

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.

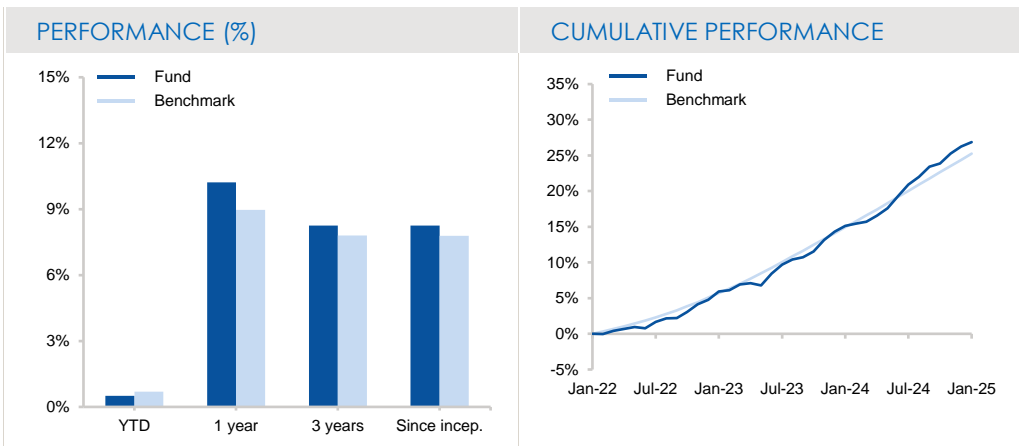
WHO SHOULD INVEST

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

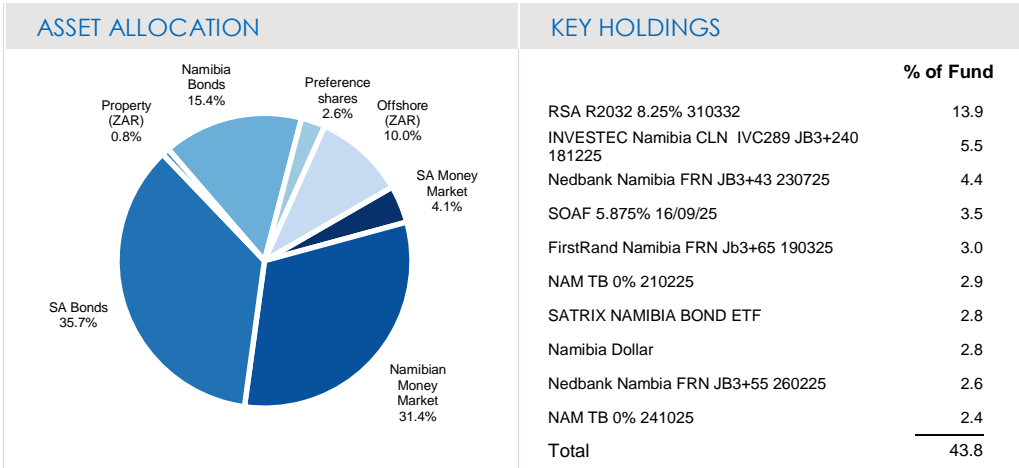
These portfolios typically have no or low equity exposure, resulting in higher interest yields and stable capital values with the probability of capital losses over the shorter term (3 months) highly unlikely. These portfolios typically target returns in the region of 2% – 3% above inflation before tax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

RISK INDICATOR



| PERFORMANCE (%) | | | RISK AND FUND STATS | |
|------------------------|-------|-----------|---------------------|---------|
| | Fund | Benchmark | Current | Fund |
| 1 year | 10.22 | 8.96 | Yield (gross) | 9.45% |
| 3 years | 8.26 | 7.79 | Average Duration | 1.26yrs |
| Since incep. | 8.26 | 7.79 | | |
| Highest rolling 1 year | 11.45 | 9.08 | | |
| Lowest rolling 1 year | 5.76 | 5.72 | | |

All performance fees are net of fees.



31 JANUARY 2025

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:

NAD2.7 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* | 0.11% |
| Total Expense Ratio (TER) | 0.86% |
| Transaction Costs (TC) | 0.00% |
| Total Investment Charge (TIC) | 0.86% |

*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 September 2024

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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% | 0.05% | 0.82% | 1.05% | 0.60% | 4.77% |
| 2023 | 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% |
| 2024 | 0.67% | 0.30% | 0.22% | 0.74% | 0.91% | 1.41% | 1.37% | 0.90% | 1.17% | 0.38% | 1.13% | 0.76% | 10.40% |
| 2025 | 0.50% | | | | | | | | | | | | 0.50% |

Source: Performance calculated by Prescient Fund Services verified by the FSP
Date: 31 January 2025

FUND COMMENTARY

January saw erratic market movements as people digest the flurry of headlines driven mostly by the Trump administration. The Federal Open Market Committee (FOMC) left the federal funds rate unchanged at their January meeting. This decision was based on the continued strength of the labour market and the broader economy. Fed Chair Powell noted that the current federal funds rate remains restrictive and above the neutral rate, leaving room for potential rate cuts later this year. On the local front, the Monetary Policy Committee (MPC) chose to reduce the repo rate by 25 basis points, from 7.75% to 7.5%. The decision was split 4-2, with two members favoring no change and the other four supporting the rate cut. The accompanying communication was hawkish, emphasizing the external environment—particularly the outlook for U.S. monetary policy and risks related to trade tariffs.

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. With credit spreads continuing to tighten, latest Bank AT1 credit remaining tight, we have favoured floating rate assets with government exposure underlying, reducing the overall credit risk in the Fund.

The Fund's forward yield remains attractive at 9.45%. The Fund has an interest rate duration of 1.26 years. 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.

The Fund outperformed its benchmark for the month. The key contributors to performance were the higher yielding floating assets as well as the Money Market exposure. The Preference Shares being the one key detractor.

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.