

PRESCIENT INCOME PROVIDER FEEDER ACTIVELY MANAGED ETF (A)

MINIMUM DISCLOSURE DOCUMENT & GENERAL INVESTOR REPORT

INVESTMENT AND RETURN OBJECTIVE

The Fund aims to return CPI + 3% per annum through a full interest rate cycle while providing stability by aiming never to lose capital over any rolling 3 month period. The investment objective of the Fund is to provide a medium whereby investors can obtain undivided participation in a diversified portfolio of income generating assets including preference and listed property shares, interest bearing stocks and financial instruments as defined from time to time. The primary performance objective of the Fund is to obtain as high a level of current income as is consistent with capital preservation and liquidity.

INVESTMENT PROCESS

This Fund invests in local and offshore money market, bonds, property, preference shares, inflation-linked bonds and derivatives to meet the investment objectives. Fund performance can be generated from taking interest rate views or duration, yield enhancement via credit instruments, asset allocation between income producing asset classes, offshore exposure and also via the use of derivatives.

WHO SHOULD INVEST

Investors seeking stable real returns and aiming to maximise income via exposure to primarily the South African Money and Bond markets. This Fund is suitable to investors with a short- to medium-term investment horizon and is Regulation 28 compliant.

RISK INDICATOR DEFINITION

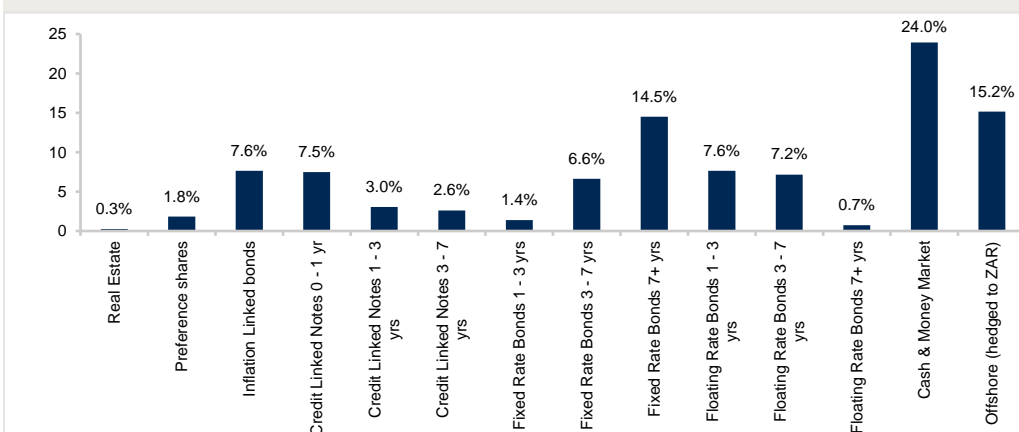
These portfolios typically have no or low equity exposure, resulting in higher interest yields and stable capital values with the probability of capital losses over the shorter term (3 months) highly unlikely. These portfolios typically target returns in the region of 1% – 3% above inflation before tax over the long term.

RISK INDICATOR



ANNUALISED PERFORMANCE (%)	CUMULATIVE PERFORMANCE
Not available - New Fund, data will be available 12 months after launch.	Not available - New Fund, data will be available 12 months after launch.
ANNUALISED PERFORMANCE (%)	RISK AND FUND STATS
Not available - New Fund, data will be available 12 months after launch.	Not available - New Fund, data will be available 12 months after launch.

FUND COMPOSITION



Prescient

INVESTMENT MANAGEMENT

30 JUNE 2024

ABOUT THE FUND

Fund Manager:

Prescient Cash and Income Team

Fund Classification:

South African - Multi Asset - Income

Legal Structure:

UCITS

Benchmark:

STeFi Call 110%

Exchange:

JSE

JSE Code:

PIPETF

ISIN:

ZAE000328407

Fund Size:

R282.7 m

No of Units:

27,877,203

Unit Price (cpu):

1,014.14

Inception Date:

31 December 2023

Initial Fee:

0.00%

Annual Management Fee:

0.40% (excl VAT)

Fee Class:

A

(All performance figures are net of TIC)

Liquidity Provider:

Prescient Securities (Pty) Ltd

Fee Breakdown:

New fund – data will be available 12 months after fund launch.

Income Distribution:

31 May 2024 - 15.12 cpu

30 April 2024 - 5.98 cpu

31 March 2024 - 5.84 cpu

29 February 2024 - 5.47 cpu

31 January 2024 - 6.27 cpu

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FUND MONTHLY RETURNS

Not available - New Fund, data will be available 12 months after launch.

FUND COMMENTARY

June witnessed a repricing of interest rates locally, spurred by a more favourable global backdrop for risk, which coincided with a market-friendly election outcome. As a result, the local nominal Bond index ended the month up more than 5%. The Fund was ahead of its benchmark for the month, delivering strong performance. On the global macro front, recent communication from Federal Open Market Committee (FOMC) participants acknowledged substantial progress toward the committee's two percent inflation target over the past year, despite firmer-than-expected inflation readings in recent months. While some participants highlighted the broad-based nature of these inflationary increases, caution was expressed regarding the potential influence of residual seasonality on early-year inflation data. The market has adjusted to anticipate further interest rate cuts in the US and South Africa, in line with the more favourable global macro backdrop.

Given the movement in the SA yield curve, we continue to favour floating rate exposure in the 3-year area of the yield curve, with our fixed rate exposure concentrated in the 10-year area, where we perceive the greatest value considering the associated risk.

The Fund forward yield remains attractive at 10.62%. The Fund has an interest rate duration of 1.46 years and a total Fund duration (including ILBs) of 1.80 years.

The Fund was ahead of its benchmark for the month. We saw good contributions from all components of the portfolio, notably the duration position of the portfolio. The current risk in the portfolio aligns with the Fund's risk objective, and we see the Fund well positioned to achieve its return objectives.

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GLOSSARY

Annualised performance: Annualised performance shows 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.

CPU: Cents Per Unit to the Glossary

Alpha: Denotes the outperformance of the fund over the benchmark.

Sharpe Ratio: The Sharpe ratio is used to indicate the excess return the portfolio delivers over the risk free rate per unit of risk adopted by the fund.

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.

Average Duration: The weighted average duration of all the underlying interest bearing instruments in the Fund.

Forward Yield: The Forward Yield is the expected combined income of the instruments in the portfolio over the next year expressed as a percentage of the current value of those instruments.

Fund Specific Risks

Default Risk: The risk that the issuers of fixed income instruments 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 loss.

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.

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.

Information Disclosure

The portfolio has adhered to its policy objective and there were no material changes to the composition of the portfolio during the quarter.

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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. CISs 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 relating 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.

A Feeder Fund is a portfolio that invests in a single portfolio of a collective investment scheme which levies its own charges, and which could result in a higher fee structure for the feeder fund.

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.

Exchange traded funds are listed on an exchange and may incur additional costs.

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.

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

Exchange Traded Funds vs Unit Trusts: Whilst both unit trusts and ETFs are regulated and registered under the Collective Investment Schemes Control Act, ETFs trade on stock exchanges just like any other listed, tradable security. Unlike a unit trust, which can be bought or sold only at the end of the trading day, an ETF can be traded intraday, during exchange trading hours.

For any additional information such as fund prices, brochures and application forms please go to www.prescient.co.za.

This portfolio operates as a white label fund under the Prescient ETF Scheme, which is governed by the Collective Investment Schemes Control Act.

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 South Africa.

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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:

Standard Bank of South Africa Limited (Registration number 1962/000738/06), **Physical address:** Standard Bank Centre, 5 Simmonds Street, Johannesburg, South Africa 2001 **Telephone number:** 0860 222 050 **Website:** www.standardbank.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) 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:** Block B, Silverwood, Silverwood Lane, Steenberg Office Park, Tokai, 7945 **Postal address:** PO Box 31142, Tokai 7966 **Telephone number:** +27 21 700 3600 **Website:** www.prescient.co.za

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