes in the fund's risk characteristics, e.g. a new fund manager may change portfolio risk as a result of a different management style.

A fund's drawdown – the maximum cumulative loss over any period – is analysed to determine the effectiveness of a fund in protecting capital when the market loses value.

4. Drawdown Analysis

5. Correlation

A correlation matrix is used to determine the behaviour of funds relative to other funds in the same sector and to various indices. Knowing how funds perform relative to each other helps to determine which funds should be combined to build a well-diversified portfolio.

Qualitative Analysis

3

Qualitative analysis looks at the asset management house, the investment team and the philosophy and process behind the management of the fund.

Asset Management House

Investment Company

Company history | Financial position | Group structure
Management structure | Performance and risk monitoring | House-view implementation

Investment Approach

Decision-making process | Investment process | Research process

Investment Team

Education and qualifications | Length and nature of experience | Financial motivation | Alternate responsibilities | Quality and depth of team | Succession planning

Final Selection

4

The output from the research process, both quantitative and qualitative, is discussed by the Glacier Research investment committee to decide the final composition of the Shopping List. In line with the philosophy of long-term investing, the list of funds will remain fairly stable over time. Any changes will be highlighted in the fund/sector comment. The number of funds appearing per category will be proportionate to the size of the category.

Fixed Interest

Money Market	Income
Capricorn Investment Fund	Old Mutual Namibia Income
	Standard Bank Namibia Income

Multi-Asset

Income	Low Equity	Medium Equity	High Equity
Hangala Capital Income Provider	Allan Gray Namibia Stable*	Standard Bank Namibia Inflation Plus*	Allan Gray Namibia Balanced *
NAM Coronation Strategic Income	NAM Coronation Balanced Defensive*		NAM Coronation Balanced Plus *
Ninety One Namibia High Income	Prudential Namibian Inflation Plus*		Ninety One Namibia Managed *
Sanlam Namibia Active	Sanlam Namibia Inflation Linked*		Prudential Namibian Balanced *
			Sanlam Namibia Balanced *

Equity

General
Sanlam Namibia General Equity

Global

Equity
Sanlam Namibia Global

Worldwide Multi-Asset Flexible

Worldwide Multi-Asset Flexible
NAM Coronation Optimum Growth

***Regulation 28 compliant**

Recommended Asset Bands

Discretionary / Non-compulsory Investments

	Money Market	Bonds	Property	Equity	Foreign
Conservative	40% - 60%	15% - 35%	5% - 25%	0% - 20%	0% - 10%
Cautious	30% - 45%	15% - 35%	5% - 20%	15% - 35%	5% - 15%
Moderate	15% - 30%	15% - 30%	5% - 15%	30% - 50%	10% - 20%
Moderately aggressive	10% - 25%	10% - 25%	0% - 10%	45% - 65%	15% - 30%
Aggressive	5% - 10%	10% - 20%	0% - 10%	60% - 75%	20% - 40%

Contractual / Compulsory Investments

	Money Market	Bonds	Property	Equity	Foreign
Conservative	40% - 60%	15% - 35%	5% - 25%	0% - 20%	0% - 10%
Cautious	30% - 45%	15% - 35%	5% - 20%	15% - 35%	5% - 15%
Moderate	15% - 30%	15% - 30%	5% - 15%	30% - 50%	10% - 20%
Moderately aggressive	10% - 25%	10% - 25%	0% - 10%	45% - 65%	10% - 25%
Aggressive	5% - 20%	10% - 20%	0% - 10%	60% - 75%	10% - 25%

At Glacier, we believe that portfolio construction should follow three steps:

1. Establish the risk profile of the investor. The investor's risk profile is influenced by a number of factors that are not all subjective.
2. Decide on an appropriate asset allocation split for the investor. The investor's risk profile primarily determines the asset allocation of the portfolio. The split between asset classes significantly influences the risk of the investment.
3. The Shopping List will help you to select suitable funds within each asset class. The Recommended Asset Band tables above can be used as a guide to asset allocation splits for the five different investor risk profiles. Here follows a comprehensive description of the list of funds that have been identified by Glacier Research as being the leading funds in their respective categories.

Asset Allocation

Asset allocation serves to diversify risk through the selection of uncorrelated assets. Empirical studies show that asset allocation is the single most important decision influencing investment returns over the long term. Asset allocation should be reviewed annually. If required, portfolios must then be rebalanced to remain within asset allocation guidelines. The asset allocation within the foreign component of the portfolio should be diversified across the same asset class bands used for the local allocation.

Definition of investor risk profiles:

A **conservative investor** requires stable investment growth or a high level of income. The primary investment goal is capital protection. This investor may require access to the investment within three years.

A **cautious investor** requires stable growth in his/her investment and is uncomfortable when investment values decline. The investor may require a moderate level of income and is likely to have an investment horizon of at least three years. The primary investment goal is capital protection.

A **moderate investor** invests for the longer term (at least five years) and requires no income. The investor can tolerate fluctuations in the value of his or her investments from time to time. The primary investment goal is capital growth.

A **moderately aggressive investor** invests for the long term (at least seven years) and requires no income. Typically, this investor is prepared to accept more risk than a moderate investor, but does not want full exposure to equities. The primary investment goal is capital growth.

An **aggressive investor** invests for the long term (at least ten years) and seeks the highest possible growth. Typically, the investor is prepared to accept substantial fluctuation in the value of his or her investment. The primary investment goal is long-term capital growth.

Annual Returns of Asset Classes, Sectors and Categories

Asset Class Returns

2017	2018	2019	2020	Year-to-date
Equity (20.95%)	Bonds (7.69%)	Foreign (22.77%)	Foreign (22.18%)	Property (19.30%)
Property (17.15%)	Cash (7.25%)	Bonds (10.32%)	Bonds (8.65%)	Equity (11.31%)
Foreign (12.26%)	Foreign (6.10%)	Equity (9.32%)	Cash (5.39%)	Foreign (10.61%)
Bonds (10.24%)	Equity (-8.53%)	Cash (7.29%)	Equity (2.61%)	Bonds (5.00%)
Cash (7.56%)	Property (-25.26%)	Property (1.92%)	Property (-34.49%)	Cash (1.83%)

Sector Returns

2017	2018	2019	2020	Year-to-date
Top 40 J200T (23.07%)	Resources J258T (15.55%)	Resources J258T (28.53%)	Resources J258T (21.20%)	Small Cap J202T (30.93%)
Financials J580T (20.61%)	Top 40 J200T (-8.31%)	Mid Cap J201T (15.58%)	Industrials J520T (12.00%)	Industrials J520T (19.61%)
Resources J258T (17.90%)	Financials J580T (-8.76%)	Top 40 J200T (12.41%)	Top 40 J200T (9.97%)	Mid Cap J201T (15.83%)
Industrials J520T (14.73%)	Mid Cap J201T (-9.73%)	Financials J580T (0.63%)	Small Cap J202T (-0.28%)	SA Industrials J520T (13.82%)
Mid Cap J201T (7.36%)	Small Cap J202T (14.59%)	Small Cap J202T (-4.10%)	Mid Cap J201T (-14.37%)	Resources J258T (12.81%)
Small Cap J202T (2.95%)	Industrials J520T (-15.56%)	Industrials J520T (-8.91%)	Financials J580T (19.67%)	Top 40 J200T (12.24%)

Bond Returns

2017	2018	2019	2020	Year-to-date
3 - 7 Years (11.25%)	1 - 3 Years (9.14%)	7 - 12 Years (12.05%)	3 - 7 Years (16.26%)	12+ Years (8.16%)
7 - 12 Years (11.05%)	12+ Years (7.65%)	3 - 7 Years (11.53%)	1 - 3 Years (11.50%)	7 - 12 Years (4.28%)
12+ Years (9.71%)	3 - 7 Years (7.34%)	12+ Years (9.31%)	7 - 12 Years (10.58%)	1 - 3 Years (1.22%)
1 - 3 Years (9.64%)	7 - 12 Years (7.32%)	1 - 3 Years (7.50%)	12+ Years (4.59%)	3 - 7 Years (0.27%)

Category Returns

2017	2018	2019	2020	Year-to-date
SA - Equity Large Cap (19.09%)	SA - Equity Resources (16.04%)	SA - Equity Resources (38.77%)	SA - Equity Resources (25.89%)	SA - Equity Mid & Small Cap (21.58%)
SA - Equity - Financial (15.36%)	Global Interest Bearing Short Term (13.77%)	Global Equity General (21.80%)	Global Equity General (20.45%)	SA Real Estate General (19.62%)
SA Real Estate General (14.10%)	Global Interest Bearing Variable Term (12.38%)	Global Real Estate General (17.45%)	SA - Equity Industrial (15.53%)	SA - Equity Resources (13.03%)
SA - Equity - General (12.78%)	SA - Interest Bearing Short Term (8.30%)	Global Multi-Asset Flexible (15.82%)	Global Interest Bearing Variable Term (14.94%)	SA - Equity - General (12.82%)
SA - Equity Industrial (11.80%)	SA Multi Asset - Income (7.50%)	Worldwide - Multi Asset Flexible (13.57%)	Global Multi Asset Flexible (13.15%)	Global Real Estate General (12.30%)
SA - Multi Asset - High Equity (9.97%)	SA - Interest Bearing MoneyMarket (7.43%)	SA - Equity Industrial (9.77%)	Worldwide Multi-Asset Flexible (10.41%)	SA - Equity Industrial (11.88%)
Global Equity General (9.74%)	Global Real Estate General (6.50%)	SA - Multi Asset High Equity (9.53%)	Global - Multi Asset Low Equity (9.57)	SA - Equity - Financial (11.75%)
SA - Multi Asset Medium Equity (9.28%)	SA - Interest Bearing Variable Term (6.15%)	SA - Multi Asset Medium Equity (9.48%)	Global Interest-Bearing Short Term (7.72%)	SA - Equity Large Cap (11.27%)
SA - Interest Bearing Variable Term (8.86%)	SA Inflation (4.68%)	SA - Multi Asset Low Equity (8.61%)	SA - Interest Bearing Variable Term (7.60%)	SA - Multi Asset - Flexible (10.55%)
SA - Multi Asset Flexible (8.69%)	Global Multi-Asset Flexible (3.93%)	SA - Equity Large Cap (10.64%)	SA - Multi-Asset - Flexible (6.55%)	SA - Multi Asset High Equity (9.39%)
SA - Interest Bearing Short Term (8.67%)	SA - Multi Asset Low Equity (1.24%)	SA - Interest Bearing Short Term (8.45%)	SA - Interest Bearing Short Term (6.23%)	Global Equity General (9.13%)
SA - Multi Asset Low Equity (8.39%)	Global Equity General (1.13%)	SA Multi Asset - Income (8.18%)	SA - Equity Large Cap (5.63%)	Worldwide - Multi Asset Flexible (7.97%)
SA - Equity Resources (16.76%)	SA - Equity Large Cap (-9.45%)	SA - Interest Bearing Variable Term (8.49%)	SA - Interest Bearing MoneyMarket (5.46%)	SA - Multi Asset Medium Equity (7.69%)
Worldwide - Multi Asset Flexible (7.79%)	Worldwide - Multi Asset Flexible (-1.30%)	SA - Equity - General (8.04%)	SA - Multi Asset Medium Equity (5.36%)	SA - Multi Asset Low Equity (6.01%)
SA Multi Asset - Income (7.97%)	SA - Multi Asset Medium Equity (-1.77%)	SA - Multi-Asset - Flexible (7.95%)	SA - Multi Asset High Equity (5.19%)	SA - Interest Bearing Variable Term (5.54%)
SA - Interest Bearing MoneyMarket (7.72%)	SA - Multi Asset High Equity (-3.60%)	SA - Interest-Bearing MoneyMarket (7.45%)	SA - Multi Asset Low Equity (5.17%)	Global Multi Asset Flexible (4.64%)
Global Multi-Asset Flexible (5.05%)	SA - Multi Asset - Flexible (-4.34%)	SA Inflation (4.38%)	SA - Equity - General (1.92%)	Global - Multi Asset High Equity (4.48%)
SA Inflation (4.70%)	SA - Equity - Financial (-5.28%)	Global Interest-Bearing Variable Term (3.60%)	SA - Equity Mid & Small Cap (-5.93%)	SA - Interest-Bearing MoneyMarket (1.83%)
Global Real Estate General (0.96%)	SA - Equity - General (-9.08%)	SA - Equity Mid & Small Cap (2.92%)	SA - Equity - Financial (-17.75%)	Global - Multi Asset Medium Equity (0.85%)
SA - Equity Mid and Small Cap (-1.51)	SA - Equity Mid & Small Cap (-11.24%)	SA Real Estate General (-0.07%)	SA Real Estate General (-32.70%)	Global - Multi Asset Low Equity (0.01%)
Global Interest Bearing Variable Term (-3.54%)	SA - Equity Industrial (-19.77%)	SA - Equity - Financial (-0.66%)	SA Inflation (31%)	Global Interest Bearing Short Term (-3.91%)

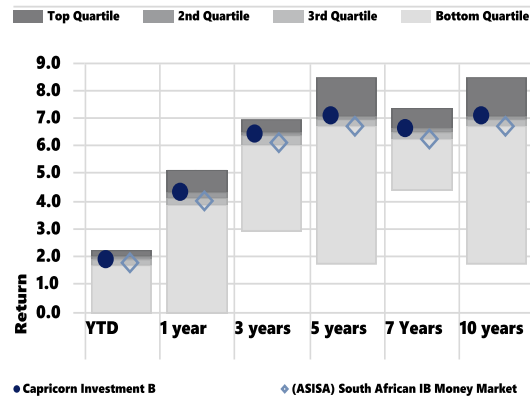
Interest Bearing - Money Market

Category Analyst: Saleh Jamodien

Shopping List selection: **Capricorn Investment Fund**

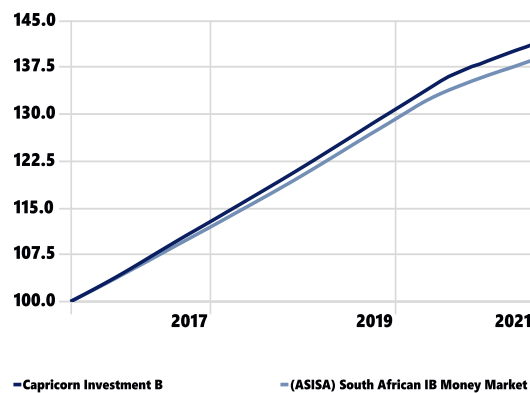
Quartile Ranking

As of Date: 30/06/2021



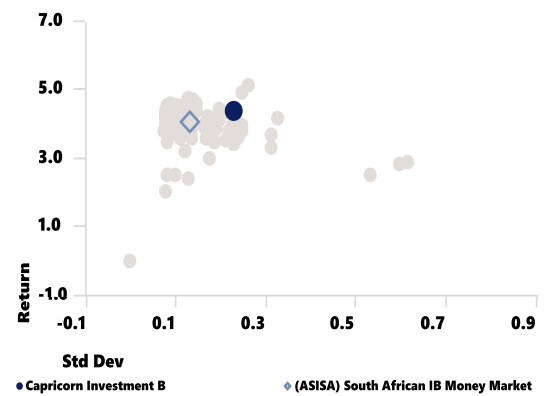
Investment Growth

Time Period: 01/07/2016 to 30/06/2021



Risk-Reward: 1 Year

Time Period: 01/07/2020 to 30/06/2021



Returns

As of Date: 30/06/2021 Source Data: Total Return

	YTD	1 year	3 years	5 years	7 years	10 years
Capricorn Investment B	1.94	4.34	6.45	7.14	7.07	7.14
(ASISA) South African IB Money Market	1.83	4.04	6.16	6.76	6.69	6.76

Risk Statistics

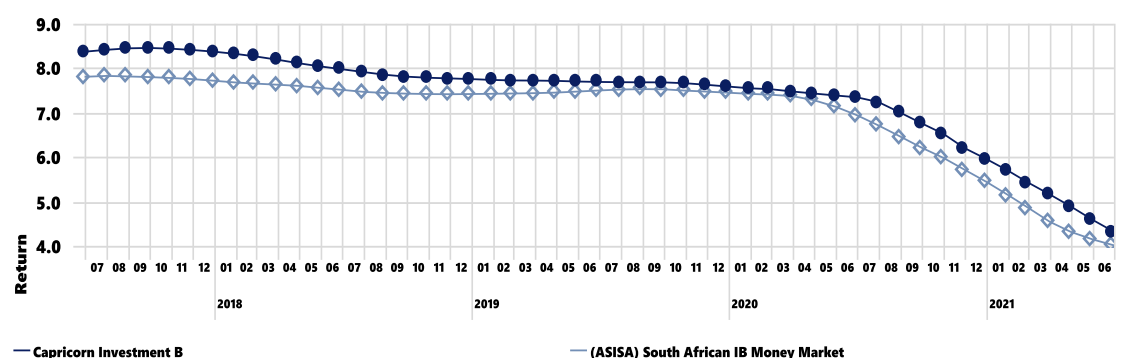
Time Period: 01/07/2020 to 30/06/2021

	Std Dev	Sharpe Ratio
Capricorn Investment B	0.23	1.46
(ASISA) South African IB Money Market	0.13	0.24

Rolling 1 Year Returns

Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 1 Year 1 Month shift



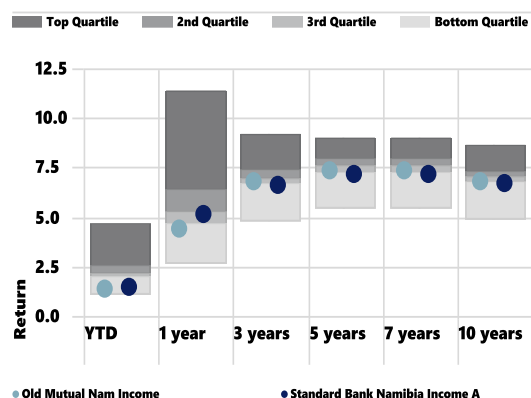
Interest Bearing - Short Term

Category Analyst: Imraan Khan

Shopping List selection: Old Mutual Namibia Income Fund, Standard Bank Namibia Income Fund

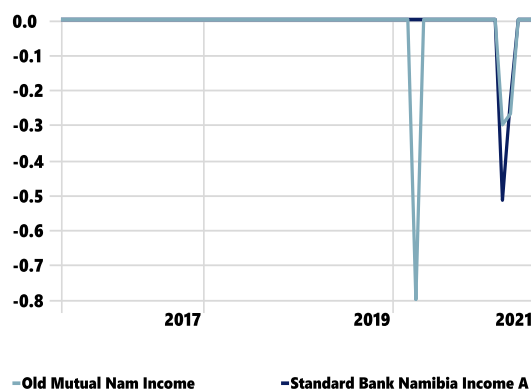
Quartile Ranking

As of Date: 30/06/2021



Maximum Drawdown: Monthly

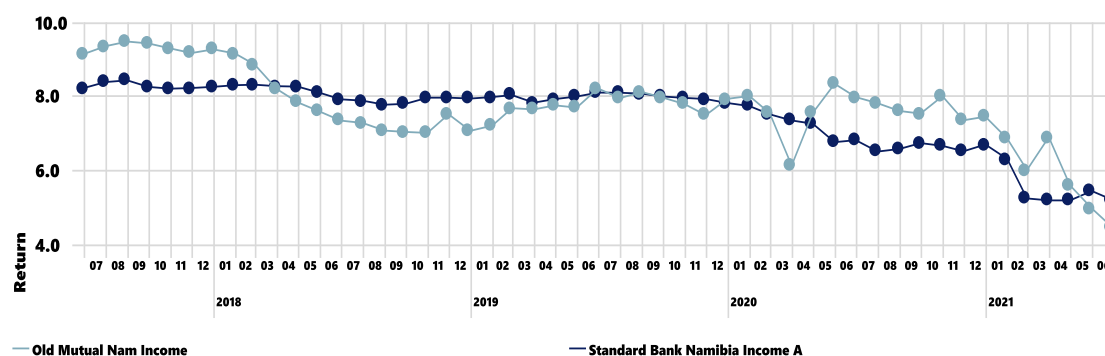
Time Period: 01/07/2016 to 30/06/2021



Rolling 1 Year Returns

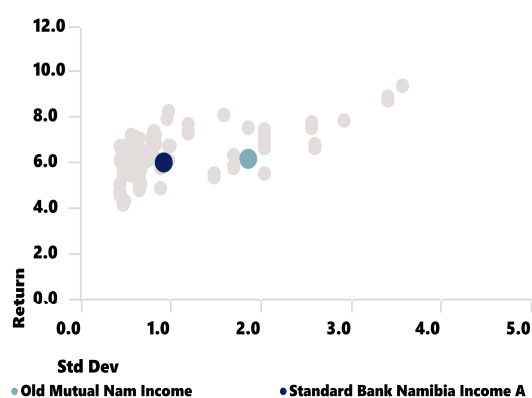
Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 1 Year 1 Month shift



Risk-Reward: 2 Years Annualised

Time Period: 01/07/2019 to 30/06/2021



Returns

As of Date: 30/06/2021 Source Data: Total Return

	YTD	1 year	3 years	5 years	7 years	10 years
Old Mutual Nam Income	1.52	4.47	6.88	7.42	6.97	7.42
Standard Bank Namibia Income A	1.54	5.21	6.71	7.26	6.98	7.26

Risk Statistics

Time Period: 01/07/2019 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period Percent	Down Period Percent	Sharpe Ratio
Old Mutual Nam Income	1.85	-0.80	91.67	8.33	0.42
Standard Bank Namibia Income A	0.92	-0.51	95.83	4.17	0.65

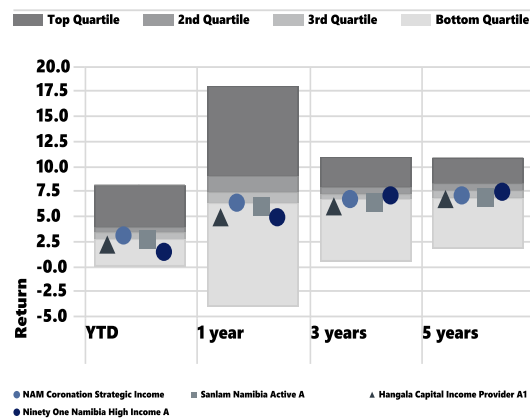
Multi-Asset - Income

Category Analyst: Nomfundo Ntoyanto

Shopping List selection: NAM Coronation Strategic Income Fund, Sanlam Namibia Active Fund, Hangala Capital Income Provider Fund, Ninety One Namibia High Income

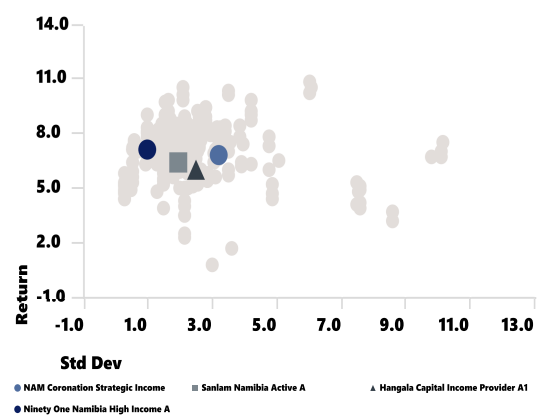
Quartile Ranking

As of Date: 30/06/2021



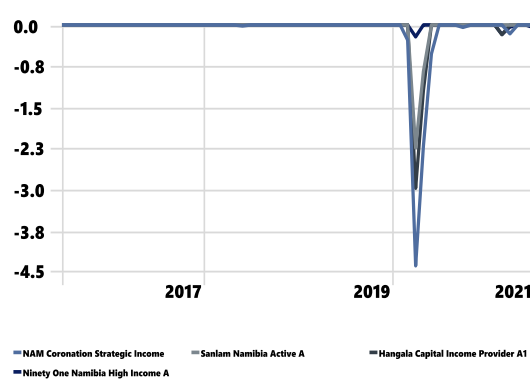
Risk-Reward: 3 Years Annualised

Time Period: 01/07/2018 to 30/06/2021



Maximum Drawdown: Monthly

Time Period: 01/07/2016 to 30/06/2021



Returns

As of Date: 30/06/2021 Source Data: Total Return

	YTD	1 year	3 years	5 years
NAM Coronation Strategic Income	3.20	6.47	6.76	7.20
Sanlam Namibia Active A	2.78	6.10	6.40	6.93
Hangala Capital Income Provider A1	2.23	5.07	6.03	6.76
Ninety One Namibia High Income A	1.61	4.94	7.15	7.46

Risk Statistics

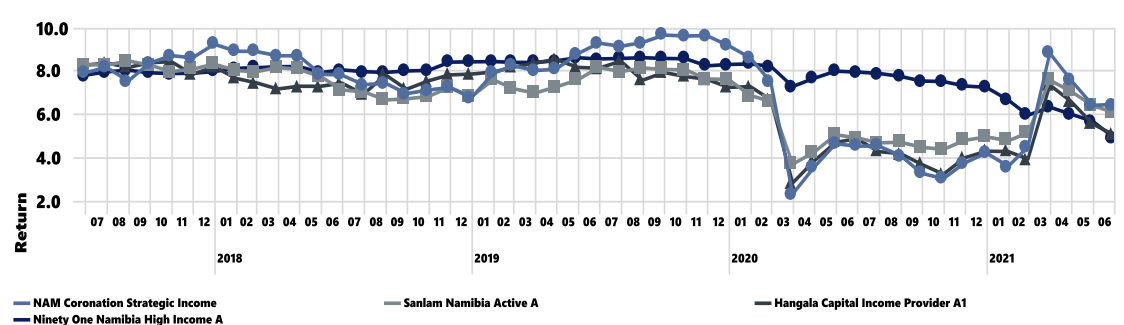
Time Period: 01/07/2018 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period Percent	Down Period Percent	Sharpe Ratio
NAM Coronation Strategic Income	3.21	-4.38	88.89	11.11	0.22
Sanlam Namibia Active A	1.96	-2.24	97.22	2.78	0.18
Hangala Capital Income Provider A1	2.48	-2.97	94.44	5.56	-0.01
Ninety One Namibia High Income A	0.96	-0.22	91.67	8.33	1.14

Rolling 1 Year Returns

Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 1 Year 1 Month shift



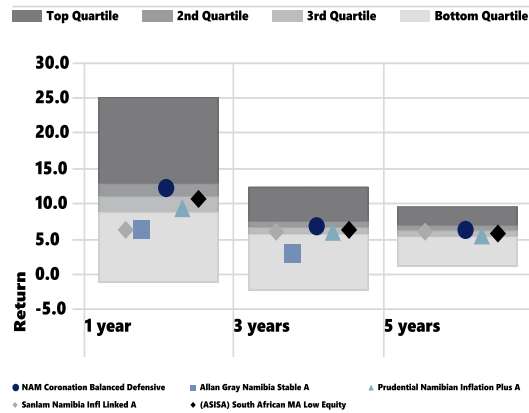
Multi-Asset - Low Equity

Category Analyst: Mansoor Narker

Shopping list selection: NAM Coronation Balanced Defensive Fund, Allan Gray Namibia Stable Fund, Prudential Namibian Inflation Plus, Sanlam Namibia Inflation Linked

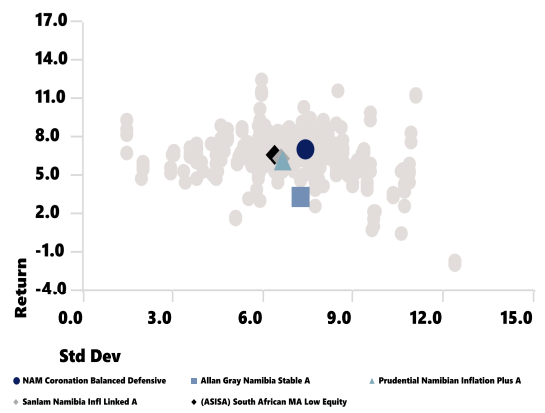
Quartile Ranking

As of Date: 30/06/2021 Currency: South African Rand



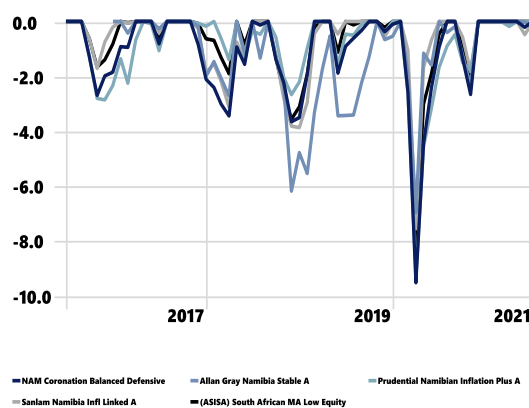
Risk-Reward: 3 Years Annualised

Time Period: 01/07/2018 to 30/06/2021



Maximum Drawdown: Monthly

Time Period: 01/07/2016 to 30/06/2021



Returns

As of Date: 30/06/2021 Currency: South African Rand

	1 year	3 years	5 years
NAM Coronation Balanced Defensive	12.23	6.92	6.38
Allan Gray Namibia Stable A	6.40	3.19	
Prudential Namibian Inflation Plus A	9.62	6.12	5.67
Sanlam Namibia Inflation Linked A	6.42	6.19	6.22
EAA Fund ZAR/NAD Cautious Allocation	9.98	6.95	6.23

Risk Statistics

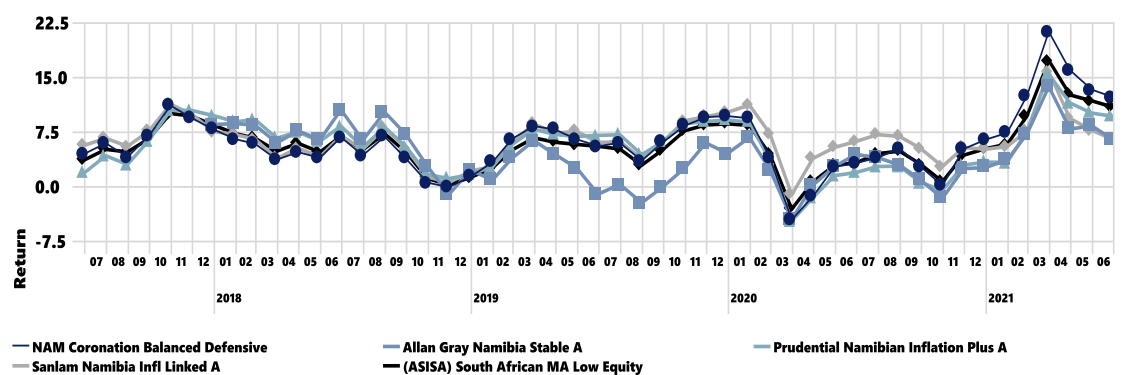
Time Period: 01/07/2020 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period Percent	Down Period Percent	Sharpe Ratio
NAM Coronation Balanced Defensive	5.67	-2.65	75.00	25.00	1.45
Allan Gray Namibia Stable A	4.62	-2.33	58.33	41.67	0.52
Prudential Namibian Inflation Plus A	3.71	-1.31	75.00	25.00	1.51
Sanlam Namibia Inflation Linked A	3.45	-1.82	75.00	25.00	0.70
EAA Fund ZAR/NAD Cautious Allocation	3.85	-1.99	83.33	16.67	1.55

Rolling 1 Year Returns

Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 1 Year 1 Month shift



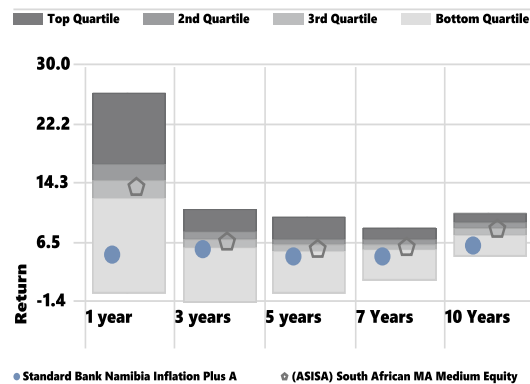
Multi-Asset - Medium Equity

Category Analyst: Cindy Mathews-DeVries

Shopping list selection: Standard Bank Namibia Inflation Plus

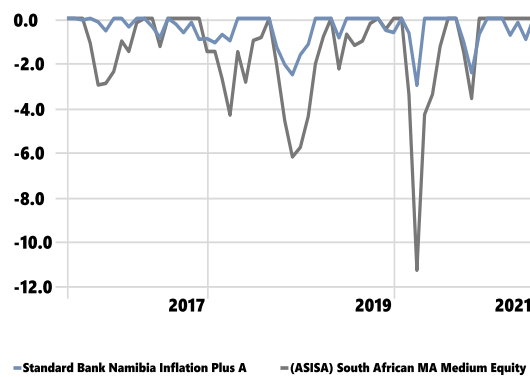
Quartile Ranking

As of Date: 30/06/2021 Currency: South African Rand



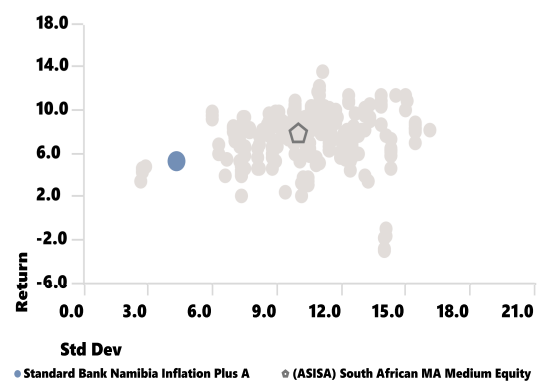
Maximum Drawdown: Monthly

Time Period: 01/07/2016 to 30/06/2021



Risk-Reward: 2 Years Annualised

Time Period: 01/07/2019 to 30/06/2021



Returns

As of Date: 30/06/2021 Currency: South African Rand

	1 year	3 years	5 years	7 Years	10 Years
Standard Bank Namibia Inflation Plus A	4.96	5.60	4.60	4.80	6.12
(ASISA) South African MA Medium Equity	13.85	6.68	5.77	5.94	8.26

Risk Statistics

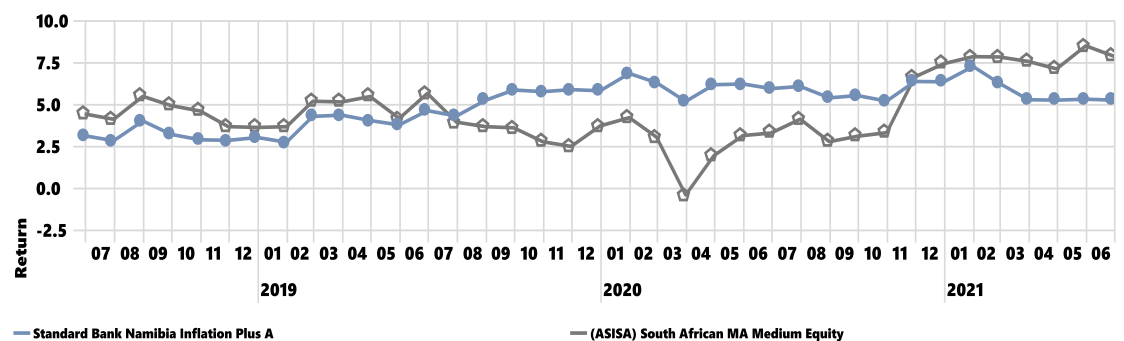
Time Period: 01/07/2019 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period Percent	Down Period Percent	Sharpe Ratio
Standard Bank Namibia Inflation Plus A	4.32	-3.00	66.67	33.33	-0.05
(ASISA) South African MA Medium Equity	9.98	-11.29	75.00	25.00	0.24

Rolling 2 Year Returns

Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 2 Years 1 Month shift



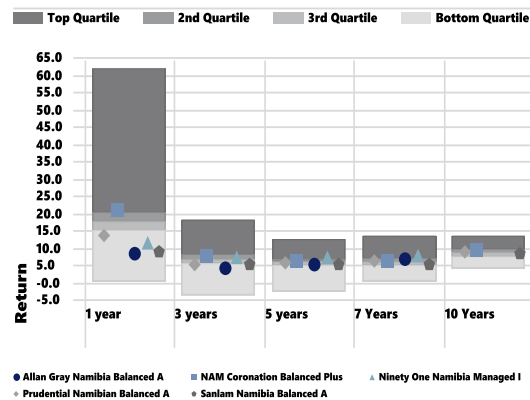
Multi-Asset - High Equity

Category Analyst: Cindy Mathews-De Vries and Mansoor Narker

Shopping list selection: Allan Gray Namibia Balanced, NAM Coronation Balanced Plus, Ninety One Namibia Managed, Prudential Namibia Balanced, Sanlam Namibia Balanced

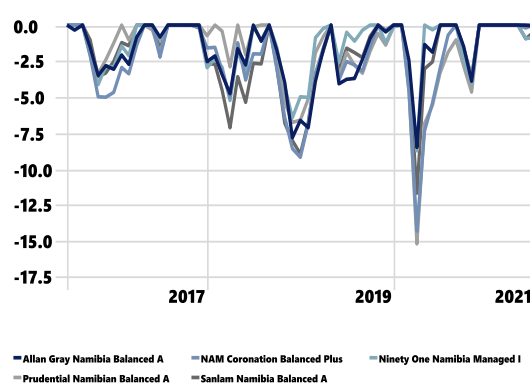
Quartile Ranking

As of Date: 30/06/2021 Currency: South African Rand



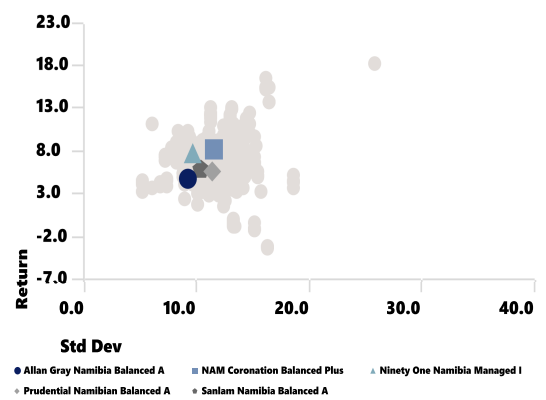
Maximum Drawdown: Monthly

Time Period: 01/07/2016 to 30/06/2021



Risk-Reward: 3 Years Annualised

Time Period: 01/07/2018 to 30/06/2021



Returns

As of Date: 30/06/2021 Currency: South African Rand

	1 year	3 years	5 years	7 years	10 years
Allan Gray Namibia Balanced A	8.81	4.77	5.47	7.17	
NAM Coronation Balanced Plus	21.49	8.14	6.91	6.77	9.98
Ninety One Namibia Managed I	11.92	7.76	7.73	8.50	
Prudential Namibia Balanced A	14.20	5.64	6.38	6.79	9.44
Sanlam Namibia Balanced A	9.55	5.91	5.74	5.81	8.85

Risk Statistics

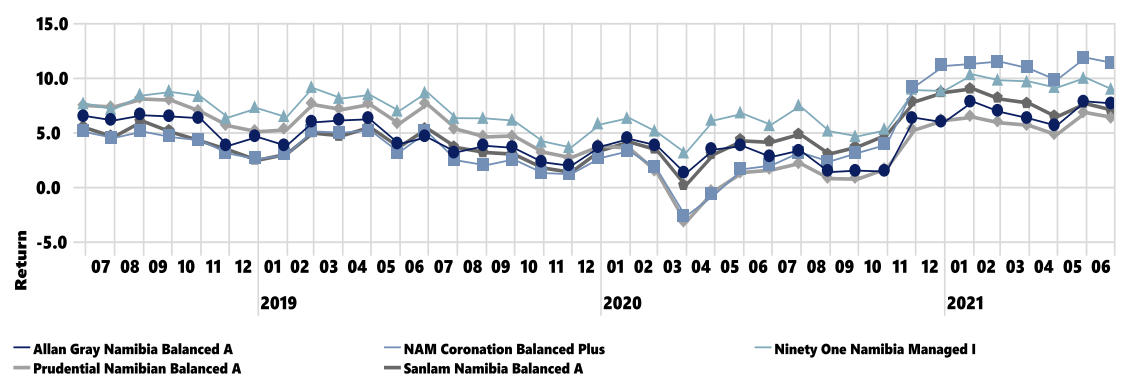
Time Period: 01/01/2012 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period (Percent)	Down Period (Percent)	Sharpe Ratio
Allan Gray Namibia Balanced A					
NAM Coronation Balanced Plus	9.10	-14.29	65.79	34.21	0.42
Ninety One Namibia Managed I					
Prudential Namibia Balanced A	8.20	-15.18	68.42	31.58	0.42
Sanlam Namibia Balanced A	7.98	-11.67	65.79	34.21	0.32

Rolling 2 Year Returns

Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 2 Years 1 Month shift

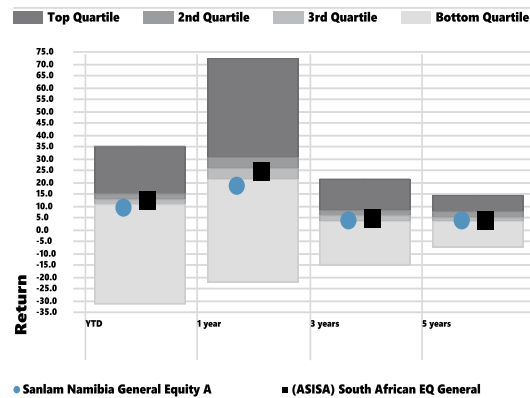


Category Analyst: Shawn Phillips

Shopping List selection: Sanlam Namibia General Equity Fund

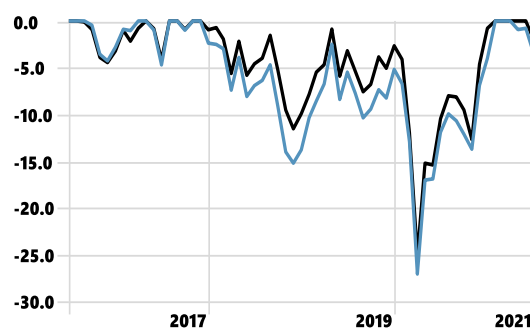
Quartile Ranking

As of Date: 30/06/2021



Maximum Drawdown: Monthly

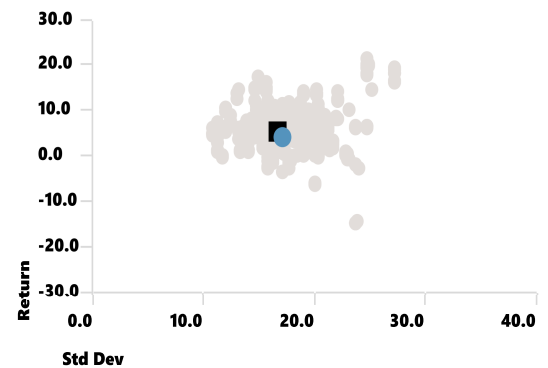
Time Period: 01/07/2016 to 30/06/2021



Sanlam Namibia General Equity A (ASISA) South African EQ General

Risk-Reward: 3 Years Annualised

Time Period: 01/07/2018 to 30/06/2021



Sanlam Namibia General Equity A (ASISA) South African EQ General

Returns

As of Date: 30/06/2021 Source Data: Total Return

	YTD	1 year	3 years	5 years
Sanlam Namibia General Equity A	9.55	19.37	4.15	4.10
(ASISA) South African EQ General	12.82	24.99	5.46	4.61

Risk Statistics

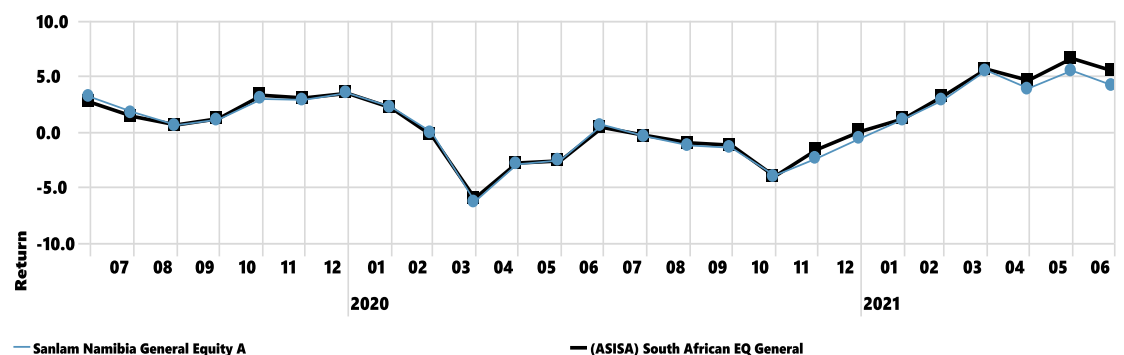
Time Period: 01/07/2018 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period Percent	Down Period Percent	Sharpe Ratio
Sanlam Namibia General Equity A	17.16	-25.18	58.33	41.67	-0.11
(ASISA) South African EQ General	16.62	-24.39	58.33	41.67	-0.04

Rolling 3 Year Returns

Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 3 Years 1 Month shift

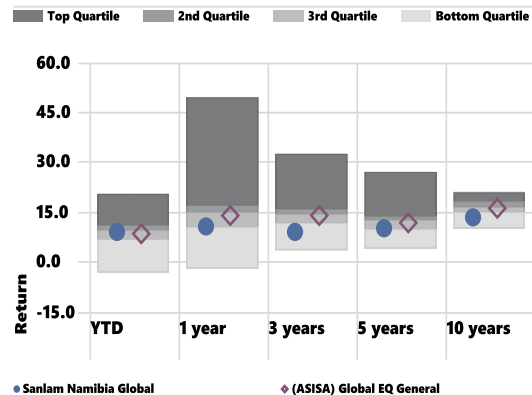


Category Analyst: Patrick Mathabeni

Shopping list selection: Sanlam Namibia Global Fund

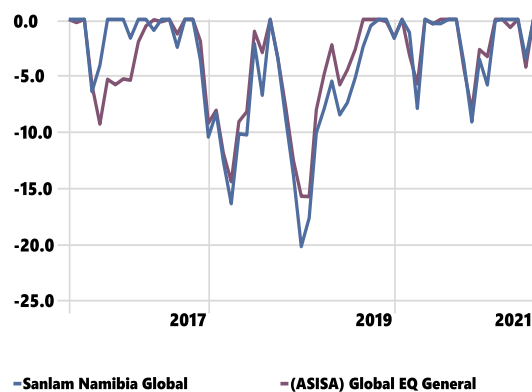
Quartile Ranking

As of Date: 30/06/2021



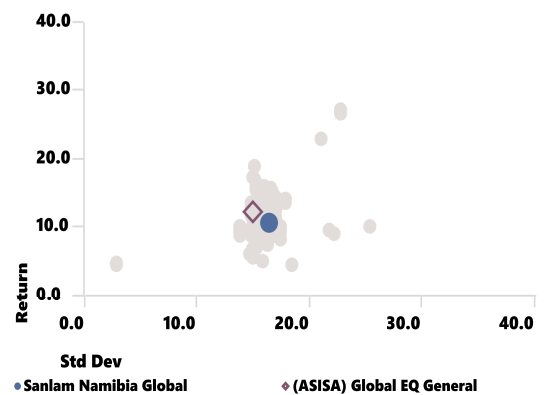
Maximum Drawdown: Monthly

Time Period: 01/07/2016 to 30/06/2021



Risk-Reward: 5 Years Annualised

Time Period: 01/07/2016 to 30/06/2021



Returns

As of Date: 30/06/2021	Currency: South African Rand	Source Data: Total Return					
	YTD	1 year	3 years	5 years	10 Years		
Sanlam Namibia Global	9.67	11.20	9.39	10.60	10.60		
(ASISA) Global EQ General	9.13	14.56	14.08	12.17	12.17		

Risk Statistics

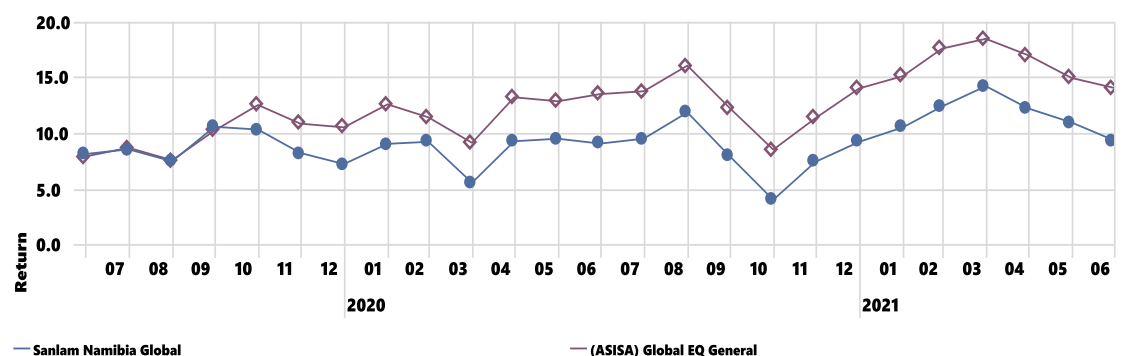
Time Period: 01/07/2016 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period Percent	Down Period Percent	Sharpe Ratio
Sanlam Namibia Global	16.37	-20.19	60.00	40.00	0.24
(ASISA) Global EQ General	15.01	-15.75	53.33	46.67	0.37

Rolling 3 Year Returns

Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 3 Years 1 Month shift



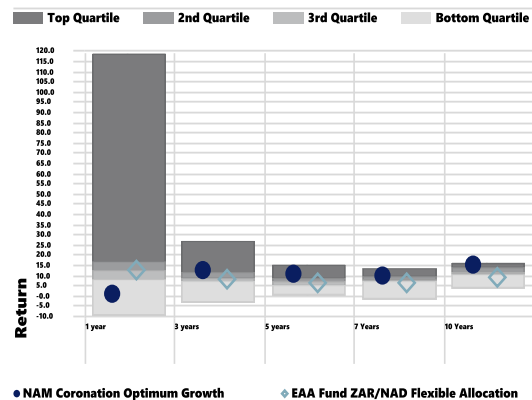
World Wide Multi-Asset - Flexible

Category Analyst: Imraan Khan

Shopping list selection: **NAM Coronation Optimum Growth Fund**

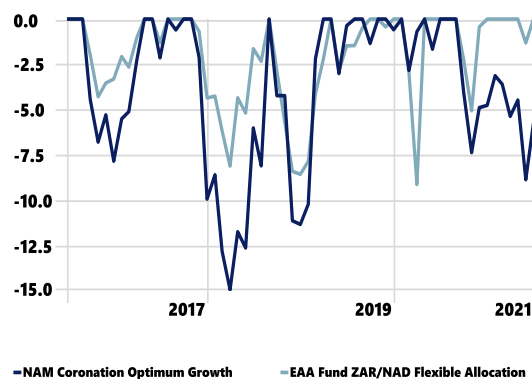
Quartile Ranking

As of Date: 30/06/2021 Currency: South African Rand



Maximum Drawdown: Monthly

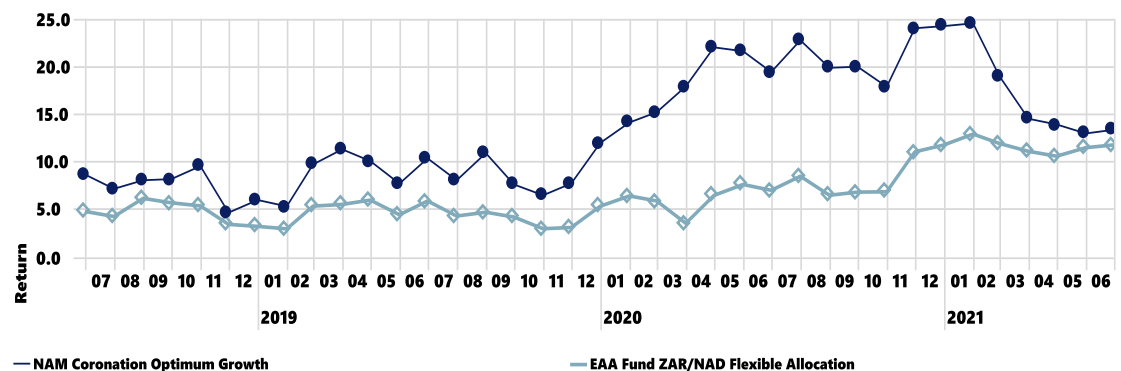
Time Period: 01/07/2016 to 30/06/2021



Rolling 2 Year Returns

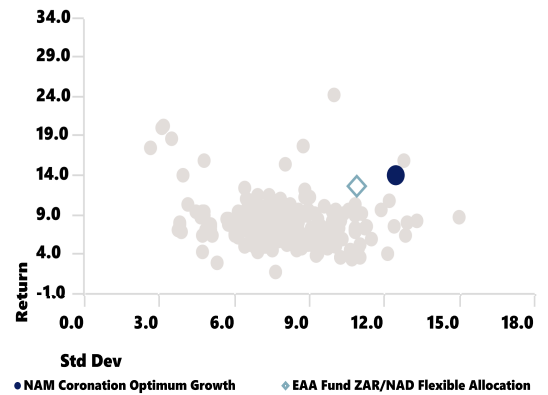
Time Period: 01/07/2016 to 30/06/2021

Rolling Window: 2 Years 1 Month shift



Risk-Reward: 3 Years Annualised

Time Period: Since Inception to 30/06/2021



Returns

As of Date: 30/06/2021 Currency: South African Rand

	1 year	3 years	5 years	7 years	10 Years
NAM Coronation Optimum Growth	1.41	13.09	11.31	10.65	15.86
EAA Fund ZAR/NAD Flexible Allocation	13.15	9.03	7.33	7.23	9.78

Risk Statistics

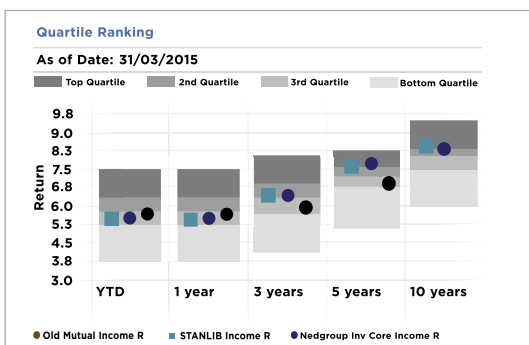
Time Period: 01/01/2012 to 30/06/2021

	Std Dev	Max Drawdown (monthly)	Up Period Percent	Down Period Percent	Sharpe Ratio
NAM Coronation Optimum Growth	13.58	-14.98	64.04	35.96	0.69
EAA Fund ZAR/NAD Flexible Allocation	7.92	-9.15	68.42	31.58	0.44

Performance and Quartile Rank

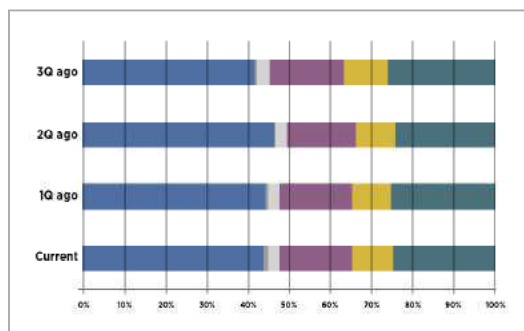
The quartile ranking table below includes both the total return and the associated quartile ranking for the specified period. Each marker represents a fund's return and quartile ranking.

Asset Allocation



The asset/sector allocation of the fund is indicated for funds that have exposure to different asset classes/sectors (e.g. Flexible, Equity General). "Current" indicates the latest allocation as at 31 December 2015. The previous quarter's allocation is shown as one quarter ago and asset allocation goes back three quarters.

Fund Information



Fund Size (Rm)

The market value of assets under management at time of going to print.

Glacier Consistency Rating

The Glacier Consistency Rating is an indication of the number of consecutive times a fund has appeared on the Shopping List since 2006. Should a fund be removed from the list and subsequently reinstated, the consistency history will no longer be applicable.

12 Month Yield (%)

This figure refers to the yield of the fund for the previous year. It is calculated by dividing the total distributions for the past year by the fund price at the beginning of the period. This gives an indication of the yield received by an investor for the previous one-year period. One must remember that annual management company fees (as indicated by the TER) are deducted before distributions are paid and therefore the yield may be lower than expected. This is especially applicable in the case of funds with performance fees.

Modified Duration

Duration is a useful measure of the sensitivity of a bond or income fund to changes in interest rates. For example, if a fund has a modified duration of 3.5 years, for every 1% drop in interest rate, the capital portion of the fund will grow by 3.5% and vice versa.

TER

The total expense ratio (TER) indicates the percentage of the net asset value (NAV) that was paid as expenses within a fund. This is a more accurate measure of the total fees paid as it includes performance fees charged by the fund manager. It is also valuable when comparing fees on funds of funds as it includes the fees of the underlying funds. As far as possible, the latest available TER is indicated.

Risk Analysis

A risk rating of between 0 and 10 has been assigned to every fund, illustrating the level of risk associated with the fund. The table indicates the corresponding risk level for each rating.

0 – 2	conservative
2 – 4	cautious
4 – 6	moderate
6 – 8	moderately aggressive
8 – 10	aggressive

In determining the risk rating for each fund we use downside volatility, variability of returns and sector/asset class risk of the fund over one-, three- and five-year periods, where available.

- Downside volatility, measured by downside deviation, measures the variation of the fund's return below the risk-free rate of return.
- Variability of returns, measured by annualised standard deviation, measures the variation of a fund's returns around its mean.
- Sector/Asset class risk, measured by a classification from one to ten calculated for each collective investment sector, measures the underlying risk associated with investing in different sectors.

Maximum Drawdown

The maximum monthly drawdown in the period is given. This indicates the maximum monthly capital loss experienced within the time period used.

Positive/Negative Months

This indicates the number of monthly periods during which the fund generated a positive/negative return.

Sharpe Ratio

This indicates the excess return generated per unit of risk. A fund's Sharpe ratio should be compared to that of its peers – a higher ratio means the fund generated higher risk-adjusted returns. This could be due to either higher returns or lower volatility, or a combination of the two.

Rolling Returns Chart

Rolling one-year/three-year returns are shown to illustrate the performance of funds over moving periods (to remove end-point bias). Each point on the chart represents the fund's one-year/three-year return up to that point. Monthly data points were used for the past five years.

Contact Glacier Research

This document is intended for use by intermediaries. It is important to bear in mind that any investment has some risk. For more information visit our website at www.glacier.co.za or contact our Communication Center on:

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