

# Nedgroup Investments Select Growth Fund of Funds

Class S

August 2021



## SELECT RANGE

### RISK RATING



### Risk reward profile

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

### GENERAL INFORMATION

#### ASISA category

South African Multi Asset High Equity

#### Benchmark

Inflation + 5% over rolling 5 years

#### Investment manager

Nedgroup Investment Advisors (Pty) Ltd is authorised as a Financial Services Provider under the Financial Advisory and Intermediary Services Act (FSP No. 1652).

#### Inception date

01 March 2021

#### Appropriate term

Minimum 5 years

#### Market value

R 1,343 Million

#### Income distributions

Frequency: Semi-annually

June 2021: 3.93 cpu

Previous 12 months: 3.93 cpu

#### Fees and charges (excluding VAT)

Initial fees	0.00%
Financial advisers fee	0.00%
Annual management fee	1.11%

\*Includes the underlying funds' annual fees

Total expense ratio	1.33%
Transaction costs	0.14%
<b>Total investment charges<sup>1</sup></b>	<b>1.47%</b>

#### Please Note:

Differences may exist due to rounding

### CONTACT

Client Services Centre

Tel: 0860 123 263

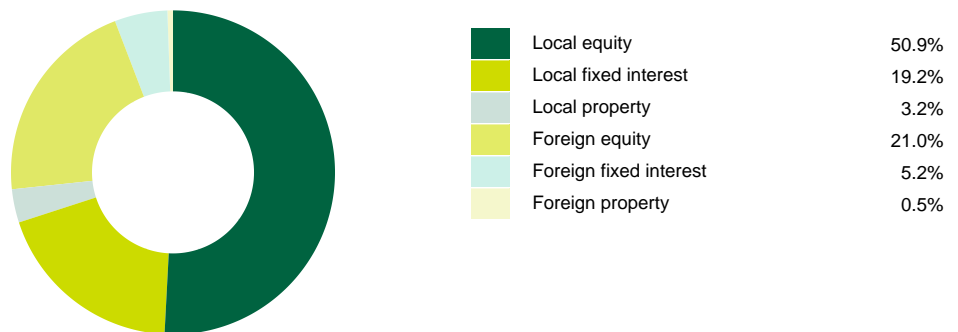
Website: [www.nedgroupinvestments.co.za](http://www.nedgroupinvestments.co.za)

Email [info@nedgroupinvestments.co.za](mailto:info@nedgroupinvestments.co.za)

### Portfolio profile

The investment objective of the Select Growth Fund of Funds is to seek to secure, in real terms, the steady growth of income and capital. The solution aims to achieve its objective through investment in a combination of five South African multi-asset high equity funds in equal weights. Diversification across asset classes fund managers and investment strategies, as well as a maximum equity exposure of 75% helps to reduce risk and volatility relative to a general equity portfolio. Both the underlying funds and the overall portfolio are compliant with Regulation 28 of the South African Pension Funds Act.

### Portfolio structure



### Manager allocation

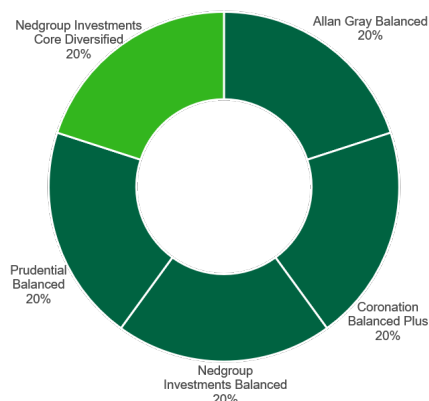
Investment house	Portfolio	Percentage
Prudential Portfolio Managers	Prudential Balanced	20.2
Taquantia Asset Management	Nedgroup Investments Core Diversified	20.1
Truffle	Nedgroup Investments Balanced	19.8
Allan Gray	Allan Gray Balanced	19.7
Coronation Fund Managers	Coronation Balanced Plus	19.7
	Domestic Cash	0.5

The above mentioned investment houses are authorised as Financial Service Providers under FAIS.

1) Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact fund returns. It should not be considered in isolation as returns may be impacted by other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund. Calculations are based on actual data where possible and best estimates where actual data is not available. Both the TER and TC of the Fund are calculated on an annualised basis, however these cannot be determined accurately because the Fund was recently launched and has a short track record.

## Portfolio attributes

The Select Fund of Funds range consists of simple, low-cost investment solutions that offer broad diversification across asset classes, fund managers and investment strategies, which can easily be incorporated into a financial planning process. Each solution is equally weighted across five fund managers. Rebalancing, back to the target weights of 20% per fund, takes place on a quarterly basis. Importantly, no performance fees are charged.



20% is invested in a low-cost, passive fund that simply tracks the MSCI World Index

80% is invested in actively managed global equity funds, each with a unique investment style. Region, sector and stock selection is at the discretion of these managers.

We believe as a combined solution these funds will most consistently achieve the Select Global Equity objective of outperforming its peer group average over a rolling 5-year period, with the added benefit of lower volatility.

## Investment manager

Nedgroup Investments Multi-Manager is a dedicated asset management division within Nedgroup Investments that consists of a diverse team of investment professionals based in Cape Town and London. We specialise in asset allocation and fund manager research and base our investment decisions on fundamentally-driven research.

## Investment philosophy

We follow a long-term, valuation driven investment approach. Our investment philosophy is anchored to the following ten principles:

1. Long term investing, well considered.
2. Compounding is a powerful force.
3. Asset allocation is an important driver of returns.
4. Diversification has benefits.
5. Risks need to be properly understood.
6. The price you pay (valuation) is an important determinant of future returns.
7. Emotions can erode the value of rational decision making.
8. Costs are important.
9. Forecasting is difficult, assumptions need to be carefully considered.
10. Sound stewardship principles will improve odds of clients meeting their goals.

## Who we are

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

## Our Trustee

The Standard Bank of South Africa Limited is the registered trustee. Contact details: Standard Bank, Po Box 54, Cape Town 8000, Trustee-compliance@standardbank.co.za, Tel 021 401 2002.

## Performance

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

## Pricing

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

## Fees

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

## Disclaimer

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

## Nedgroup Investments contact details

Tel: 0860 123 263 (RSA only)  
Tel: +27 21 416 6011 (Outside RSA)  
Email: info@nedgroupinvestments.co.za  
For further information on the fund please visit:  
[www.nedgroupinvestments.co.za](http://www.nedgroupinvestments.co.za)

## Our offices are located at

Nedbank Clocktower, Clocktower Precinct, V&A Waterfront, Cape Town, 8001

## Write to us

PO Box 1510, Cape Town, 8000