Wealth Manager Accelerator Wrap

As of 2018/02/28

Investment Manager: Jonathan Moodie

Investment Consulting: Glacier Discretionary Fund Management
Benchmark: (ASISA) World-Wide Flexible Category

Inception Date: 01 March 2015

Wrap Fund Fees: 50bps per annum (the fee excludes underlying Collective Investment Fees)

Mandate Description

The wrap fund aims to provide a high level of capital growth over the long term. Investors in this fund are prepared to tolerate high fluctuations in the value of their investment over the short term. The fund will be diversified across all major asset classes with a strong bias towards equities (maximum of 100%) and can invest in South African and/or foreign markets up to 100% either way. Investors in this fund have an investment horizon of 7 years or longer. The fund is not Regulation 28 compliant.

Quarterly Comments

The South African economy expanded in Q3 producing an annualised quarterly growth of 2%. While this positive result outperformed general market expectations (+1.5%), the outcome culminated in a general slowdown when compared to the previous quarter's 2.8% gain. This reduced quarterly expansion resulted in the annual GDP growth rate settling at 0.8% pa as at the end of Q3. Agriculture, forestry and fishing continued to be the primary driver of growth delivering 44.2%. It increased 38.7% in Q2. Mining continued to expand generating a 6.6% return followed closely by manufacturing which yielded 4.3%.

The FTSE/JSE ALSI continued to climb during Q4 setting a new high of 61 298 at its peak. This increase translated into a 7.44% return for Q4. Most of this performance was experienced early in Q4 pulling back -0.34% in December. Mid-caps and the Top 40 were the primary drivers returning 11.58% and 6.71% for Q4. Small-caps lagged delivering 3.6%. Financials was the best performer returning 15.98% followed closely by Industrials (+15.63%). The worst performing sub-sector was SA Industrials (including dual-listed companies) (+4.67%). Foreigners were net buyers of equities (+R42bn) over Q4.

The SARB kept the repo rate unchanged at 6.75% in November on concern that the December ANC leadership election could have a large impact on the exchange rate. This was well-founded. The rand strengthened 6.4% over the four day conference and continued following the appointment of Cyril Ramaphosa as the new ANC President. The rand strengthened 8.64% against the dollar, 7.12% against the pound and 7.17% against the euro in Q4.

Local fixed income markets underperformed equities over O4. However returns across all fixed income instruments remained positive. The ALBI returned +2.22%. The best-performing fixed income asset class was the longer end (12+ years) of the yield curve which delivered 2.28%. December was a particularly good month for bonds. The ALBI returned +5.66% for the month. Cash delivered 1.80%. Preference shares had a particularly bad quarter delivering a negative 5.66%. Foreigners were net sellers of bonds (-R32.6bn) over Q4.

While 2017 was a great year for global assets, rand strength detracted from this performance. Developed market equities delivered 5.14% in USD (-3.95% in rand) while emerging market equities rendered 7.09% in USD (-2.16% in rand) for Q4. In 2017 developed market equities returned 20.11% in USD (8.6% in rand). Emerging markets returned 34.35% in USD (21.5% in rand). As expected the Fed raised interest rates by 0.25% to a range of 1.25% to 1.5% in December. Looking ahead, rates could be raised faster than initially anticipated in light of the tax reform signed by Trump in late December 2107. US GDP expanded an annualised 3.2% q/q in Q3, ahead of market expectations (+2.6%).

Risk Statistics Manager Allocation Time Period: 2016/03/01 to 2018/02/28 Portfolio Date: 2018/02/28 Wrap BM Coronation Optimum Growth P Alpha 1.08 0.00 Foord Flexible FoF B2 Glacier Global Stock FF B Sharpe Ratio (arith) -0.43 -0.54 PSG Flexible F Std Dev 11.26 10.23

Laurium Flexible Prescient B4

Catalyst Glbl Real Estate Prescient FF B

Truffle SCI Flexible C

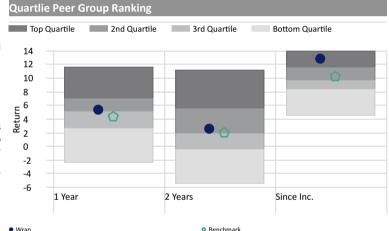


Asset Allocation Portfolio Date: 2018/02/28 SA Cash 7.6 Foreign Cash 4.5 SA Equity 23.8 Foreign Equity 51.6 SA Bond 2.8 Foreign Bond 0.0 SA Property 1.9 Foreign Property 6.3 SA Other 0.4 1.0 Foreign Other

100.0

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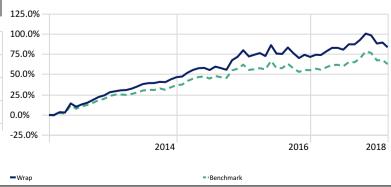


Performance Summary	
As of Date: 2018/02/28	

1M	3M	6M	1Y	2Y	Inc.
-3.08	-7.41	-1.92	5.48	2.61	12.95
-2.93	-7.76	-1.39	4.48	2.02	10.34
	-3.08	-3.08 -7.41	-3.08 -7.41 -1.92	-3.08 -7.41 -1.92 5.48	-3.08 -7.41 -1.92 5.48 2.61

Cumulative Investment Growth

Time Period: 2013/02/02 to 2018/02/28



DISCLAIMER: Moodie's Strategic Financial Services (Pty) LTD trading as Wealth Manager is an authorised financial services provider (FSP No. 12836). Implementation of investment decisions are at the discretion of Wealth Manager. Glacier Consulting Services provides input into the portfolio construction process and does not render any advice. Wealth Manager remains responsible and accountable for any advice rendered. Unit trusts are medium to long term investments. Past performance is not necessarily a guide to future returns. The value of investments and the income from them may go down as well as up and are not guaranteed. Performance figures are quoted gross of portfolio management service fees, but includes all fees charged by the underlying funds. Performance figures for periods greater than 12 months are annualised. All data shown is at the month end. Changes in market conditions may cause the value of your investment to fluctuate. All information has been recorded and arrived at from sources believed to be reliable, but no representation or warranty, expressed or implied, is made as to its accuracy, completeness or correctness.

Source: Morningstar Direct