

IJG INCOME PROVIDER FUND A1

MINIMUM DISCLOSURE DOCUMENT

INVESTMENT AND RETURN OBJECTIVE

The Fund aims to return CPI + 3% per annum through a full interest rate cycle while providing stability by aiming never to lose capital over any rolling 3 month period. The Fund is Regulation 13 compliant and at least 45% is invested in Namibian assets.

INVESTMENT PROCESS

This Fund invests in local and offshore money market, bonds, property, preference shares, inflation-linked bonds and derivatives to meet the investment objectives. Fund performance can be generated from taking interest rate views or duration, yield enhancement via credit instruments, asset allocation between income producing asset classes, offshore exposure and also via the use of derivatives.

WHO SHOULD INVEST

The Fund is suitable for investors with a short to medium term investment horizon seeking a conservative risk offering that aims to maximise income via primarily investing in Namibian and South African money and bond markets.

RISK INDICATOR DEFINITION

These portfolios typically have no or low equity exposure, resulting in higher interest yields and stable capital values with the probability of capital losses over the shorter term (3 months) highly unlikely. These portfolios typically target returns in the region of 2% – 3% above inflation before tax over the long term.

RISK INDICATOR



31 AUGUST 2022

ABOUT THE FUND

Fund manager:

Prescient Interest Bearing Team

Fund classification:

Namibian Domestic Fixed Interest Varied Specialist

Benchmark:

STeFi Call 110%

JSE Code:

IIPFA1

ISIN:

ZAE000307112

Fund Size:

NAD1.7 bn

Inception date:

31 January 2022

Minimum Investment:

N\$10 000
N\$1000 per month

Income Distribution (annually):

31 March 2022 - 0.65 cpu

Initial Fee:

0.00%

Annual management fee:

0.75%

Fact sheet fee class:

A1

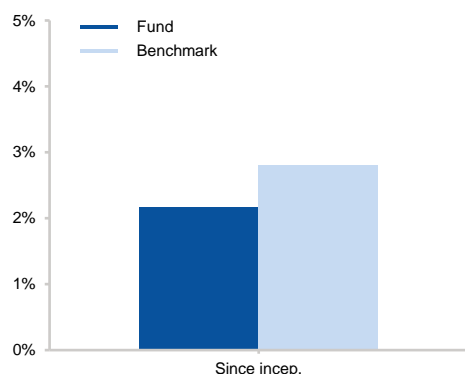
Fee breakdown:

Please note the Total Expense Ratio and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product and the funds TER will be available after one year.

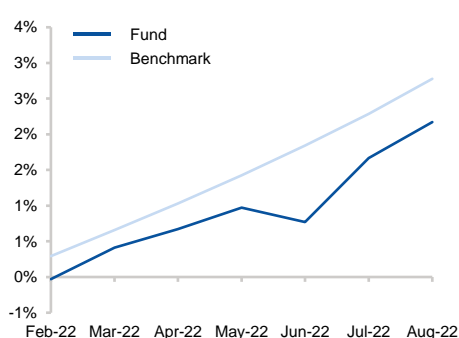
Tel: +264 61 383 529

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PERFORMANCE (%)



CUMULATIVE PERFORMANCE



PERFORMANCE (%)

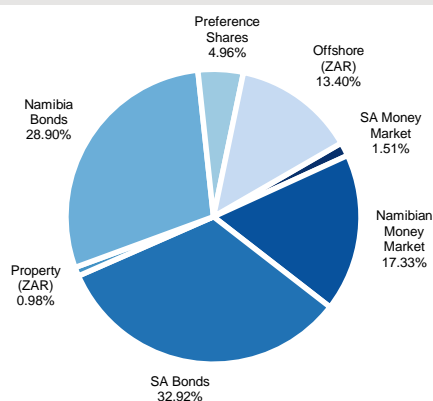
	Fund	Benchmark
Since incep.	2.17	2.81
Highest rolling 1 year	-	-
Lowest rolling 1 year	-	-

*All performance fees are net of fees.

RISK AND FUND STATS

Since inception (p.a.)	Fund
Average Duration	1.53yrs
Forward Yield (gross)	8.39%

ASSET ALLOCATION



KEY HOLDINGS

Key Holdings	% of Fund
RSA 8% R2030 31012030	9.2
Investec Bank Republic of Namibia IVC190 JB3+220 151223 (20251215)	8.1
Bank of Windhoek NCD 7.82% 170823	5.2
FirstRand Namibia NCD 7.75% 170823	5.2
Namibia Dollar	3.6
RSA 10.50% R186 211226	3.3
NewFunds S&P Namibia Bond ETF	3.3
Investec FRN INLV09 240826 JB3+440	3.2
Absa Bank Ltd Preference Shares	3.1
ABSA Namibia CLN ASN861 Jb3+210 291025	2.9
Total	47.1

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FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2022		-0.03%	0.44%	0.26%	0.30%	-0.20%	0.89%	0.50%					

FUND COMMENTARY

South African consumer inflation printed at 7.8% in July, a jump from 7.4% in June. The increase was within expectations and economists are viewing this as the peak of the current inflation cycle. This higher print could see the SARB look to raise rates by as much as 50bps at the September meeting, as they work to curb rising inflation. Inflation in the US printed slightly lower than its previous 40-year high in June, coming in at 8.5% in July. Federal Reserve Chair Jerome Powell noted that tight monetary policy in the US will need to continue for some time. As such, market expectations of another 75bps hike at the September meeting remain unchanged. With the market increasing its expectation for interest rate hikes in the short term we continue to see market pricing as overdone. This leads to us seeing value in Fixed Rate exposure in the portfolios. Our risk focused approach has seen the Fund well protected as yields move higher.

The Fund had a positive month, returning ahead of cash. The biggest contributors were the offshore and floating rate bond positions. There is good yield built into the Fund and is expected to come through in the coming months. The 12 Month forward yield is 8.39% and remains attractive relative to where Money Market rates are. Current duration has increased to 1.53yrs, in line with the risk budget in the Fund. We continue to focus on having diverse drivers of real yield in the portfolio and managing our active risk in line with our risk target.

Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.