

# PRESCIENT OPTIMISED INCOME FUND - B1

## MINIMUM DISCLOSURE DOCUMENT

### INVESTMENT AND RETURN OBJECTIVE

The Fund aims to deliver returns that exceed the after-tax returns of money market funds. It is managed conservatively and it aims to maintain capital stability and liquidity.

### INVESTMENT PROCESS

The Fund invests predominantly in local listed shares which are fully protected by overlay strategies provided by South African Banks and/or Life Assurance Companies, that at the time of investment hold a minimum national scale rating of at least A, as well as money market instruments to meet liquidity requirements. The Fund's income is largely derived through dividends received from the listed counters. The Fund's price remains constant at 100c and income, in the form of dividends, is declared daily and distributed monthly.

### WHO SHOULD INVEST

Investors seeking a liquid, low risk money market offering, with enhanced after tax yields.

### RISK INDICATOR DEFINITION

Although this portfolio holds dividend paying equities it has no effective equity exposure as the market risk of the equities is fully protected by South African Banks and/or Life Assurance Companies, that at the time of investment hold a minimum national scale rating of at least A. This results in stable capital values. The portfolio offers an attractive and stable income yield after tax.

### RISK INDICATOR



ANNUALISED PERFORMANCE (%)			RISK AND FUND STATS		
	Fund	Return Target	Since inception (p.a.)		
			Fund	Return Target	
1 year	6.30	6.16			
Since incep.	6.40	6.29	Alpha	0.11%	
Highest rolling 1 year	6.52	6.40	Standard Deviation	0.07%	0.06%
Lowest rolling 1 year	6.30	6.16	% Positive Months	100.00%	

TOP 10 DIVIDEND PAYERS		ASSET ALLOCATION	
	% of Fund		
Mondi Limited	8.6	<p>Cash &amp; Money Market 19.8%</p> <p>Listed Protected Equity 80.2%</p>	
Telkom SA SOC Ltd.	8.4		
Exxaro Resources Limited	8.1		
Astral Foods Limited	7.6		
Reunert Limited	7.1		
MTN Group Limited	6.3		
Mondi plc	6.1		
African Rainbow Minerals Ltd	5.5		
Caxton & CTP Publishers & Printers Ltd	4.6		
Tsogo Sun Holdings Limited	4.3		
<b>Total</b>	<b>66.6</b>		

### CURRENT YIELD

The current net Fund yield after annual management fees, distribution fees and tax is 5.96%.

30 JUNE 2018

### ABOUT THE FUND

**Fund manager:**  
Meyer Coetzee

**Fund classification:**  
South African - Multi Asset - Flexible

**Benchmark:**  
STeFI Call after statutory tax, net of fees

**Return Target**  
92% of STeFI Call after statutory tax and the Total Investment Charge (TIC)

**Fund Size:**  
R717.3 m

**No of units:**  
630,504,573

**Unit price:**  
100.00

**Inception date:**  
31 March 2016

**Minimum Investment:**  
R50 000 lump-sum

**Income distribution:**  
Monthly

**Initial Fee:**  
0.00%

**Annual management fee:**  
0.87% (excl VAT. incl. 0.25% distribution fee)

**Fund Class:**  
B1

### Fee breakdown:

Management Fee	0.87%
Performance Fees	0.00%
Other Fees*	0.27%
<b>Total Expense Ratio (TER)</b>	<b>1.14%</b>
<b>Transaction Costs (TC)</b>	<b>0.41%</b>
<b>Total Investment Charge (TIC)</b>	<b>1.55%</b>

\*Other fees includes underlying fee (where applicable): Audit Fees, Custody Fees, Trustee Fees and VAT



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## DISCLAIMER

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. During the phase in period TERs do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction cost is a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

Where a current yield has been included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change.

The Manager retains full legal responsibility for any third-party-named portfolio. Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 13:00 (SA), to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut-off time, Prescient shall not be obliged to transact at the net asset value price as agreed to. Money Market Funds are priced at 1pm, all other Funds are priced at either 3pm or 5pm depending on the nature of the Fund. Prices are published daily and are available on the Prescient website.

Performance has been calculated using net NAV to NAV numbers, including actual initial and all ongoing fees, with income reinvested on the reinvestment date. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the manager on request.

For any additional information such as fund prices, brochures and application forms please go to [www.prescient.co.za](http://www.prescient.co.za)

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## GLOSSARY

**Annualised performance:** Annualised performance show longer term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.

**Highest & Lowest performance:** The highest and lowest performance for any 1 year over the period since inception have been shown.

**NAV:** The net asset value represents the assets of a Fund less its liabilities.

**Current Yield:** Annual income (interest or dividends) divided by the current price of the security.

**Alpha:** Denoted the outperformance of the fund over the benchmark.

**Standard Deviation:** The deviation of the return stream relative to its own average.

**% Positive Month:** The percentage of months since inception where the Fund has delivered positive return.

## CONTACT DETAILS

### Management Company:

Prescient Management Company (RF) (Pty) Ltd., **Registration number:** 2002/022560/07 **Physical address:** Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 **Postal address:** PO Box 31142, Tokai, 7966 **Telephone number:** 0800 111 899 **E-mail:** info@prescient.co.za **Website:** www.prescient.co.za

### Trustee:

Nedbank Investor Services, **Physical address:** 2nd Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709 **Telephone number:** +27 11 534 6557 **Website:** www.nedbank.co.za

The Management Company and Trustee are registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). Prescient is a member of the Association for Savings and Investments SA.

### Investment Manager:

Prescient Investment Management (Pty) Ltd, Registration number: 1998/023640/07 is an authorised Financial Services Provider (FSP 612.0) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No.37 of 2002). Please be advised that there may be representatives acting under supervision. **Physical address:** Prescient House, Westlake Business Park, Otto Close, Westlake 7945 **Postal address:** PO Box 31142, Tokai 7966 **Telephone number:** +27 21 700 3600 **Website:** www.prescient.co.za

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