

Wealth Manager Global Moderate Wrap (USD)



As of 30/04/2019

Investment Manager: Jonathan Moodie
Investment Consulting: Glacier Discretionary Fund Management
Benchmark: Global MA Medium Equity
Inception Date: 01 April 2017
Wrap Fund Fees: 50bps per annum (the fee excludes underlying Collective Investment Fees)

Mandate Description

The portfolio aims to provide long-term capital growth and is suitable for investors who are prepared to tolerate moderate to high fluctuations in their investment over the short term and require no income. The fund will be diversified across all major asset classes with a minimum of 80% of these assets being offshore. Investors in this fund have an investment horizon of 5-7 years. The portfolio is not Regulation 28 compliant.

Quarterly Comments

The South African economy grew 1.4% in the last quarter of 2018. This was at a slower pace when compared to the previous quarter (revised to 2.6%) and below market expectations. Main drivers of growth included industries such as manufacturing, agriculture and communications. Growth in manufacturing (4.5%) was supported by increased production of products including motor vehicles, equipment and parts, petroleum and chemicals, rubber and plastics as well as food and beverages. Growth in agriculture (7.9%) was boosted by higher field crop production. Business confidence continued its downward trajectory in Q4, falling a further 3 points – its weakest level since Q2 2017. Political and policy issues still remain as the uncertainty around land expropriation without compensation lingers.

The South African market rebounded during the first quarter as the All Share Index returned 7.97%. Outperformance was led by large- and mid-cap shares while small caps lagged. The Top 40 and mid-caps added 8.45% and 2.76% while small caps gave up 3.41%. Resources was the best performing sector returning a generous 17.85% followed by Consumer Goods which delivered 12.38%. The worst performing sector was Healthcare (-12.70%) followed by Industrials (-3.90%).

As anticipated, the repo rate remained unchanged (6.75%) while the SARB maintains its accommodative stance with a preference to anchor inflation at the midpoint of its target range. South Africa finds itself in a weak economic and lower inflationary environment with headline inflation edging up slightly to 4.10%, in line with expectations. The rand continued to weaken by 0.98% for the quarter.

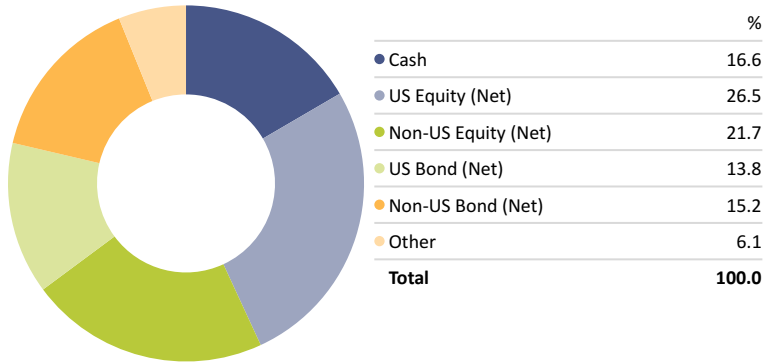
Locally, bond markets delivered decent returns as the ALBI returned 3.81% during the quarter while inflation-linked instruments were also positive, albeit very marginally (0.33%). The best performing fixed income asset class was the long-end of the yield curve (+12 years) which delivered 4.00%. Cash (STeFI) returned 1.77%, underperforming preference shares which returned a healthy 6.25%. Property (ALPI) was uncharacteristically positive with a 1.25% return over the quarter.

Global markets rallied over the period, rebounding from the previous quarter's sell-off. Markets in almost all regions bounced back from a tough Q4 as central banks adopted a more accommodative stance and concerns over the China-US trade war ease slightly.

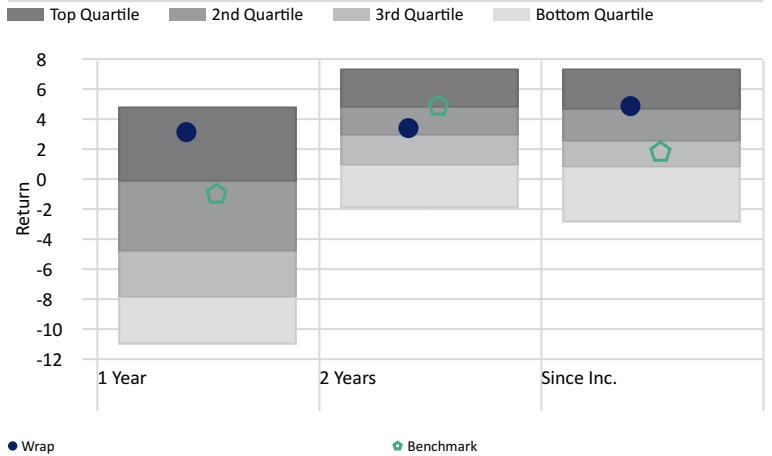
Developed market equities bounced back during the quarter, returning 11.88% in US dollar terms (12.97% in rand) and outperforming emerging market equities which delivered 9.57% in USD (10.65% in rand). The Fed kept rates unchanged (target range 2.25% - 2.5%) with no hikes expected for the rest of the year as the global economy slows. The Bank of England continued to hold interest rates at 0.75% as uncertainty around Brexit persists. The ECB also kept interest rates unchanged at 0% as global growth concerns remain. This was in line with expectations.

Asset Allocation

Portfolio Date: 30/04/2019



Quartile Peer Group Ranking



Risk Statistics

Time Period: 01/05/2017 to 30/04/2019	Wrap	BM
Alpha	-1.57	0.00
Sharpe Ratio (arith)	-0.05	0.14
Std Dev	6.43	8.51

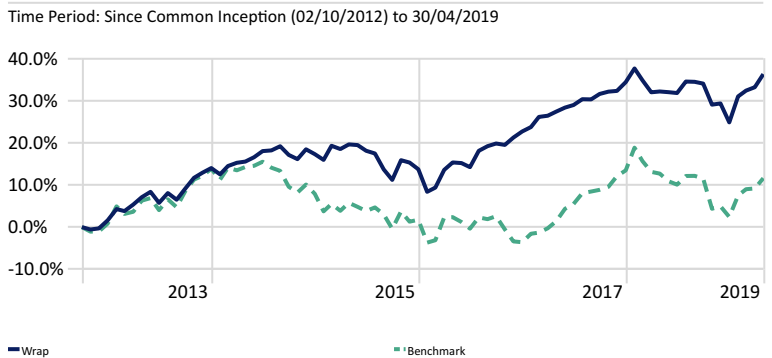
Manager Allocation

Portfolio Date: 30/04/2019
Nedgroup Inv Global Flexible FF B2
Glacier Global Stock FF B
Coronation Global Cap. Plus [ZAR] FF P
Prescient Global Income Provider FF A2
Nedgroup Inv Global Cautious FF B2
Investec Global Strategic Managed FF H

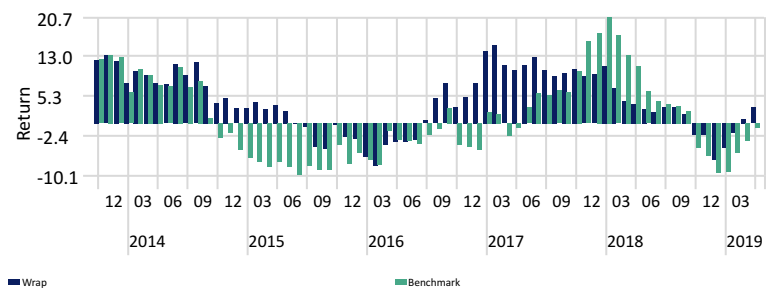
Performance Summary

As of Date: 30/04/2019	1M	3M	6M	1Y	2Y	Since Inc.
Wrap	2.32	4.03	5.60	3.11	3.43	4.81
Benchmark	2.22	3.82	6.93	-0.97	4.90	1.68

Cumulative Investment Growth



Rolling Returns - 1 year



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.