

# Wealth Manager Moderately Aggressive Wrap



As of 2021/07/31

**Investment Manager:** Jonathan Moodie  
**Investment Consulting:** Glacier Discretionary Fund Management  
**Benchmark:** (ASISA) SA MA High Equity Average  
**Inception Date:** 01 March 2011  
**Wrap Fund Fees:** 50bps per annum (the fee excludes underlying Collective Investment Fees)



## Mandate Description

The primary objective of this portfolio is to achieve a return in excess of the average fund in the MA High Equity category. To achieve this, the portfolio will have a maximum exposure of 75% to risky assets (equity and property). The remainder of the portfolio will be invested in cash, bonds and foreign assets (limited to 30%). The portfolio uses fund managers with a proven ability to protect capital in times of market distress, while maintaining sufficient exposure to growth assets to achieve the target return. The portfolio is Regulation 28 compliant.

## Quarterly Comments

South Africa's GDP expanded by 1.1% in the first quarter of 2021 (which translates to an annualised growth rate of 4.6%). This is modestly lower than the downwardly revised 1.4% growth recorded in the last quarter of 2020. Eight of the ten industries ended the quarter higher, while two industries lagged – electricity, gas & water (-2.6%) and agriculture (-3.2%). Mining (+18.1%), finance (+7.4%) and trade (+6.2%) were the biggest drivers of growth on the production side. While spending on clothing & footwear was the highest at 22% on the expenditure side.

South African equity markets had a disappointing quarter as the All Share Index gained a meagre 0.05% with Resources (-5.09%) being the leading detractor. In contrast, Financials and Industrials returned 7.53% and 5.50%. Owing to the strength of the rand, large-caps were down 0.84% while mid-caps and small caps gained 5.92% and 8.01%.

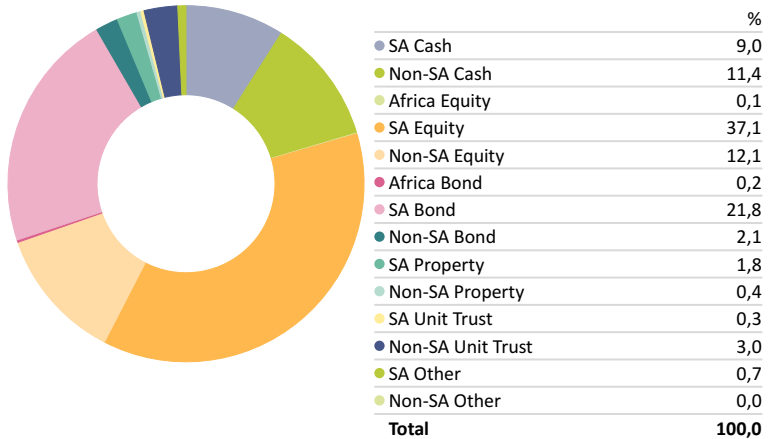
The SARB kept interest rates unchanged at 3.50% in May as widely expected, on a unanimous vote. The bank indicated that risks to the growth outlook appear balanced while overall risks to inflation are now appearing to be more to the upside. The bank further cited slow vaccination progress, limited energy supply and policy uncertainty as key challenges for economic growth. The rand continued to strengthen over the quarter by 3.40% against the US dollar and 3.01% against the British pound and 2.32% against the euro.

Locally, the bond market delivered some decent gains over the quarter with the ALBI gaining 6.86% with most of the returns coming from the longer end of the curve as long-term yields retreated. The 12 year+ area was up 10.09%, followed by the 7-12-year area which was up 6.65%. The front end of the curve was rendered softer returns as the 3-7 year and 1-3-year areas rose 2.01% and 1.40%. Inflation-linkers were up 3.19%. Cash (STeFI) delivered a marginal gain of 0.92% while preference shares gained 3.81%. Property was the best-performing asset class, gaining 11.14%.

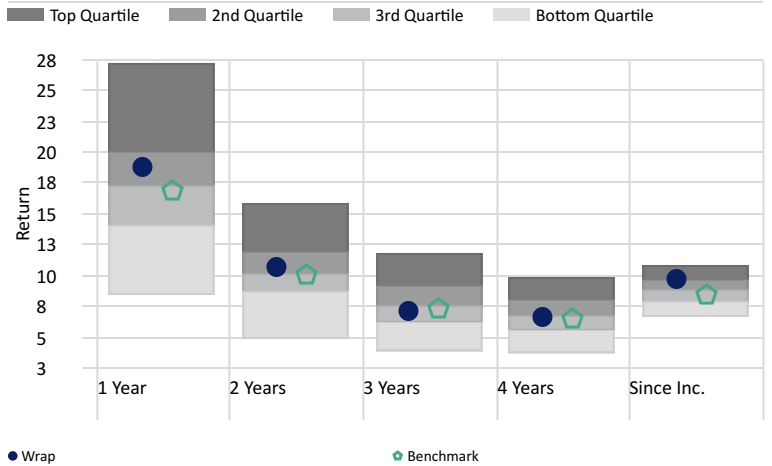
Developed market equities continued to outperform their emerging market (EM) counterparts. The MSCI Developed World rose 7.31% in US dollar terms (3.66% in rand) while the MSCI Emerging Markets gained 4.42% in US dollar terms (0.87% in rand). Global bonds rose 1.31% in US dollars, however they continued to weaken in rand terms (-2.13%). Rand strength played a meaningful role while inflation remained a key talking point in global markets. The Fed kept interest rates unchanged at 0-0.25%, in line with market expectations and maintaining its asset purchase program. Similarly, the ECB and Bank of England kept rates unchanged at 0% and 0.1%.

## Asset Allocation

Portfolio Date: 2021/07/31



## Quartile Peer Group Ranking



## Risk Statistics

Time Period: 2018/08/01 to 2021/07/31

	Wrap	BM
Alpha	-0,04	0,00
Sharpe Ratio (arith)	0,13	0,13
Std Dev	10,19	11,21

## Manager Allocation

Portfolio Date: 2021/07/31

- Prescient Balanced A2
- Ninety One Opportunity E
- STANLIB Absolute Plus B1
- Bateleur Flexible Prescient B1
- Laurium Flexible Prescient B4
- Allan Gray Balanced C
- Cadiz BCI Enhanced Income C

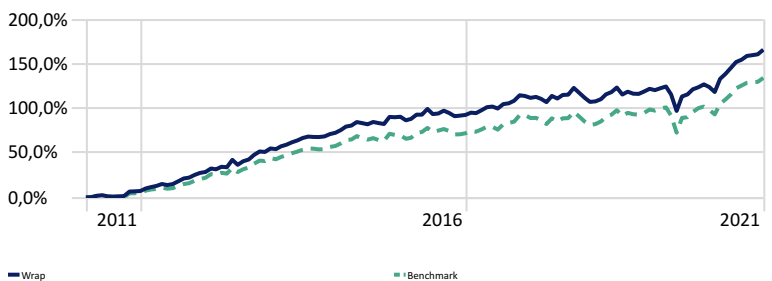
## Performance Summary

As of Date: 2021/07/31

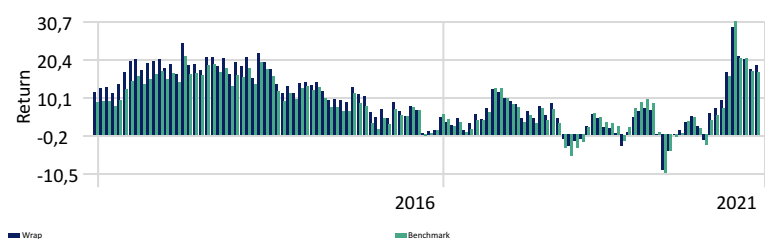
	1M	3M	6M	1Y	2Y	3Y	Since Inc.
Wrap	2,00	2,71	8,22	18,87	10,83	7,28	9,85
Benchmark	1,94	2,42	8,55	17,00	10,06	7,42	8,52

## Cumulative Investment Growth

Time Period: Since Common Inception (2011/03/01) to 2021/07/31



## Rolling Returns - 1 year



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