Nedgroup Investments Private Wealth Small & Mid Cap Equity Fund

July 2019

RISK RATING

1	2	3	4	5

LOW _____ MEDIUM _____ HIGH

RISK REWARD PROFILE

Equity investments are volatile by nature and subject to potential capital loss. Due to its specialist nature, the portfolio will typically display higher volatility than a general equity portfolio. The portfolio is suitable for investors who require specific exposure to small- and mid-cap sector shares as part of their overall investment strategy , with maximum capital appreciation as their primary goal over the long term.

GENERAL INFORMATION

BENCHMARK / TARGET RETURN

25% FTSE/JSE Small-Cap Index 75% FTSE/JSE Mid-Cap Index

INVESTMENT MANAGER ASSET CLASS

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

ASISA CATEGORY

South African Equity Mid & Small Cap

REGULATION 28 COMPLIANT

No

INCEPTION DATE

01 May 2004

FUND SIZE

R 227 Million

NET ASSET VALUE [1]

5858.91 cpu

MINIMUM INVESTMENT

Lump sum: R50,000

INCOME DISTRIBUTION

Frequency: Annually

December 2018: 135.89 cpu

Previous 12 months: 135.89 cpu

FEES

Annual management fee (excluding VAT): 1.00%

Total expense ratio	1.22%
Transaction costs	0.22%
Total investment charges [3]	**1.44%**

INVESTMENT APPROACH

Stock selection is based on fundamental valuation with the aim of identifying quality companies that will exceed required hurdle rates of return over the medium term. Shorter term opportunities are exploited as and when they arise. Sector and market views are informed through the Nedbank Private Wealth National Strategic Investment Committee's monthly meeting process.

PORTFOLIO PROFILE

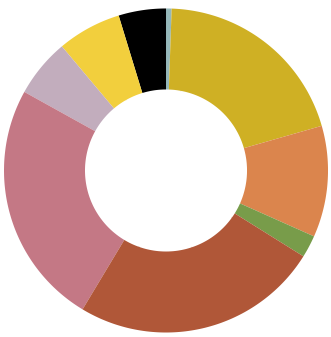
The portfolio is suitable for investors seeking exposure to small and medium sized companies in the domestic equity market with maximum capital appreciation as their primary goal over the long term. Investors should have a tolerance for short-term market volatility in order to achieve long-term objectives. The mandate excludes investment in Real Estate shares.

PERFORMANCE [2]

Period	Portfolio	Benchmark
1 year pa	-9.4%	-0.3%
3 Years pa	-6.0%	-1.8%
5 Years pa	-0.4%	3.9%
7 Years pa	5.2%	8.2%
10 Years pa	9.4%	12.0%
Lowest 1 year return	-18.2%	
Highest 1 year return	30.9%	

The annualized total return is the average earned by an investment each year over a given period of time.

PORTFOLIO STRUCTURE



Basic materials	0.5%
Industrials	20.0%
Consumer goods	11.2%
Health care	2.2%
Consumer services	24.8%
Financials	24.3%
Technology	5.8%
Preference shares	6.5%
Cash and money market	4.7%

TOP 10 HOLDINGS

Share	Percentage
Adcorp Holdings Ltd	5.4
Allied Electronics Corp Ltd	5.0
Adapt IT Holdings Ltd	4.9
African Rainbow Capital Investments Ltd	4.3
Hudaco Industries Ltd	4.0
Advtech Ltd	4.0
Curro Holdings Ltd	4.0
EPE Capital Partners Ltd	3.7
Zeder Investments Ltd	3.5
The Foschini Group Ltd	3.2
Total	**42.0**

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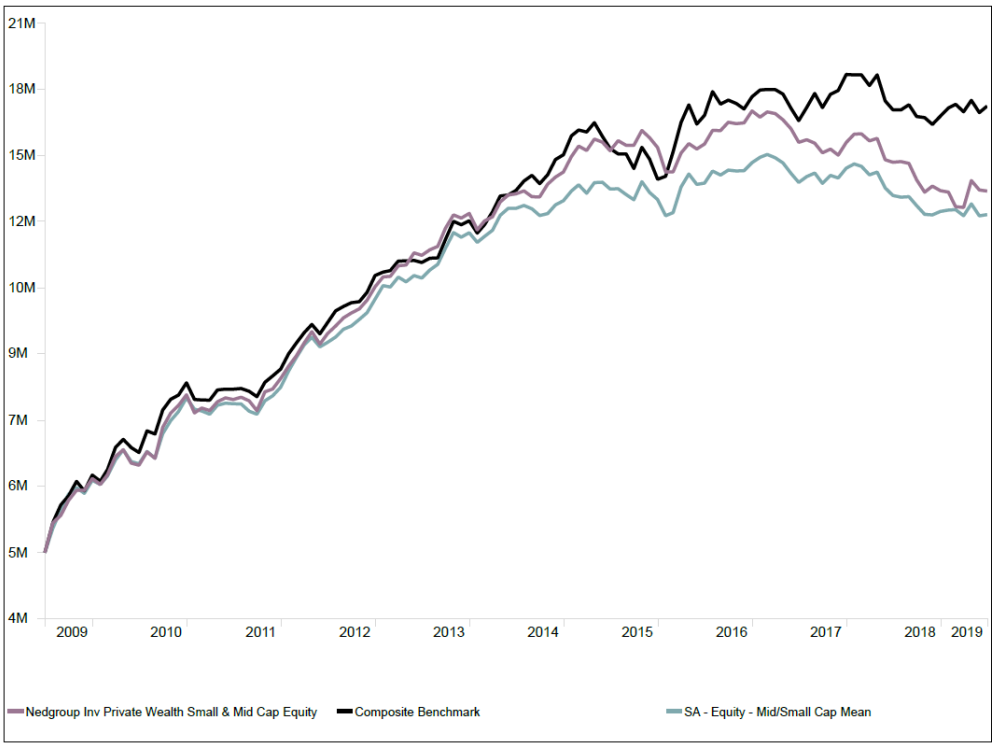
SINCE INCEPTION CUMULATIVE PORTFOLIO PERFORMANCE

The graph shows growth of R5 000 000 invested in the portfolio plotted against the fund's composite benchmark as well as the average of the ASISA South African Equity Mid/Small Cap category.



Mandatory disclosures:

1. 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. Daily prices are available on request from your relationship manager.

2. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Data source: © 2015 Morningstar.

3. 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 TER's. Transaction Costs (TC), expressed as a percentage of the Fund, relates to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impacts 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 investments costs of the Fund. Both the TER and TC of the Fund is calculated on an annualised basis, beginning April 2016 and ending March 2019.

Whilst Nedbank Private Wealth offers you a choice of investment services, the underlying funds forming part of Nedbank Private Wealth strategy solution, are managed by Nedgroup Investments. More specifically, 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 Investment Private Wealth unit trust portfolios. It is a member of the Association of Savings & Investment South Africa (ASISA). Contact: Nedgroup Investments, P O Box 1510, Cape Town 8000, info@nedgroupinvestments.co.za, Tel 0860 123 263 (RSA only). The Standard Bank of South Africa Limited is the registered trustee. Contact: Standard Bank, P O Box 54, Cape Town 8000, Trustee-compliance@standardbank.co.za, 021 401 2002.

Unit trusts are generally medium to long term investments. The value of your investment may go down as well as up. Past performance is not necessarily a guide to future performance. Nedgroup nvestments 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. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. A fund of funds may only invest in other unit trust funds, that levy their own charges, which could result in a higher fee structure. A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact your relationship manager.

Contact

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