

IJG BALANCED FUND A1

MINIMUM DISCLOSURE DOCUMENT

INVESTMENT AND RETURN OBJECTIVE

The Fund aims to return CPI + 5% per annum over a full market cycle . The Fund is Regulation 13 compliant and at least 45% is invested in Namibian assets.

INVESTMENT PROCESS

The Fund invests in a diversified portfolio including cash, capital markets, equities and property, with active asset allocation. Derivatives can be utilised to reduce downside risk when pricing warrants this. The equity selection is active. The Fund is well diversified globally and the offshore allocation and currency exposure is managed actively.

WHO SHOULD INVEST

The Fund is suited to investors with a medium to long term investment horizon, who are seeking capital growth, and downside volatility management.

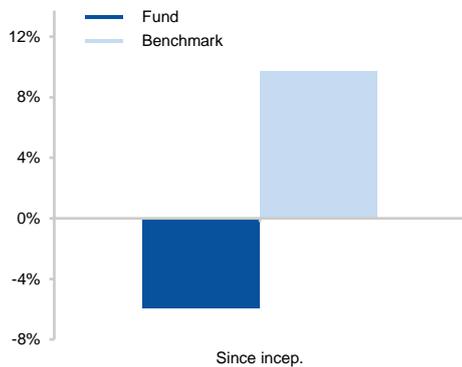
RISK INDICATOR DEFINITION

These portfolios typically have moderate equity exposure and exposure to offshore markets which may result in capital volatility over the shorter term. They are managed in such a manner that the probability of double digit capital losses over one year periods is unlikely. These portfolios typically target returns in the region of 4% - 5% above inflation over the long term.

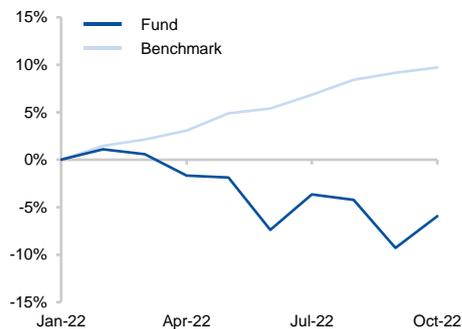
RISK INDICATOR



PERFORMANCE (%)



CUMULATIVE PERFORMANCE



PERFORMANCE (%)

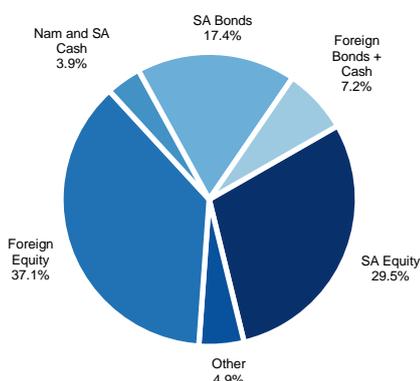
	Fund	Benchmark
Since incep.	-5.94	9.73
Highest rolling 1 year		
Lowest rolling 1 year		

**All performance fees are net of fees.*

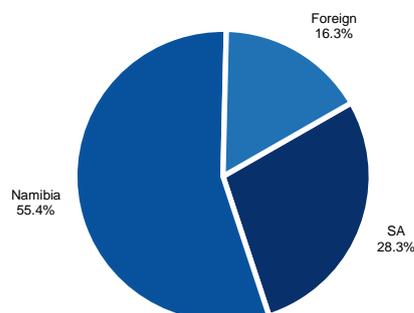
RISK AND FUND STATS

Since inception (p.a.)	Fund	Benchmark
Alpha	-15.67%	
Sharpe Ratio	-1.13	5.38
Standard Deviation	11.13%	1.57%
Max Drawdown	-10.28%	

EFFECTIVE ASSET ALLOCATION



REGIONAL ALLOCATION



31 OCTOBER 2022

ABOUT THE FUND

Fund manager:

Prescient Balanced Team

Fund classification:

Domestic - Asset Allocation - Prudential Variable Equity

Benchmark:

Namibia Headline CPI + 5%

JSE Code:

IGBFA1

ISIN:

ZAE000307187

Fund Size:

NAD32.1 m

Inception date:

31 January 2022

Minimum Investment:

N\$10 000
N\$1000 per month

Income Distribution (annually):

31 March 2022 - 0.29 cpu

Initial Fee:

0.00%

Annual management fee:

1.00%

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.

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FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2022		1.10%	-0.50%	-2.25%	-0.21%	-5.61%	4.03%	-0.57%	-5.30%	3.69%			

FUND COMMENTARY

It's no coincidence that the equity recovery that had the S&P 500 index post its second-best month of the year was somewhat linked to dollar weakness. The Fed's tightening policy has driven the US dollar's gains in 2022. The Bloomberg Dollar Spot Index, which tracks the performance of a basket of 10 leading global currencies versus the US dollar, has surged around 14% this year. The US economy posted its first quarter of growth for 2022 in the third quarter. The economy grew at an annual rate of 2.6% during the quarter, taking the US out of a technical recession. Trade contributed predominantly to the turnaround as the US exported more oil and natural gas, with the war in Ukraine disrupting supplies in Europe. US inflation data came in higher than expected in September. Headline CPI gained 0.4% for the month, with shelter prices remaining elevated, having risen by 0.7% on the month. Year-on-year inflation was up 8.2%, off its peak but still hovering near its highest levels since the 1980s. It is unsurprising therefore that the Federal Reserve chose to raise its short-term borrowing rate for the fourth consecutive time by 0.75%, to the target range of 3.75%-4%, the highest level since January 2008. Federal Reserve Chairman Powell reiterated that there may come a time to slow the pace of rate increases and consider the cumulative tightening of monetary policy, the lags with which monetary policy affects economic activity and inflation, and economic and financial developments.

Across the Atlantic, inflation readings in Europe surged beyond economists' estimates. Euro-area inflation surged to all-time highs as consumer prices jumped 10.7% from a year ago in October, far exceeding the 10.3% median estimate in a Bloomberg survey. Inflation in Germany, Europe's largest economy, accelerated to 11.6% from a year earlier. Inflation in Italy surged to 12.8%, while inflation in France surpassed expectations, too, increasing by 7.1%. Spain was the only major euro-area nation to see price pressures ease. The ECB instituted its third consecutive interest rate increase this year, lifting the benchmark interest rate, the Main Refinancing Rate, by 0.75% to 2.0% at the end of October while also scaling back support for European banks.

Locally, Namibian All Items inflation eased for the second consecutive month to 7.1% year-on-year in September, from 7.3% in August.

A decline in volatility and risk-off sentiment helped most equity indices rebound in October as the fourth and final quarter of the year kicked off. In the US, the S&P500 and Nasdaq Composite rallied 8.0% and 3.9%, respectively, while the Dow Jones Industrial Average returned a whopping 14.0% - its best month since 1976. The MSCI World Index gained 7.1%, while its Emerging Market counterpart failed to keep up, losing 3.2% as political and economic developments in China weighed negatively on the emerging market category.

SA Listed equity in the form of the Top40 was up 4.9%, while the Capped Swix returned 5.3% and property rallied almost 11% for the month. SA Bonds were positive at +1.1% while SA ILBs lost 1.26%. The Namibian Dollar closed the month 1.6% weaker at 18.36 per USD.

Contributors to performance:

The major contributor to the Fund's performance was the recovery in local and global equity markets including listed property.

Detractors from performance:

The Fund's currency hedges detracted from performance.

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.