

# PRESCIENT 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.

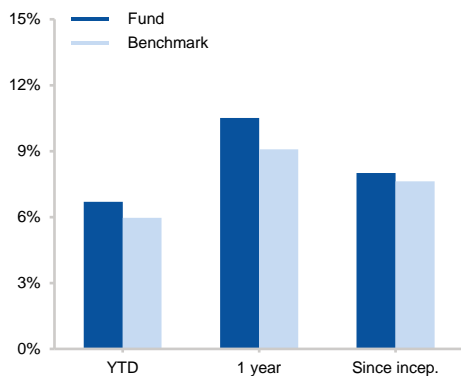
### RISK INDICATOR DEFINITION

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.

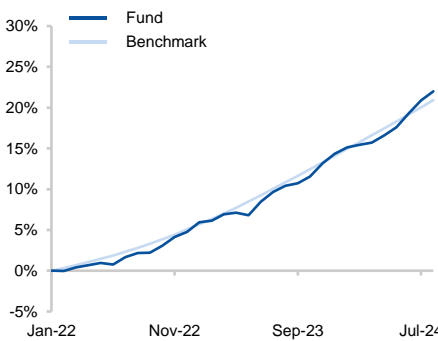
### RISK INDICATOR



#### ANNUALISED PERFORMANCE (%)



#### CUMULATIVE PERFORMANCE



#### ANNUALISED PERFORMANCE (%)

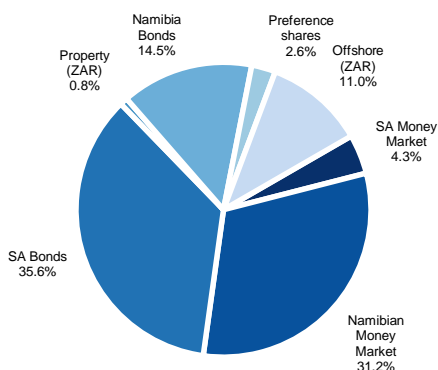
	Fund	Benchmark
1 year	10.50	9.08
Since incep.	8.00	7.63
Highest rolling 1 year	10.50	9.08
Lowest rolling 1 year	5.76	5.72

All performance fees are net of fees.

#### RISK AND FUND STATS

Current	Fund
Yield (gross)	10.01%
Average Duration	1.22yrs

#### ASSET ALLOCATION



#### KEY HOLDINGS

	% of Fund
RSA R2032 8.25% 310332	12.8
INVESTEC Namibia CLN IVC289 JB3+240 181225	5.9
Nedbank Namibia FRN JB3+43 230725	4.7
FirstRand Namibia FRN Jb3+65 190325	3.1
NAM TB 0% 210225	3.0
SATRIX NAMIBIA BOND ETF	2.9
Nedbank Namibia FRN JB3+55 260225	2.7
Namibia Dollar	2.5
Nedbank Namibia FRN Jb3+58 061224	2.4
SOAF 5.875% 16/09/25	2.3
<b>Total</b>	<b>42.3</b>



31 AUGUST 2024

### 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:

NAD2.6 bn

#### Inception date:

31 January 2022

#### Minimum Investment:

N\$10 000  
N\$1000 per month

#### Income Distribution (annually):

31 March 2024 - 7.71 cpu

#### Initial Fee:

0.00%

#### Annual management fee:

0.75%

#### Fact sheet fee class:

A1

#### Fee breakdown:

Management Fees	0.75%
Performance Fees	0.00%
Other Fees*	0.09%
Total Expense Ratio (TER)	0.84%
Transaction Costs (TC)	0.00%
Total Investment Charge (TIC)	0.84%

\*Other fees includes underlying fee (where applicable): Audit Fees, Custody Fees and Trustee Fees

\*TIC Fees are calculated in respect of 12 months ending before 30 June 2024

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## FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2022</b>		-0.03%	0.44%	0.26%	0.30%	-0.20%	0.89%	0.50%	0.05%	0.82%	1.05%	0.60%	4.77%
<b>2023</b>	1.12%	0.17%	0.73%	0.20%	-0.31%	1.57%	1.13%	0.65%	0.31%	0.74%	1.42%	1.05%	9.14%
<b>2024</b>	0.67%	0.30%	0.22%	0.74%	0.91%	1.41%	1.37%	0.90%					6.69%

## FUND COMMENTARY

In August, interest rate repricing continued locally in South Africa driven by a more favourable global backdrop for risk. As a result, the local nominal bond index ended the month up by more than 2% on a total return basis.

In a dovish address at the Fed's Jackson Hole conference, Chair Jerome Powell indicated that a policy rate cut is likely at the September Federal Open Market Committee (FOMC) meeting. As anticipated, Powell expressed increased confidence in the inflation outlook while highlighting downside risks in the labour market, noting that any further deterioration would be "unwelcome." The expectation for August is a stronger employment report compared to July. However, even though unemployment increased in August, this was solely due to the expansion of the labour force (i.e. more people who were previously not in the labour force are now entering and seeking jobs), and not because of increased layoffs. Powell emphasized that a disinflationary process, while maintaining labour market strength, is only possible with anchored inflation expectations which reflect the public's confidence that the central bank will achieve 2% inflation over time. The market has adjusted to anticipate further interest rate cuts in both the United States (US) and South Africa (SA). Both anticipated to start at the September meetings.

Given the movement in the SA yield curve, we continue to favour floating rate exposure in the 3-year segment while concentrating our fixed rate exposure in the 10-year segment, where we see the greatest value relative to the associated risk.

The Fund forward yield remains attractive at 10.01%. The Fund has a total Fund duration (including ILBs) of 1.22 years.

The Fund performed strongly, outperforming its benchmark for the month. We saw solid contributions from most of the asset classes in the Fund, with the Fixed Rate Bond exposure being particularly notable. The current risk in the portfolio aligns with the Fund's risk objective, and we see the Fund well positioned to achieve its return objectives.

### 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.