

# Absa AAM Multi-Strategy Prescient RI Hedge Fund

## Minimum disclosure document – Month ended 31 January 2024

### Fund details

Fund details	
Industry category	SA Portfolios - Multi-Strategy Hedge Funds
Benchmark	STeFI Composite
Fund launch date	03 March 2017
Fund Size	R16.09Million
JSE code	N/A
Fund Manager	Nafees Hossain, St John Bunkell
Asset Manager	Absa Alternative Asset Management (Pty) Ltd
Minimum lump sum	R 25,000
Minimum Monthly	R 1000
Establishment of CIS	03/03/2017
Number of units	127632.87
Unit Price	115.4561 cpu
Issue Date	15 February 2024

Income distributions - cents per unit (cpu)	
	Class D
Annually ended 31 Mar 2023	6.00 cpu
Income declaration	March (Annually)
Income distributions	31 March 2023

Fees and Cost ratio (VAT incl.)		
Fees		Class D
Initial Fees:	Absa:	0.0%
	Adviser:	0.0%
Annual Fees:	Management:	1.150%
	Adviser:	0.0%
Performance Fee:		15.00%

Costs (annual, based on period shown)		Class D
For the period to 31/01/2024, from:		01/02/2021
Total expense ratio (TER):		0.47%
Transaction costs (TC):		1.27%
Total investment charges (TER+TC):		1.74%

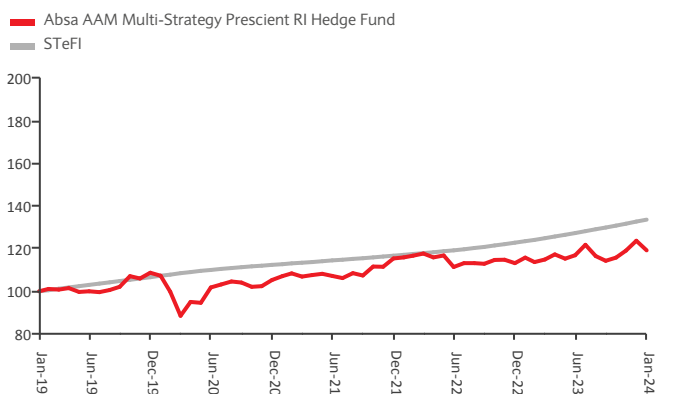
Please refer to Disclosure section on next page for further information on Fees and Costs

Performance			
Performance: annualised total returns (%)			
Term	Class D	Benchmark	
Launch	4.57	6.35	
1 Year	2.94	8.18	
3 Year	3.62	5.82	
5 Year	3.58	5.96	

Performance Yearly returns (%)							
Year ending:	Jan'24	Jan'23	Jan'22	Jan'21	Jan'20	Jan'19	Jan'18
Class D	2.94	-0.09	8.18	-0.20	7.35	0.02	-
Benchmark	8.18	5.46	3.85	5.11	7.27	7.25	-

Please refer to Disclosures section on next page for further information on calculation methodology and source of all performance data content (tables and/or charts) of this MDD

### Cumulative performance (5 years)



The chart reflects the value (monthly data points) of a R100 investment made on the 01/02/2019

### Fund objectives

The objective of the portfolio is to achieve long-term real capital growth in the value of assets, denominated in Rands. The Fund seeks to deliver STeFI call +6% over any rolling 12-month period. The Fund aims to produce active alpha by exploiting market inefficiencies regardless of direction.

### Fund strategy

The fund targets positive returns in all market conditions. This is done by carefully selecting a range of strategies that target positive returns in all markets. The strategies are selected after thorough quantitative research and are constructed to complement one another. Performance of the various strategies will vary in different market conditions, with the combined portfolio benefitting from reduced volatility.

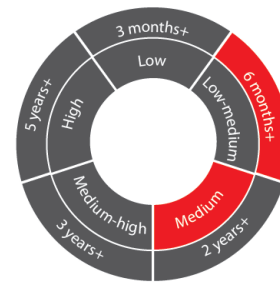
### Fund features

- The Fund typically will have a moderate to high equity exposure and will have exposure to offshore markets which may result in capital volatility over the short term.

### Fund specific risks

**Default risk:** The risk that the issuers of fixed income instruments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The issuers credit quality is vital. The worse the credit quality, the greater the risk of default and therefore investment fees.  
**Derivatives risk:** The use of derivatives could increase overall risk by magnifying the effect of both gains and losses in a fund. As such, large changes in value and potentially large financial losses could result.  
**Developing Market (excluding SA) risk:** Some of the countries invested in may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.  
**Foreign Investment risk:** Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macro-economic, political, tax, settlement risks and currency fluctuations.  
**Interest Rate risk:** The value of fixed income investments (e.g. bonds) tends to be inversely related to interest and inflation rates. Hence their value decreases when interest rates and/or inflation rises.  
**Property risk:** Investments in real estate securities can carry the same risks as investing directly in real estate itself. Real estate prices move in response to a variety of factors, including local, regional and national economic and political conditions, interest rates and tax considerations.  
**Currency Exchange risk:** Changes in the relative values of individual currencies may adversely affect the value of investments and any related income.  
**Geographic/Sector risk:** For investments primarily concentrated in specific countries, geographical regions and/or industry sectors, their resulting value may decrease whilst portfolios more broadly invested might grow.

### Risk profile and advisable minimum term

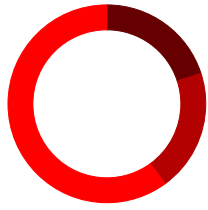


### Risk statistics

Class D	Since Inception (03 March 2017)	
Number of positive months		53/83
Highest 1 Year Performance	31/03/2021	20.8%
Lowest 1 Year Performance	31/03/2020	-12.2%



## Asset Allocation (%)



■ Cash  
■ CIS/Equities  
■ CFD\Derivatives

20.00%  
20.00%  
60.00%

The portfolio has adhered to its policy objectives over the period

## Quarterly Asset Allocation

AA Display	Q4 2023	Jan-24
Cash	20.00%	20.00%
CIS/Equities	20.00%	20.00%
CFD\Derivatives	60.00%	60.00%

## Quarterly fund commentary as at 31 December 2023

The Fund Commentary is provided on a quarterly basis and can be found on [www.absainvestmentmanagement.co.za](http://www.absainvestmentmanagement.co.za) under Unit Trusts Minimum Disclosure Documents. The latest quarterly commentary available is for the quarter ending 31 December 2023.

## Disclosures

**Highest and Lowest return:** The highest and lowest returns 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.

**Performance:** Performance is calculated for the portfolio/class of portfolios. Illustrative performance information is included for illustrative purposes only; individual investor performance may differ as a result of initial and ongoing fees, the actual investment date, the date of reinvestment and dividend withholding tax. All figures quoted are from Morningstar and/or IRESS, for the period ending 31/01/2024 (unless otherwise stated), calculated on a NAV to NAV basis, with income distributions reinvested on the ex-dividend date. Annualised figures refer to the average yearly return of an investment over a given time period, all actual annual figures (if not shown) are available on request.

**Collective Investment Schemes (CIS)** 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 TER's. During the phase in period TER's do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs related to the buying and selling of the Fund's underlying assets. Transaction costs are 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.

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, macro-economic 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 hedge fund applications are processed on a monthly basis. Your application form must be submitted to Prescient before 14h00, 2 (two) business days before the preceding month end. Redemptions are processed at the end of each month and we require a month's notice. In order to receive month end prices, your redemption instruction must be submitted before 14h00, 1 (one) business day of the preceding month end for processing at the end of the following month. 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.

Performance has been calculated using net NAV to NAV numbers with income reinvested. 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).

Prescient Management Company (RF) (Pty) Ltd is a registered Collective Investment Scheme Manager and a full member of the Association for Savings and Investment SA. This document is a Minimum Disclosure Document (MDD) in terms of the Advertising, Marketing and Information Disclosure requirements for Collective Investment Schemes published by the Financial Sector Conduct Authority. MDD issue date: 15 February 2024.

This portfolio operates as a white label fund under the Prescient RI Hedge Fund Scheme, which is governed by the Collective Investment Schemes Control Act 45 of 2002.



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**Investment Manager**

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