



STRATEGIQ CAPITAL

## **iQ Global Managed Portfolio**

SEGREGATED MANAGED SHARE PORTFOLIO

March 2016



## iQ Global Managed SP

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### PURPOSE STATEMENT

- To provide clients with market leading investment solutions seeking to maximise risk-adjusted returns
- To consistently apply and stay true to investment philosophy and process
- To act in the best interest of clients at all times
- To minimise costs wherever possible
- To be transparent in all dealings
- To provide clients with the highest standards of service
- To play a meaningful role in enhancing the financial well-being of clients

*"A goal without a plan  
is just a wish."*

**Antoine de Saint-Exupery**

## ABOUT US

StrategiQ Capital (Pty) Ltd is an independent investment boutique managing investment portfolios for private investors, trusts and institutions.

StrategiQ is an approved discretionary investment manager (i.e. a Category II Financial Services Provider, FSP Licence No 46624) that is independently managed focussed on providing investors with consistent real returns whilst preserving capital over the long term.

We believe our mandate is not limited to investment performance alone but also in playing an active role in assisting our clients in developing an overarching wealth management strategy. This will only be achieved by building meaningful relationships with our clients facilitating a seamless transfer of assets from generation to generation ensuring an uninterrupted continuity of your family's legacy and business interests.

## Our Investment Philosophy

At StrategiQ Capital we understand that every investor is different, requiring a personalised investment strategy that will meet their long term goals and objectives.

Our Investment Philosophy and Approach is governed by the following key principles:

- We are a discretionary asset manager (we assume responsibility in managing our client's portfolios);
- We are active managers, focused on providing clients with consistent real returns whilst seeking to preserving their capital over the long term.
- We follow an unconstrained, high conviction approach to investing which proves to generate additional returns in the long-term;
- We leverage specialist investment professionals utilizing their skill and knowledge where it can add value;
- We ensure effective diversification at all levels (across asset classes and geographies);
- Portfolios should be cost and tax effective; and
- We believe in regular review and interaction with our clients.





## iQ Global Managed SP

### Our Team

The investment team comprises of passionate investment professionals with diverse qualifications, extensive experience and sound knowledge of the investment industry. We combine entrepreneurial spirit and intuition within the disciplined framework of our investment process in the management of our clients' portfolios. Our boutique environment and team culture encourages growth and innovation within the maxims of honesty, integrity and respect.

### iQ Global Managed Share Portfolio

The iQ Global Managed Share Portfolio comprises of approximately 20-25 high quality global equities which fit our quality criteria with emphasis being placed on active stock selection and bottom-up fundamental research. The portfolio is managed on a daily basis by the portfolio manager with the objective to outperform the stated benchmark over a rolling 12-month period. At the same time, we aim to achieve this by taking equal to less risk compared to the MSCI All Country World Index (as measured by the standard deviation).

The objective of the portfolio is to provide investors with capital growth over the medium to long term, by targeting returns in excess of the MSCI All Country World Index over the stated investment horizon.

### Top 10 Holdings

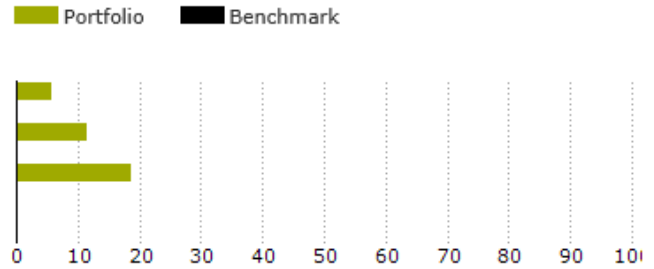
#### Top 10 Holdings Breakdown %

Holding	P/E	P/CF	P/B	Weight
British American Tobacco PLC - LSE:BATS	17.30	20.14	12.56	6.92
Union Pacific Corp - NYSE:UNP	14.66	8.27	3.15	6.90
Microsoft Corp - NASDAQ:MSFT	20.16	14.51	5.19	6.61
Scripps Networks Interactive Inc - NASDAQ:SNI	12.11	8.07	5.38	6.47
PayPal Holdings Inc - NASDAQ:PYPL	33.17	-	-	6.28
Abbott Laboratories - NYSE:ABT	20.61	18.32	2.82	6.22
Honeywell International Inc - NYSE:HON	15.36	13.81	4.11	6.16
Wells Fargo & Co - NYSE:WFC	11.07	14.78	1.30	6.12
F5 Networks Inc - NASDAQ:FFIV	18.64	8.06	4.90	5.93
Visa Inc Class A - NYSE:V	25.35	21.93	4.68	5.91

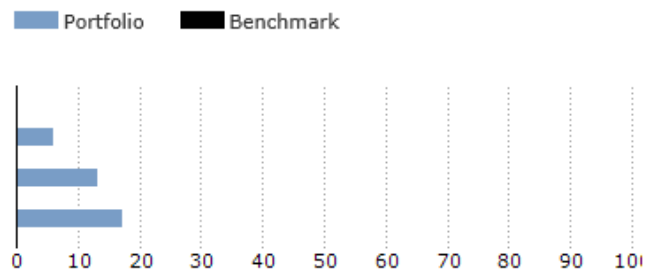
## Sector Allocation

### Stock Sectors

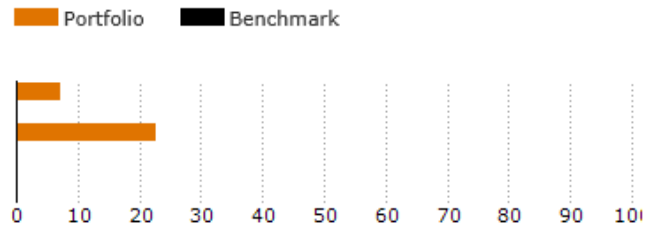
	Portfolio
 <b>Cyclical</b>	<b>34.79</b>
 Basic Materials	5.38
 Consumer Cyclical	11.11
 Financial Services	18.30
 Real Estate	0.00



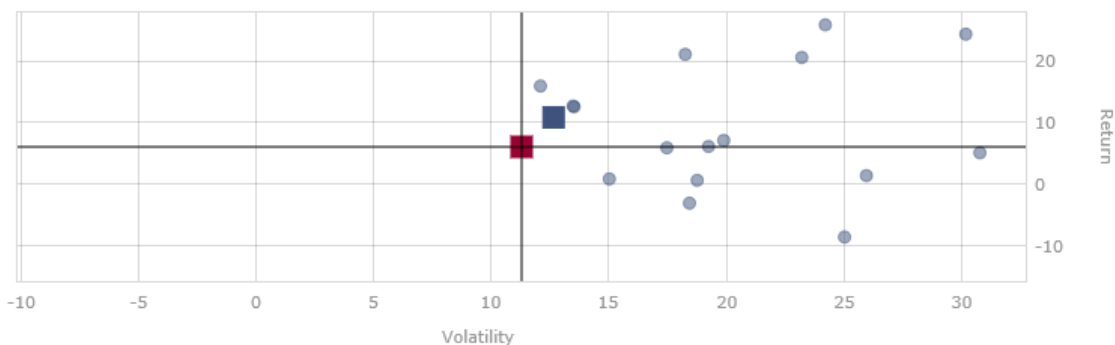
	Portfolio
 <b>Sensitive</b>	<b>35.94</b>
 Communication Services	0.00
 Energy	5.79
 Industrials	13.06
 Technology	17.09



	Portfolio
 <b>Defensive</b>	<b>29.27</b>
 Consumer Defensive	6.92
 Healthcare	22.35
 Utilities	0.00



## Risk Metrics



Name	3 Yr Anlstd %	3 Yr Volatility	Weight
Portfolio	10.85	12.65	100.00
Benchmark	6.06	11.29	100.00

## iQ Global Managed SP

### Performance



The performance and risk analysis of the iQ Global Managed Share Portfolio is based on a notional portfolio. The portfolio strategy follows an unconstrained long-term investment strategy. Whilst the objective is to generate excess returns versus the FTSE/JSE All Share Index there is a strong focus on risk management. The fund is ideally suited for investors with high risk tolerance and a longer term investment horizon (five years plus).

### Taxation

Prospective investors should obtain independent advice in respect of any investments that are detailed in this proposal as StrategiQ provides no opinion or advice including without limitation investment, tax or legal advice and makes no representation or warranty about the suitability of a product for a particular client or circumstance.

### Company Descriptions

#### APPLE Inc



Apple Inc. (Apple), incorporated on January 3, 1977, designs, manufactures and markets mobile communication and media devices, personal computers and portable digital music players and sells a variety of related software, services, peripherals, networking solutions and third-party digital content and applications. The Company's products and services include iPhone, iPad, Mac, iPod, Apple TV, a portfolio of consumer and professional software applications, the iOS and OS X operating systems, iCloud and a variety of accessory, service and support offerings. The Company offers a range of mobile communication and media devices, personal computing products and portable digital music players, as well as a variety of related software, services, peripherals, networking solutions and third-party hardware and software products. In addition, the Company offers its own software products, including iOS, the Company's mobile operating system; OS X, the Company's Mac operating system; and server and application software. The Company's primary products include iPhone, iPad, Mac, iPod, iTunes, Mac App Store, iCloud, Operating System Software, Application Software and Other Application Software.

#### Abbot Laboratories



Abbott Laboratories (Abbott), incorporated on March 6, 1900, is engaged in the discovery, development, manufacture and sale of a range of health care products. Abbott operates in four business segments: Established Pharmaceutical Products, Diagnostic Products, Nutritional Products, and Vascular Products. The Established Pharmaceutical Products segment includes the international sales of a line of branded generic pharmaceutical products. The Diagnostic Products segment includes the sales of a line of adult and pediatric nutritional products. The Nutritional Products includes the sales of diagnostic systems and tests for blood banks, hospitals, commercial laboratories and alternate-care testing sites. The Vascular Products includes the sales of coronary, endovascular, structural heart, vessel closure and other medical device products.

#### British American Tobacco



British American Tobacco PLC is a global tobacco company with brands sold in more than 200 markets. The Company's four principal brands include Dunhill, Kent Lucky Strike and Pall Mall. The Company has many other international and local brands, including State Express 555, Vogue, Viceroy, Kool, Peter Stuyvesant, Shuang Xi, Craven A, Benson & Hedges and John Player Gold Leaf. The Company's products include cigarettes, Fine Cut (roll-your-own and makeyour-own tobacco) and cigars. As of December 31, 2014, the Company has 44 cigarette factories in 41 countries. The Company is also investing in building a portfolio of new tobacco and nicotine-based products alongside its traditional tobacco business. The Company's products include e-cigarettes, medicinal nicotine products and tobacco heating products.





## iQ Global Managed SP

### Bed Bath and Beyond



Bed Bath & Beyond Inc., incorporated on October 5, 1971, is a retailer selling an assortment of domestics merchandise and home furnishings, which operates under the names Bed Bath & Beyond, Christmas Tree Shops, Christmas Tree Shops and That! or and That!, Harmon or Harmon Face Values, buybuy BABY and World Market, Cost Plus World Market or Cost Plus. Customers can purchase products from the Company either in-store, online or through a mobile device. In addition, the Company operates Of a Kind, an e-commerce Website that features specially commissioned, limited edition items from emerging fashion and home designers. It also operates Linen Holdings, a provider of a variety of textile products, amenities and other goods to institutional customers in the hospitality, cruise line, healthcare and other industries. The Company is a partner in a joint venture which operates retail stores in Mexico under the name Bed Bath & Beyond. It sells an assortment of domestics merchandise and home furnishings.

### iShares MSCI Japan ETF



The iShares MSCI Japan ETF (the "Fund") seeks to track the investment results of an index composed of Japanese equities. The Fund seeks to track the investment results of the MSCI Japan Index (the "Underlying Index"), which consists of stocks traded primarily on the Tokyo Stock Exchange. The Underlying Index may include large-, mid- or smallcapitalization companies. Components of the Underlying Index primarily include consumer discretionary, financials and industrials companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.

### F5 Networks



F5 Networks, Inc., incorporated on February 26, 1996, is the developer and provider of application delivery services. The Company's core technology is a full-proxy, programmable, software platform called TMOS (Traffic Management Operating System). It helps organizations seamlessly scale cloud, data center, and software-defined networking deployments to successfully deliver applications to anyone, anywhere, at any time. It works with many technology companies to improve manageability, strengthen security, and ensure faster and more successful deployments. Its applications include availability and delivery. It can remove the roadblocks in one's network to efficiently and securely deliver applications that are available to users when and where they need them. It can also accelerate one's application response time, minimize latency and delays, and reduce the number of data round trips necessary to complete a web request.

### Gilead Sciences



Gilead Sciences, Inc. (Gilead), incorporated on June 22, 1987, is a research-based biopharmaceutical company that discovers, develops and commercializes innovative medicines. The Company's primary areas of focus include human immunodeficiency virus (HIV), liver diseases such as chronic hepatitis C virus (HCV) infection and chronic hepatitis B virus (HBV) infection, oncology and inflammation, and serious cardiovascular and respiratory conditions.



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### GlaxoSmithKline



GlaxoSmithKline plc. (GSK) is a healthcare company that researches and develops pharmaceuticals, vaccines and consumer healthcare products. The Company operates in two segments: Pharmaceuticals and Vaccines, and Consumer Healthcare. The Pharmaceuticals segment develops and makes medicines to treat a range of acute and chronic diseases. Its human immunodeficiency virus (HIV) business is managed through ViiV Healthcare. GSK's Vaccines has a portfolio of over 30 paediatric, adolescent, adult travel vaccines. GSK's Established Products Portfolio includes over 50 off-patent products, as well as its branded generics business and other local products. The Consumer Healthcare business develops and markets products in four categories, such as wellness, oral health, nutrition and skin health. Its brands include Sensodyne, Panadol, Horlicks, Polident, Paradontax, Tums, ENO, NiQuitin/Nicorette, Abreva, Zovirax and Aquafresh. It operates in the United Kingdom, the United States, Belgium and China.

### Honeywell International Inc



Honeywell International Inc. (Honeywell), incorporated on November 24, 1999, is a diversified technology and manufacturing company. The Company is engaged in serving customers across the world with aerospace products and services, turbochargers, control, sensing and security technologies for buildings, homes and industry, specialty chemicals, electronic and advanced materials, process technology for refining and petrochemicals, and energy efficient products and solutions for homes, business and transportation. The Company operates in three segments: Aerospace, Automation and Control Solutions (ACS), and Performance Materials and Technologies (PMT).

### iShares US Pharmaceuticals



The Fund seeks to track the investment results of the Dow Jones U.S. Select Pharmaceuticals Index (the "Underlying Index"), which measures the performance of the pharmaceuticals sector of the U.S. equity market. The Underlying Index includes pharmaceutical companies such as manufacturers of prescription or over the-counter drugs or vaccines, but excludes producers of vitamins. The Underlying Index may include large-, mid- or small-capitalization companies. Components of the Underlying Index primarily include biotechnology, healthcare and pharmaceuticals companies. The components of the Underlying Index, and the degree to which these components represent certain industries, may change over time.

### iShares MSCI India



The Fund seeks to track the investment results of the MSCI India Index (the "Underlying Index"), which is designed to measure the performance of equity securities of companies whose market capitalization, as calculated by the index provider, represents the top 85% of companies in the Indian securities market. Components of the Underlying Index primarily include consumer staples, financials, healthcare and information technology companies. The component companies include large and mid-capitalization companies. The components of the Underlying Index, and the degree to which these components represent certain industries, are likely to change over time.



## iQ Global Managed SP

### Inditex

**INDITEX**

Industria de Diseno Textil SA, known as Inditex SA, is a Spain-based company primarily engaged in the textile industry. The Company's activities include the design, confection, manufacturing, distribution and retail of men, women and children apparel, footwear and fashion accessories; as well as home furnishings and household textile products. The Company's products retail distribution is conducted through a chain of numerous commercial stores, which are structured in eight brands: Zara, Pull & Bear, Massimo Dutti, Bershka, Stradivarius, Oysho, Zara Home and Uterque. The Company is a parent of Grupo Inditex, a group which comprises a number of controlled entities that. The Company operates worldwide. The Company's major shareholder is Gartler SL.

### iShares US Financial Services

**iShares**  
by BLACKROCK

The Fund seeks to track the investment results of the Dow Jones U.S. Financial Services Index (the "Underlying Index"), which measures the performance of the financial services sector of the U.S. equity market. It is a subset of the Dow Jones U.S. Financials Index. The Underlying Index includes components of the following subsectors in the Dow Jones U.S. Index: banks, asset managers, consumer finance, specialty finance, investments services and mortgage finance. The Underlying Index may include large-, mid- or small capitalization companies. Components of the Underlying Index primarily include financials and technology companies. The components of the Underlying Index, and the degree to which these components represent certain industries, may change over time.

### iShares US Basic Materials

**iShares**  
by BLACKROCK

The Fund seeks to track the investment results of the Dow Jones U.S. Basic Materials Index (the "Underlying Index"), which measures the performance of the basic materials sector of the U.S. equity market. The Underlying Index may include large-, mid- or small-capitalization companies. Components of the Underlying Index primarily include basic materials, chemicals and metals and mining companies. The components of the Underlying Index, and the degree to which these components represent certain industries, may change over time.

### Johnson and Johnson

**Johnson & Johnson**

Johnson & Johnson, incorporated on November 10, 1887, is a holding company. The Company is engaged in the research and development, manufacture and sale of a range of products in the health care field. The Company has more than 265 operating companies conducting business around the world. The Company's primary focus is products related to human health and well-being. The Company is organized into three business segments: Consumer, Pharmaceutical and Medical Devices. The Company's subsidiaries operate 134 manufacturing facilities occupying approximately 21.5 million square feet of floor space. The Company's research facilities are located in the United States, Belgium, Brazil, Canada, China, France, Germany, India, Israel, Japan, the Netherlands, Singapore, Switzerland and the United Kingdom.

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### Monsanto



Monsanto Company (Monsanto), incorporated on February 9, 2000, along with its subsidiaries, is a provider of agricultural products for farmers. The Company's seeds, biotechnology trait products, and herbicides provide farmers with solutions that improve productivity, reduce the costs of farming, and produce better foods for consumers and better feed for animals. It manages business in two segments: Seeds and Genomics, and Agricultural Productivity.

### Microsoft



Microsoft Corporation incorporated on September 22, 1993, is engaged in developing, licensing and supporting a range of software products and services. The Company also designs and sells hardware, and delivers online advertising to the customers. The Company operates in five segments: Devices and Consumer ("D&C") Licensing, D&C Hardware, D&C Other, Commercial Licensing, and Commercial Other. The Company's products include operating systems for computing devices, servers, phones, and other intelligent devices; server applications for distributed computing environments; productivity applications; business solution applications; desktop and server management tools; software development tools; video games; and online advertising. It also offers cloud-based solutions that provide customers with software, services, and content over the Internet by way of shared computing resources located in centralized data centers. It also designs and sells hardware, including PCs, tablets, gaming and entertainment consoles, phones, other intelligent devices, and related accessories. Cloud revenue is earned primarily from usage fees and advertising. Its cloud-based computing services include Bing, Microsoft Azure, Microsoft Dynamics CRM Online, Microsoft Office 365, OneDrive, Skype, Xbox Live, and Yammer. In addition to selling individual products and services, the Company offers suites of products and services. It provides consulting and product and solution support services, and trains and certifies computer system integrators and developers. The Company does business worldwide and has offices in more than 100 countries.

### PayPal Holdings



PayPal Holdings, Inc. (PayPal) is a technology platform company, which enables digital and mobile payments on behalf of consumers and merchants around the world. The Company focuses on its consumers, merchants, friends and family to access and move their money through its platform using various devices, such as mobile, tablets, personal computers and wearables. It provides businesses of various sizes to accept payments from merchant Websites, mobile devices and applications, and at offline retail locations through a range of payment solutions across its Payments Platform, including PayPal, PayPal Credit, Venmo and Braintree products.

The Company enables global commerce by providing payment solutions for approximately 162 million active customer accounts in over 200 markets. It enables the users to create an active customer account, which is a registered account that sends or receives at least one payment or payment reversal through its payments platform, excluding transactions processed through its gateway products, in the past 12 months. PayPal gateway products include Payflow Payments and Braintree products. The Company offers its customers to use their account to both purchase and be paid for goods, and to transfer and withdraw funds.



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### Scripps Networks



Scripps Networks Interactive, Inc. (SNI), incorporated on October 23, 2007, is a developer of lifestyle-oriented content for linear and interactive video platforms, including television and the Internet brands. The Company manages its operations through its Lifestyle Media segment. Lifestyle Media includes the Company's six national television networks, HGTV, Food Network, Travel Channel, DIY Network, Cooking Channel and Great American Country. Lifestyle Media also includes Websites that are associated with the Company's television brands and other Internet-based businesses serving home, food and travel related categories. The Company's lifestyle-oriented channels are available in the United Kingdom, other European markets, the Middle East and Africa (EMEA), Asia-Pacific and Latin America.

### Union Pacific Corp



Union Pacific Corporation, incorporated on February 3, 1969, operates through its principal operating company, Union Pacific Railroad Company. The Company links 23 states in the western two-thirds of the country by rail, providing a supply chain link around the world. Its business mix includes agricultural products, automotive, chemicals, coal, industrial products and intermodal. The Company operates from West Coast and Gulf Coast ports to eastern gateways, connects with Canada's rail systems and serves six Mexico gateways.

### Visa Inc



Visa Inc., incorporated on May 25, 2007, is a payments technology company. The Company is engaged in operating a processing network, VisaNet, which facilitates authorization, clearing and settlement of payment transactions across the world. The Company provides its services to consumers, businesses, financial institutions and governments in more than 200 countries and territories for electronic payments. The Company offers fraud protection for account holders and rapid payment for merchants. The Company provides a variety of payment solutions that support payment products that issuers can offer to their account holders, such as pay now with debit, pay ahead with prepaid or pay later with credit products.

### Wells Fargo & Co



Wells Fargo & Company, incorporated on January 24, 1929, is a financial and bank holding company. Its principal business is to act as a holding company for its subsidiaries. The Company is a diversified financial services company. It has three operating segments: Community Banking, Wholesale Banking and Wealth and Brokerage and Retirement. The Company provides retail, commercial and corporate banking services through banking stores and offices, the Internet and other distribution channels to individuals, businesses and institutions in all around 50 states, the District of Columbia and in other countries. The Company provides other financial services through subsidiaries engaged in various businesses, principally wholesale banking, mortgage banking, consumer finance, equipment leasing, agricultural finance, commercial finance, securities brokerage and investment banking, insurance agency and brokerage services, computer and data processing services, trust services, investment advisory services, mortgage-backed securities servicing and venture capital investment. As of December 31, 2014, the Company had assets of \$1.7 trillion, loans of \$863 billion and deposits of \$1.2 trillion.

### Exxon Mobil Corp



Exxon Mobil Corporation, Incorporated on August, 5, 1882, is an energy company. The Company is engaged in the exploration and production of crude oil and natural gas. The Company is involved in the manufacturing of petroleum products, and transportation and sale of crude oil, natural gas and petroleum products. The Company also manufactures and markets petrochemicals, including olefins, aromatics, polyethylene and polypropylene plastics, and a variety of specialty products. The Company's projects include the Kearl project, Heidelberg project, the Point Thomson project, the Hadrian South project, the Lucius project, the Chirag Oil project, the Tapis Enhanced Oil Recovery project, the Damar project, the Barzan project, the Arkutun-Dagi project, and the Upper Zakum 750 project, among others.

### Zurich Insurance Group AG



Zurich Insurance Group Limited (Zurich) is an insurance company. The Company's segments include: General Insurance, which provides a variety of motor, home and commercial products and services for individuals, as well as small and large businesses; Global Life, which pursues a strategy with propositions in unit-linked and protection products, as well as fee-based solutions managed through bank distribution, corporate life, and pensions and in-force management to develop positions in its target markets, and Farmers, which provides, through Farmers Group, Inc. (FGI) and its subsidiaries, non-claims related, administrative and management services to the Farmers Exchanges as attorney-in-fact. FGI receives fee income for the provision of services to the Farmers Exchanges, which are owned by the policyholders and managed by Farmers Group, Inc., a wholly owned subsidiary of the Company. This segment also includes all reinsurance assumed from the Farmers Exchanges by the Company.

## Portfolio Manager



**Luis Levy** (B.Com, CFA)  
CEO

Luis obtained his B Com degree from the University of Cape Town and is a CFA Charter Holder. He started his financial services career in 1998 at Old Mutual and has gained valuable experience in fund management at several leading financial institutions. Luis was one of the founders of Mergence Investment Managers – a company which he helped expand to assets under management in excess of R6 billion in institutional funds at the time of his departure. During his career he has also managed numerous mandates for retirement funds. Following his departure from Mergence, Luis joined Efficient Select, the asset management arm of the listed Efficient Group. He was appointed Managing Director of Efficient Select in 2011, where he was able to successfully grow the fund manager in the retail and institutional markets. In June 2015 he departed to setup Strategiq Capital.

## Fees and Reporting

### Fees:

Strategiq Capital - Portfolio management:

1.00% per annum

### Reporting:

Commitment to ensure that investor communication will be transparent and accurate:

- Quarterly Statement; and
- Semi-annual Reportbacks

Reportbacks will include economic update, asset allocation review and in-depth analysis of fund performance and risk metrics.

### Summary

At StrategiQ Capital we take our role as your Portfolio Manager very seriously and our primary goal will always be to grow your wealth over the long term. We also strive to be attuned and attentive to your investment requirements while being committed to prompt, personalised and efficient service at all times.

### Why Invest With StrategiQ

We are active asset managers, focused on meeting the risk return objectives of our clients. Portfolios are constructed in accordance with our Quality Investment Philosophy and Process:

- We are a discretionary asset manager (we assume responsibility in managing assets);
- We are active managers, focused on managing our clients' portfolios relative to their risk return objectives;
- We are independent and agnostic to service providers;
- We believe that wealth is preserved and created by following a long-term low turnover strategy;
- We follow an unconstrained, high conviction approach to investing which proves to generate additional returns;
- Given our relationship with our clients we are able to optimally construct investment portfolios that consist of multiple asset classes across multiple geographies ranging from fixed income, property to equities;
- We offer personalised and bespoke investment solutions and welcome personal interaction; and
- Quarterly reporting and statements are supplemented by online access to view your portfolio.

We partner with our clients in developing a holistic investment plan that is both transparent and cost effective, whilst ensuring a strategic approach to meeting their and their future beneficiaries' investment objectives.





STRATEGIQ CAPITAL

## Contact Us

**A** 2nd Floor, The Square  
Cape Quarters  
27 Somerset Road  
De Waterkant  
Cape Town, 8001

**T** +27 (0)21 794 8150  
**E** [info@strategiq.co.za](mailto:info@strategiq.co.za)  
**W** [www.strategiq.co.za](http://www.strategiq.co.za)

**Director:** L. Levy