

Wealth Manager Accelerator Wrap



As of 2020/04/30

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

South Africa ended 2019 in recession as GDP declined 1.4% in Q4. The market expected a decrease of 0.1% following the 0.8% decline in Q3. This was a result of the rolling blackouts which impacted seven out of ten industries. Transport, storage & communication decreased 7.2%, trade, catering and accommodation contracted 3.8%, forestry and fishing dropped 7.6% and construction declined 5.9%. Business confidence reached a record low of 20, the lowest level in over two decades. The coronavirus pandemic has spread and SA has been downgraded to junk status by Moody's. Things have not been this bleak since the 2008 global financial crisis.

The SA market plunged in Q1. The All Share lost 21.38% as concerns grew over the impact of the coronavirus pandemic on our already struggling economy. The sell-off was led by mid- and small-cap counters, which shed 35.57% and 32.55%. Large-caps returned -19.17%. Financials was the worst-performing sector returning -39.48%, followed by Resources which declined 25.27%. SA Industrials (including dual listed companies) lost 8.44%.

The SARB cut the repo rate by 100bps in March, after a 25bps cut earlier this year, in response to the impact of the outbreak and spread of Covid-19 on our struggling economy. Inflation remained well within the central bank's target band, increasing to 4.6%. The cost of food and non-alcoholic beverages rose the most while transport costs slowed. The rand weakened 27.52% against the US dollar, 19.37% against the British pound and 25.65% against the euro.

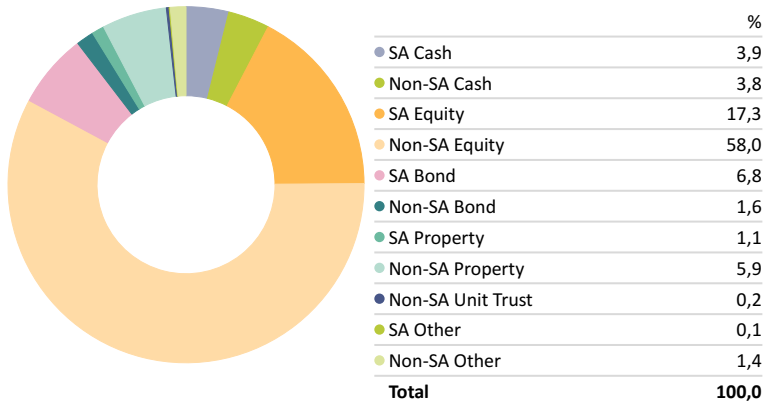
Locally, bond markets delivered dismal returns. The ALBI returned -8.72% while inflation-linked instruments shed 16.82%. The best-performing fixed income asset class was in the short-end of the yield curve (1-3 years) which delivered 1.22%. Cash (STeFI) returned 1.69%. Preference shares lost 30.41%. Property was the worst performer shedding 48.07%.

Global markets fell sharply in base-currency terms as the coronavirus spread as investors sought perceived 'safe-haven' assets. Returns in rand terms were mixed as the rand weakened against major currencies.

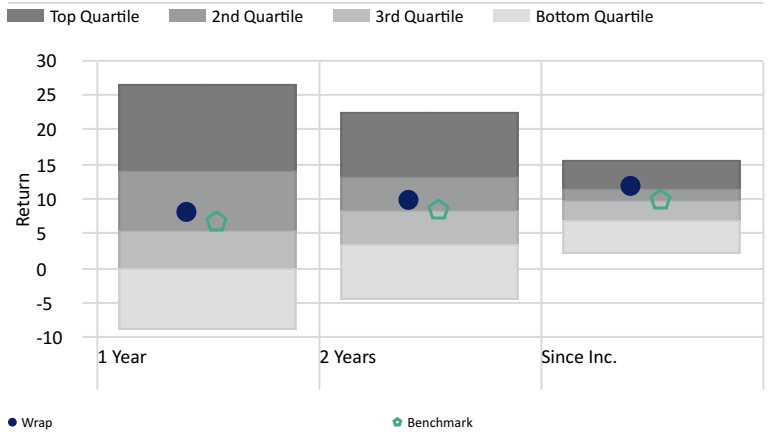
Emerging market equities lagged developed market counterparts as sentiment towards EMs turned negative and the greenback strengthened. Emerging market equities lost -23.87% in USD (-2.92% in rand) and developed market equities shed 21.44% in USD (gaining 0.18% in rand). The Fed cut interest rates by 100bps to 0-0.25%, its second cut this year. It also announced unlimited quantitative easing to insulate the economy against a severe economic downturn caused by Covid-19. The ECB kept interest rates unchanged at 0% and launched a €750billion quantitative easing program to counter the risks posed by Covid-19. The Bank of England cut rates twice this year, reaching an all-time low of 0.1%, to cushion the economy in response to Covid-19.

Asset Allocation

Portfolio Date: 2020/04/30



Quartile Peer Group Ranking



Risk Statistics

Time Period: 2018/05/01 to 2020/04/30

	Wrap	BM
Alpha	1,40	0,00
Sharpe Ratio (arith)	0,20	0,10
Std Dev	14,07	13,27

Manager Allocation

Portfolio Date: 2020/04/30

- Coronation Optimum Growth P
- Glacier Global Stock FF B
- Foord Flexible FoF B2
- Nedgroup Inv Global Equity FF B2
- Truffle SCI Flexible C
- Laurium Flexible Prescient B4
- PSG Flexible M
- Catalyst Gbl Real Estate Prescient FF B

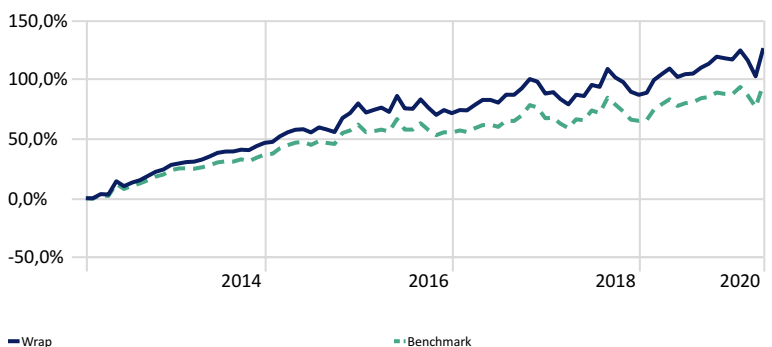
Performance Summary

As of Date: 2020/04/30

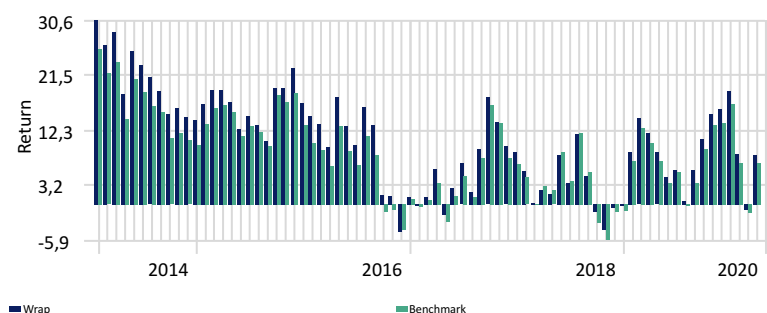
	1M	3M	6M	1Y	2Y	Since Inc.
Wrap	11,71	0,85	3,29	8,23	10,01	12,11
Benchmark	10,85	1,13	3,65	6,87	8,49	9,92

Cumulative Investment Growth

Time Period: Since Common Inception (2013/02/02) to 2020/04/30



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.

Source: Morningstar Direct