NEDGROUP INVESTMENTS PRIVATE WEALTH PREFERENCE SHARE FUND

NEDBANK PRIVATE WEALTH SINCE 1834

MAY 2020

RISK RATING

1	2	3	4	5

LOW _____ MEDIUM _____ HIGH

RISK REWARD PROFILE

The portfolio is suitable for investors seeking exposure to the listed preference share market, with limited capital volatility and regular tax efficient income 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.

GENERAL INFORMATION

BENCHMARK / TARGET RETURN

JSE Preference Share 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 Unclassified

REGULATION 28 COMPLIANT

No

INCEPTION DATE

01 September 2008

FUND SIZE

R 145 Million

NET ASSET VALUE [1]

826 cpu

MINIMUM INVESTMENT

Lump sum: R50,000

INCOME DISTRIBUTION

Frequency: Quarterly

March 2020: 11.48 cpu

Previous 12 months: 92.86 cpu

FEES

Annual management fee (excluding VAT): 0.50%

Total expense ratio	0.66%
Transaction costs	0.08%
Total investment charges [3]	**0.74%**

INVESTMENT APPROACH

The portfolio is constructed by determining an optimum diversified blend of mostly listed preference shares in order to maximize risk adjusted after tax returns. In this regard credit ratings and returns/yields of the available preference shares are carefully monitored.

PORTFOLIO PROFILE

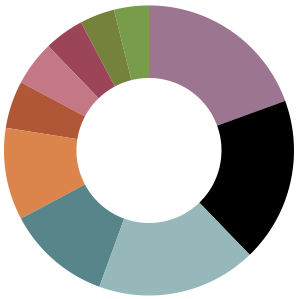
The Nedgroup Investments Private Wealth Preference Share Fund is a unit trust that invests in preference shares in order to generate tax efficient income in the form of dividends, while at the same time limiting capital volatility.

PERFORMANCE [2]

Period	Portfolio	Benchmark
1 year pa	-14.7%	-14.0%
3 Years pa	2.7%	0.9%
5 Years pa	6.2%	4.5%
7 Years pa	4.8%	3.8%
10 Years pa	5.4%	4.5%
Lowest 1 year return	-21.4%	
Highest 1 year return	26.3%	

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

PORTFOLIO STRUCTURE



ABSA	19.5%
Standard Bank Group Ltd - Preference Shares	18.3%
Investec	17.7%
Other	11.8%
Psg Group Ltd Preference Share	10.3%
Invicta Pref Share	5.2%
Zambezi Platinum (Rf) Ltd	5.0%
Nedbank	4.2%
Firstrand Ltd - Preference Share	4.0%
Grindrod Ltd	3.9%

TOP 10 HOLDINGS

Share	Percentage
Absa Pref Share	19.5
Standard Bank Pref Share	18.3
Investec Ltd Pref Share	12.2
PSG Financial Services Ltd Pref Share	10.3
Investec Bank Ltd Pref Share	5.6
Invicta Pref Share	5.2
Zambezi Platinum RF Ltd Pref Share	5.0
Nedbank Pref Share	4.2
FirstRand Ltd Pref Share	4.0
Grindrod Ltd Pref Share	3.9
Total	**88.2**

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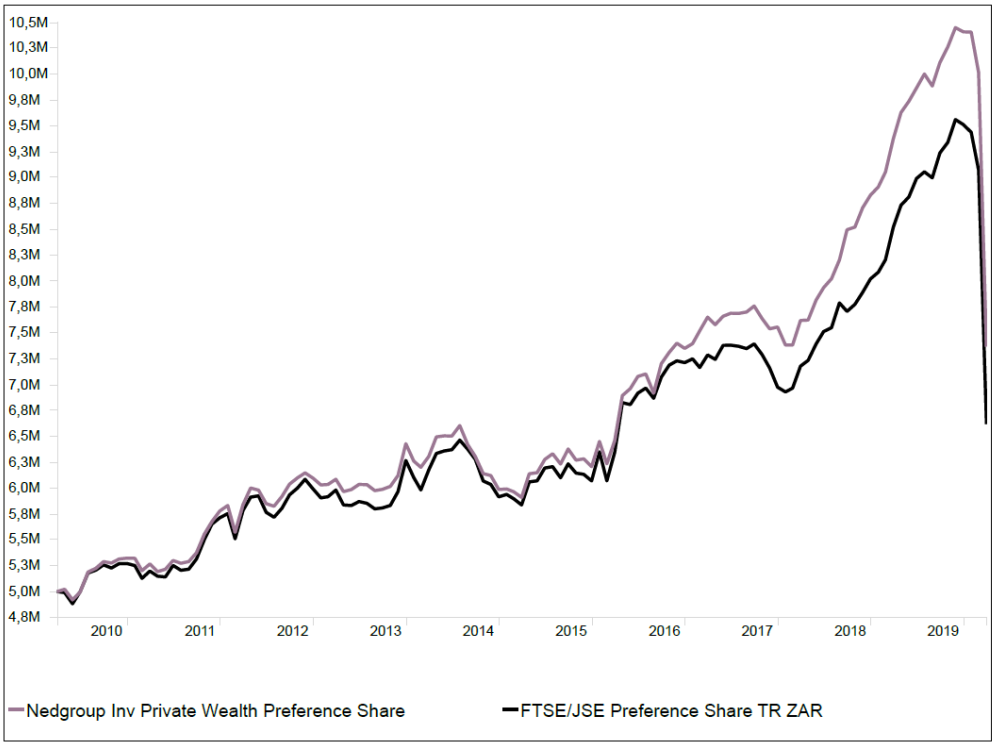
SINCE INCEPTION CUMULATIVE PORTFOLIO PERFORMANCE

The graph shows growth of R5 000 000 invested in the portfolio plotted against the fund's benchmark the FTSE/JSE Preference Share Index.



Source: Morningstar Direct

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 2017 and ending March 2020.

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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