# NEDGROUP INVESTMENTS MULTIFUNDS PLC

## GROWTH MULTIFUND CLASS A

NEDBANK PRIVATE WEALTH SINCE 1834

May 2020 Factsheet

### SYNTHETIC RISK REWARD INDICATOR

Lower risk — Higher risk

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

Typically lower rewards — Typically higher rewards

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.

### GENERAL INFORMATION

PERFORMANCE INDICATOR: 3 month LIBID + 3% to 5% over a minimum 5 years

APPROPRIATE TERM: Minimum 5 years

PEER GROUP: Morningstar Aggressive Allocation

INVESTMENT MANAGER: Nedgroup Investments (IOM) Limited; licensed by the Isle of Man Financial Services Authority.

An Isle of Man based fund manager providing investment management services to assets in excess of USD 3.8bn. Licensed by the Isle of Man Financial Services Authority.

FUND LEGAL STRUCTURE: Irish OEIC UCITS IV

INCEPTION DATE: 19 August 2011

MARKET VALUE: USD 201.7m

PRICES (as at 29 May 2020)

USD CLASS A: USD 19.7837
USD CLASS B: USD 15.0934

GBP CLASS A: GBP 13.0291
GBP CLASS B: GBP 16.0586

MANAGEMENT FEE CLASS A: 1.40% p.a.
MANAGEMENT FEE CLASS B: 1.00% p.a.

ON-GOING CHARGES (as at 29 May 2020)[2]

USD Class A: 2.31% GBP Class A: 2.34%

USD Class B: 1.91% GBP Class B: 1.94%

MINIMUM INVESTMENT CLASS A

USD 1,500 / GBP 1,000
USD 250,000 / GBP 150,000

DEALING
Daily

NOTICE PERIODS
Subscriptions: Noon T-1
Redemptions: Noon T-1

SETTLEMENT PERIODS
Subscriptions: T+2
Redemptions: T+3

ISIN / SEDOL
CLASS A USD: IE00B5T08X47 / B5T08X4
CLASS B USD: IE00B5N9GQ62 / B5N9GQ6
CLASS A GBP: IE00B5V7GM87 / B5V7GM8
CLASS B GBP: IE00B42XPP46 / B42XPP4

### MINIMUM DISCLOSURE DOCUMENT

Please note: Differences may exist due to rounding

### FUND OBJECTIVE

The Growth MultiFund aims to provide high levels of growth with moderate to high levels of risk and volatility over the medium to longer-term.

The Sub-Fund is actively managed and is not managed in reference to any benchmark. It is managed by reference to a performance target which is to outperform USD LIBID +3% to 5% over a minimum five years.

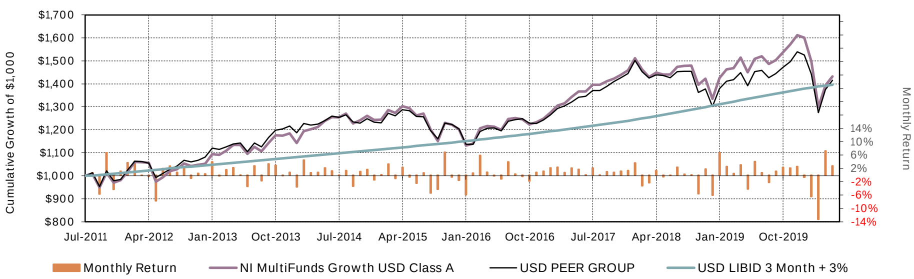
### SUITABILITY & RISK AND REWARD

The Growth MultiFund is suitable for clients with an investment time horizon of a minimum 5 years. Investing in the fund involves a risk to capital in order to achieve the desired return.

To achieve the investment objective, the portfolio invests across a range of asset classes within a strategic and tactical asset allocation framework designed to maximise diversification benefits. An absolute and relative valuation-based approach underpins this framework, resulting in a multilayered process to facilitate disciplined decision-making and risk management.

Portfolio construction combines exposures to active fund managers, who are expected to outperform their defined benchmarks and passive investment vehicles which provide low cost access to markets. This blend of active and passive funds is used to create a competitively priced investment solution.

### FUND PERFORMANCE [1]




Class A USD monthly returns and cumulative growth of $1,000

### DISCRETE YEAR PERFORMANCE % CHANGE NET OF FEES [1]

| SINCE FUND INCEPTION (19 August 2011) | FUND USD | USD PEER GROUP | 3 Month LIBID | | FUND GBP | GBP PEER GROUP | 3 Month LIBID | |
|---|---|---|---|---|---|---|---|---|
| | % | % | USD LIBID 3 month + 3% | USD LIBID 3 month + 5% | % | % | GBP LIBID 3 month + 3% | GBP LIBID 3 month + 5% |
| 2019 | 20.7% | 18.3% | 5.2% | 7.3% | 17.1% | 14.6% | 3.7% | 5.7% |
| 2018 | -8.5% | -9.9% | 5.3% | 7.4% | -6.1% | -7.7% | 3.6% | 5.6% |
| 2017 | 16.9% | 16.2% | 4.2% | 6.2% | 10.6% | 9.9% | 3.2% | 5.2% |
| 2016 | 3.7% | 3.3% | 3.6% | 5.6% | 13.9% | 13.5% | 3.4% | 5.4% |
| 2015 | -3.2% | -2.4% | 3.2% | 5.2% | -0.2% | 0.6% | 3.5% | 5.4% |

### CUMULATIVE AND ANNUALISED PERFORMANCE % CHANGE NET OF FEES [1]

| SINCE FUND INCEPTION (19 August 2011) | FUND USD | USD PEER GROUP | 3 Month LIBID | | FUND GBP | GBP PEER GROUP | 3 Month LIBID | |
|---|---|---|---|---|---|---|---|---|
| | % | % | USD LIBID 3 month + 3% | USD LIBID 3 month + 5% | % | % | GBP LIBID 3 month + 3% | GBP LIBID 3 month + 5% |
| 1 Month | 2.8% | 2.9% | 0.2% | 0.4% | 3.9% | 4.1% | 0.2% | 0.4% |
| 6 Months | -8.9% | -5.4% | 2.0% | 3.0% | -7.4% | -3.4% | 1.7% | 2.7% |
| 1 Year | -1.3% | 1.7% | 4.6% | 6.6% | -1.5% | 2.2% | 3.6% | 5.6% |
| 3 Years Ann | 1.6% | 1.8% | 4.9% | 6.9% | 1.4% | 1.7% | 3.6% | 5.6% |
| 5 Years Ann | 2.0% | 2.0% | 4.4% | 6.4% | 3.7% | 3.8% | 3.5% | 5.5% |
| YTD | -11.1% | -8.1% | 1.6% | 2.4% | -8.5% | -4.7% | 1.4% | 2.2% |
| Since inception * | 4.1% | 4.0% | 3.8% | 5.8% | 5.0% | 4.9% | 3.5% | 5.5% |
| Lowest 1 yr return | -11.6% | | | | -10.3% | | | |
| Highest 1yr return | 20.7% | | | | 21.5% | | | |

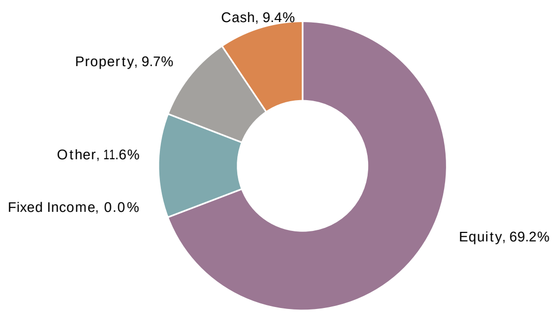
Class A performance net of fees as of 29 May 2020. * Since inception annualised.

USD peer group is the Morningstar Aggressive Allocation USD . The GBP is simulated performance based on the same competitor universe and returns used for the USD data, although a 45% net of fees hedge to sterling is applied net of fees, as per the fund's GBP share class. Past performance is not a guide to future returns.

### RISK MEASURE [3]

| SINCE FUND INCEPTION | FUND USD | FUND GBP |
|---|---|---|
| Annualised volatility | 11.1% | 10.1% |
| Sharpe ratio (annualised) | 0.30 | 0.45 |
| Lowest monthly return | -13.3% | -12.4% |
| Maximum drawdown | -19.4% | -17.0% |
| Months to recover | 13 | 10 |

### ASSET ALLOCATION [3]




1) The annualised total return is the average return earned by an investment each year over a given time period. 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 any reinvestment and dividend withholding tax. Data source Nedgroup Investments (IOM) Limited.
2) The on-going fee is a measure of the actual expenses incurred in the management of the Classes of the Sub-Fund. The on-going fee shown is expressed as a percentage of the monthly average value of the portfolio calculated over a 12-month period as at the date shown. The current on-going fee cannot be used as an indication of future on-going fees. A higher on-going fee does not necessarily imply a poor return, nor does a low on-going fee imply a good return.
3) Source: Underlying managers, Nedgroup Investments (IOM) Limited. Data point 30 April 2020

# NEDGROUP INVESTMENTS MULTIFUNDS PLC

## GROWTH MULTIFUND

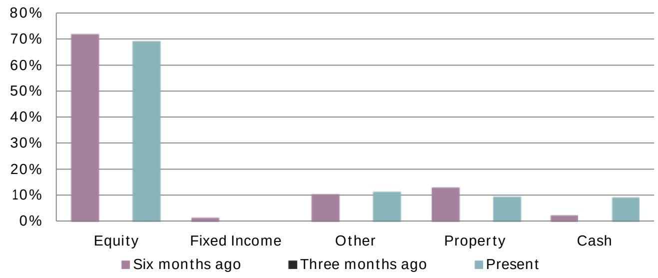
May 2020

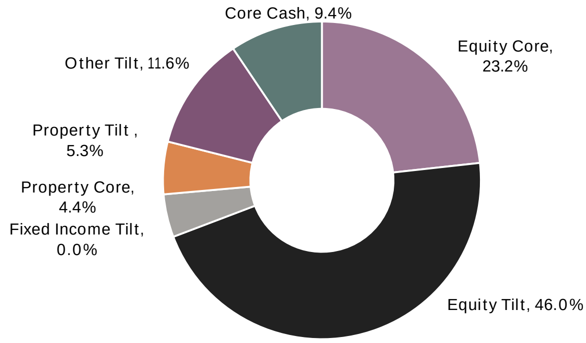
### PORTFOLIO ANALYSIS

#### FULL PORTFOLIO HOLDINGS

| | | |
|---|---|---|
| Equity | | 69.2% |
| Vanguard Global Stock Index | Core | 19.7% |
| Nedgroup Global Equity Fund | Tilt | 13.3% |
| TT Emerging Markets Equity Fund | Tilt | 9.4% |
| Fundsmith Equity Fund | Tilt | 8.7% |
| Morgan Stanley Global Brands | Tilt | 8.4% |
| Dodge & Cox Global Stock Fund | Tilt | 6.1% |
| iShares MSCI World | Core | 3.5% |
| Property | | 9.7% |
| Nedgroup Global Property Fund | Core | 4.4% |
| Target Healthcare REIT | Tilt | 2.2% |
| BMO Commercial Property Trust | Tilt | 1.8% |
| Impact Healthcare REIT | Tilt | 1.3% |
| Fixed Income | | 0.0% |
| | | |
| Alternative | | 11.6% |
| Greencoat Renewables | Tilt | 2.0% |
| Greencoat UK Wind | Tilt | 1.9% |
| The Renewables Infrastructure Group | Tilt | 1.7% |
| John Laing Environmental Assets Group | Tilt | 1.5% |
| 3i Infrastructure Plc | Tilt | 1.5% |
| GCP Asset Backed Income Fund | Tilt | 1.4% |
| SQN Asset Finance Income Fund C Shares | Tilt | 1.1% |
| Hipgnosis Songs Ordinary Shares | Tilt | 0.5% |
| Cash | | 9.4% |
| BlackRock Institutional USD Liquidity Fund / Cash | Core | 9.4% |
| Total | | 100.0% |

#### CHANGES IN ASSET ALLOCATION BY STRATEGY




### EQUITY COMPONENT [4]

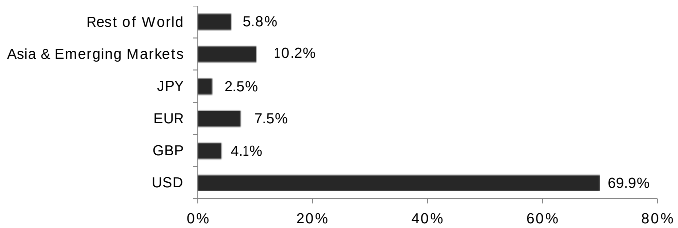
| TOP TEN UNDERLYING HOLDINGS | |
|---|---|
| Microsoft | 3.4% |
| Alphabet | 2.3% |
| Philip Morris International | 2.2% |
| Facebook | 2.1% |
| Reckitt Benckiser | 1.9% |
| Charter Communications | 1.8% |
| Alibaba | 1.5% |
| Unilever | 1.4% |
| Visa | 1.4% |
| Baxter | 1.4% |
| Total | 19.4% |

| COUNTRY ALLOCATION | |
|---|---|
| USA | 54.8% |
| Europe ex-UK | 14.7% |
| UK | 8.1% |
| Emerging Markets | 13.4% |
| Pacific ex-Japan | 2.5% |
| Japan | 3.2% |
| Canada | 1.8% |
| Cash | 1.5% |
| Total | 100.0% |

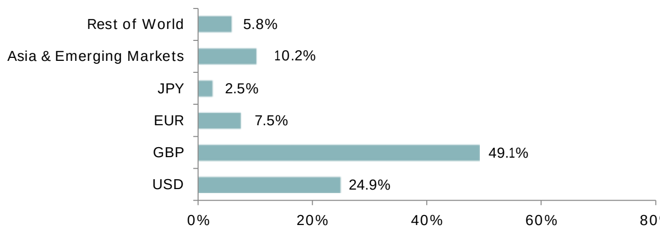
| SECTOR ALLOCATION | |
|---|---|
| Health Care | 18.7% |
| Information Technology | 18.4% |
| Consumer Staples | 13.3% |
| Communication Services | 10.7% |
| Financials | 10.6% |
| Industrials | 9.6% |
| Consumer Discretionary | 8.6% |
| Materials | 2.9% |
| Energy | 2.1% |
| Real Estate | 2.0% |
| Utilities | 1.6% |
| Cash | 1.5% |
| Total | 100.0% |

### CURRENCY EXPOSURE [4]

#### USD SHARE CLASS




#### GBP SHARE CLASS [5]




4) Source: Underlying managers, Nedgroup Investments (IOM) Limited. Data point 30 April 2020
Data point for underlying fund information on a look-through basis is one month in arrears.
5) For the sterling Hedged share class a 45% hedge to sterling is applied

## MARKET COMMENTARY

May 2020

Despite ongoing uncertainty, risk assets performed well during May. The key positive many investors latched onto was that the growth of Covid-19 cases in advanced economies continued to slow. In the hope that the worst of the pandemic may now have passed, many countries began to ease lockdown restrictions and we saw some tentative signs of an improvement in economic activity, albeit from a very low base. However, as the pandemic eased in the US and Europe, Covid-19 cases grew rapidly in a number of significant emerging economies, including Brazil, India, Mexico, South Africa and Russia.

On the political front, tensions between China and most other countries increased with accusations that it was responsible for creating the virus and concealing its deadly nature. Australia led calls for an independent investigation, with China retaliating with punitive tariffs on some Australian exports. The United States also upped the ante with various trade and sanction threats, which led many to talk of the emergence of a new cold war. Tensions in Hong Kong over new China imposed laws against sedition fanned the flames further, with the US threatening to remove Hong Kong's special trading status.

Towards the end of the month, the death of George Floyd whilst in the custody of the Minneapolis Police Department saw impassioned protests break out across US cities and beyond, as it reignited the "Black Lives Matter" campaign. With the race for the Presidency now in its final six months, Trump's poor handling of both the pandemic and the racial unrest saw his popularity slump, allowing Democrat nominee Biden to take a meaningful lead in the election polls. Whilst a Biden presidency would probably help ease global political tensions, financial markets would probably not be so welcoming of the change.

European markets were buoyed by the unveiling of a plan from President Macron and Chancellor Merkel for a new jointly funded EU recovery fund that could provide fiscal support to some of the economically weaker countries. If agreed, this would be a significant step towards greater fiscal cooperation across the euro area. Prior to this announcement, Italian government bond yields had been rising as investors worried that the costs of dealing with the pandemic could spark a second "euro crisis".

The first quarter corporate earnings season concluded in May, and there was little to cheer as the majority of companies reported falling earnings and a weak outlook for the coming quarters. Even so, some investors took heart that the results were generally better than expected.

Central bank quantitative easing programs helped "oil the wheels" of financial markets, boosting liquidity and keeping bond yields low. Whilst equity issuance has been relatively modest over recent months, companies have issued near record levels of corporate bonds. This has been partly opportunistic, because interest rates are very low, but it also reflects the need for additional liquidity to help weather the economic crisis.

The recovery of equities continued, with most major markets and sectors delivering gains. Over the month, the MSCI AC World Index rose +4.3% in US dollar terms. At the country and regional level, Japan (+5.9%), Europe ex UK (+5.7%) and the US (+5.1%) did well, whilst the UK (+1.1%), Emerging Markets (+0.8%) and Asia ex Japan (-1.2%) struggled. At the sector level, economically sensitive areas picked up a bit. Information Technology (+6.8%) was the top performer, although Industrials (+6.1%), Materials (+5.9%) and Consumer Discretionary (+5.8%) also did well. In contrast, Real Estate (+0.5%), Financials (+1.4%) and Consumer Staples (+2.0%) lagged the average. In terms of style, Growth (+6.0%) continued to outpace Value (+2.5%), whilst Smaller Companies (+6.6%) did better than Larger Companies (+4.3%).

Fixed income markets also took on a more positive tone. Whilst safe haven government bonds saw a slight rise in yield (fall in price), investment grade corporate and high yield bonds clawed back some more of the ground they lost in the late February / March drawdown. Over the month, the JP Morgan Global Government Bond Index slipped -0.2%, whilst the ICE Merrill Lynch Global Corporate Investment Grade Bond Index rose +1.3%, the ICE Merrill Lynch Global High Yield Bond Index rose +4.5%, and the JP Morgan Global Emerging Market Bond Index advanced +5.7% (all hedged to US dollars).

The Bloomberg Commodities Index rose +4.3%, mainly driven by the substantial rebound in Crude Oil (+49.6%). Industrial Metals (+2.8%) and Gold (+2.7%) also drifted higher, in part because the US dollar gave up ground against most other currencies.

Finally, in the foreign exchange markets we saw a reversal of earlier currencies moves, with the US dollar losing ground against the euro and some emerging market currencies, but gaining a little on the pound and the yen. Against the US dollar, the euro rose by +1.3%, the Mexican peso by +8.3%, the South African rand by +5.3%, and the Brazilian real by +2.7%.

(Notes: All monthly data is quoted in US dollar terms unless otherwise stated).

## PORTFOLIO COMMENTARY

The Nedgroup Investments Growth MultiFund rose in value by +2.8 during May.

Within equities, the best performing funds were Fundsmith Equity (+4.9%) and Nedgroup Global Equity (+4.3%), benefitting from their exposure to IT and Communication Services, with “stay-at-home” stocks such as Facebook and PayPal seeing a significant boost from the Covid-induced lockdowns. At the other end of the spectrum, TT Emerging Markets Equity (-0.9%) lagged the most due to the underperformance of emerging market stocks.

In other asset classes, Nedgroup Global Property (0.0%) was flat over the month as REITs underperformed global equity markets, primarily due to concerns about the impacts of Covid-19. However, portfolio exposure to UK commercial property was more positive with BMO Commercial Property (+5.0%) up on the back of renewed market interest in its shares following months of pressure. Exposures to the UK care home sector were more mixed given the continued focus on the threat of Covid-19 outbreaks in care homes. Whilst this remains a challenge, both Impact Healthcare (+3.1%) and Target Healthcare (-1.2%) have given us reassuring business updates, and will continue to offer defensive qualities and reliable dividends.

Our renewable energy investments John Laing Environmental Assets (+7.5%), Greencoat Renewables (+6.0%) and Greencoat UK Wind (+5.4%) were in strong demand over the month as their dividends are unlikely to be affected by the Covid-19 downturn. The Renewables Infrastructure Group (+0.3%) took advantage of the strong markets to raise equity via a share issue, which was significantly oversubscribed. 3i Infrastructure (+6.7%), has also exhibited strong performance after reporting an excellent set of annual results and highlighting the resilience of its portfolio and the large cash surplus on its balance sheet.

Hipgnosis (+5.6%) continued to perform strongly with music streaming benefitting from stay at home measures around the world which has seen a huge boost from enforced home working. Finally, our lending funds, SQN Asset Finance (+8.7%) and GCP Asset Backed Income (+2.9%) were stronger as markets sought higher yielding assets. Both have strong balance sheets and collateral for their loans, but some of their borrowers might experience difficulties in the crisis requiring a degree of payment deferrals.

In terms of portfolio activity, we took part in the Renewable Infrastructure Group’s equity raise, which was very well received by the market.

Note: All returns are quoted in US dollars.

# NEDGROUP INVESTMENTS MULTIFUNDS PLC
## GROWTH MULTIFUND

NEDBANK PRIVATE WEALTH SINCE 1834

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**The Depositary**
Citi Depositary Services Ireland DAC
1 North Wall Quay, Dublin 1, Ireland.

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The Sub-Funds of Nedgroup Investments MultiFunds are valued using the prices of underlying funds prevailing at 11pm Irish time the business day before the price date. Prices are published on the Nedgroup Investments website.

**Fees**
Fees are outlined in the relevant Sub-Fund Supplement available from the Nedgroup Investments website.

**Nedbank Private Wealth**
Nedbank Private Wealth is an Authorised Financial Services Provider in South Africa

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Singapore investors should read the Appendix for Singapore Investors in conjunction with the Fund's Prospectus and Key Investor Information Document (KIID) which are available from the Investment Manager. www.nedgroupinvestments.com
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The Prospectus of the Fund, the Supplements of its Sub-Funds and the KIIDs are available from the Investment Manager and Distributor or from its website www.nedgroupinvestments.com
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