

# Wealth Manager Global Moderate Aggressive Wrap



As of 30/04/2021

**Investment Manager:** Jonathan Moodie  
**Investment Consulting:** Glacier Discretionary Fund Management  
**Benchmark:** Global MA High 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

South Africa's GDP grew by 1.5% in the last quarter of 2020 – softer than the previous quarter's 13.5% as domestic activity slowed – resulting in an annualised growth rate of 6.3%. Eight of the ten sectors experienced an increase in output with manufacturing (21.1%), trade (9.8%), transport (6.7%) and construction (11.2%) being the biggest drivers of growth. Despite this growth, industries have a long way to go before attaining pre-pandemic production levels. Overall, the economy slumped 7% during 2020 – primarily driven by decreases in manufacturing, trade, catering and accommodation and transport, storage and communication.

The South African market delivered a decent return in Q4. The All Share Index gained 13.14%, led by small caps which advanced 21.22%. Large- and mid-caps followed suit, returning 13.19% and 9.36%. Resources was the best-performer returning 18.70%, while Industrials and Financials delivered 13.38% and 3.84%. SA Industrials (including dual listed companies) returned 12.95%.

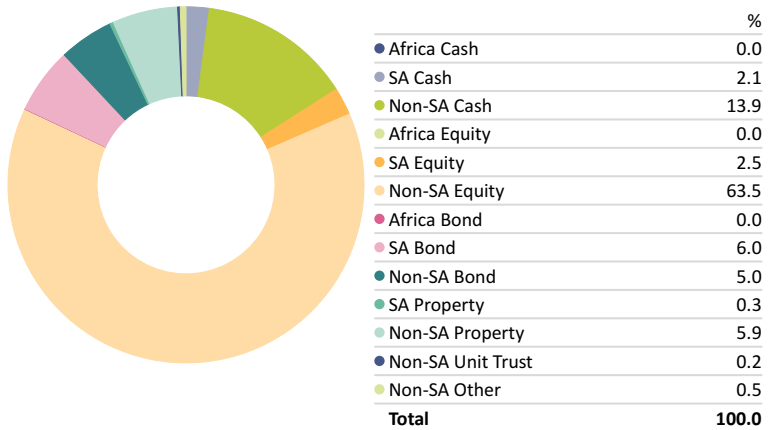
The SARB kept rates unchanged at 3.50% in March as widely expected. Policymakers indicated that risks to the growth outlook appear balanced while overall risks to the inflation outlook are to the downside in the short term while balanced over the medium term. Inflation reached 2.9%, to the lower end of the central bank's target band and below market expectations. The rand weakened 0.56% against the US dollar and 1.42% against the British pound while strengthening 3.44% against the euro.

Locally, bond markets delivered dismal returns. The ALBI returned -1.74% however inflation-linked instruments gained 4.11%. The best-performing fixed income asset class was in the short-end of the yield curve (1-3 years) which delivered -0.18% while the long end of the yield curve (12+ years) lost 1.75%. Cash (STeFI) returned 0.90% and preference shares advanced 2.06%. Property, the best performer, gained 8.05%.

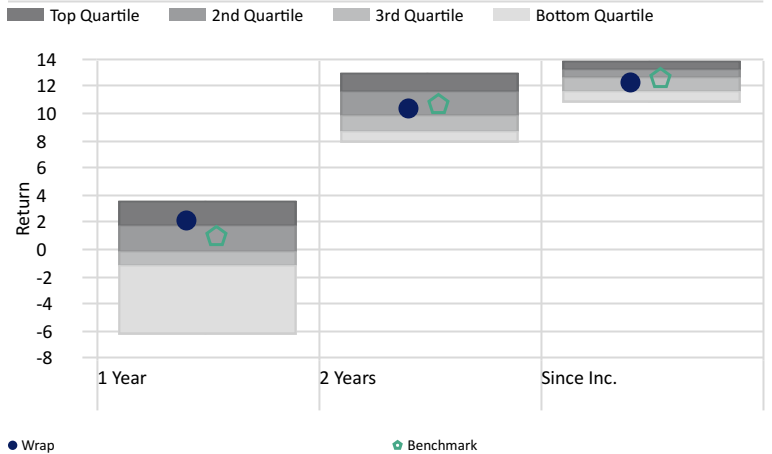
The risk-on environment continued – local equities continued to rally. In contrast, local bonds sold off notwithstanding all the positive news – lower than expected inflation, a reduction in the size of government bond weekly auctions, a lower than expected budget deficit and a stronger rand. Developed market equities outperformed their emerging market counterparts. They rose 4.52% in US dollar terms (5.11% in rand). Emerging market equities gained 1.95% in USD (adding 2.52% in rand). Meanwhile, global bonds lost 4.46% in US dollar terms (3.92% in rand). The Fed kept interest rates unchanged at 0-0.25%, in line with market expectations. While no rate hikes are expected through to 2023, the Fed will continue its asset purchases. Similarly, the ECB and Bank of England kept rates unchanged at 0% and 0.1%. The ECB indicated it would embark on emergency bond purchases during the second quarter in an effort to support economic recovery and lower government bond yields.

## Asset Allocation

Portfolio Date: 30/04/2021



## Quartile Peer Group Ranking



## Risk Statistics

Time Period: 01/05/2019 to 30/04/2021	Wrap	BM
Alpha	-0.35	0.00
Sharpe Ratio (arith)	0.51	0.57
Std Dev	12.15	10.88

## Manager Allocation

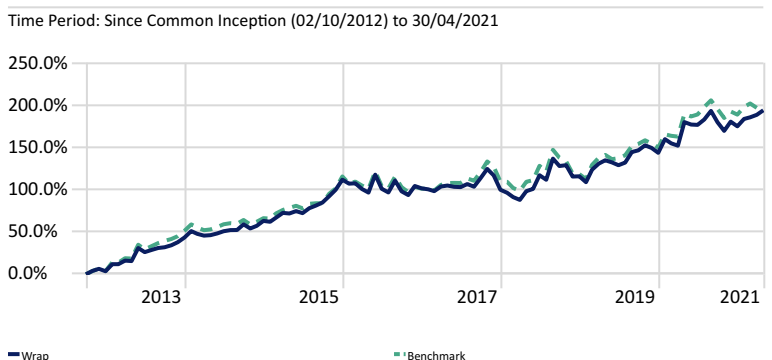
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- Old Mutual Global Equity B1
- Allan Gray - Orbis Global Equity FF
- Nedgroup Inv Global Equity FF B2
- Prescient Global Income Provider FF A2
- Coronation Global Managed [ZAR] FF P
- Catalyst SCI Global Real Estate FF B
- Satrix S&P 500 ETF
- Satrix Nasdaq 100 ETF
- Ninety One Global Multi-Asset Inc FF H

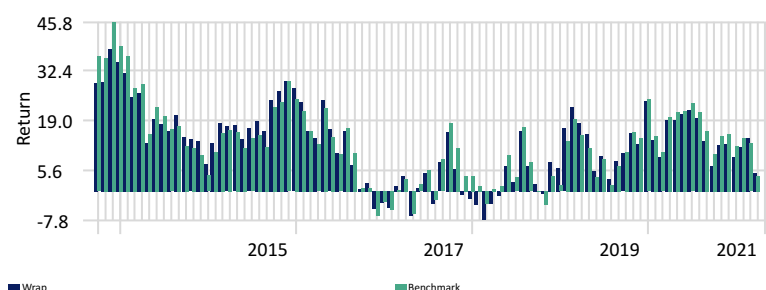
## Trailing Returns

Data Point: Return	Calculation Benchmark: (ASISA) Global MA High Equity					
	1M	3M	6M	1Y	2Y	Since Inc
Wrap	1.85	3.60	9.03	4.99	11.87	13.00
Benchmark	1.77	1.39	6.03	4.26	11.90	8.83

## Cumulative Investment Growth



## Rolling Returns - 1 year



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