

PRESCIENT CORE GLOBAL EQUITY FEEDER FUND (A2)

MINIMUM DISCLOSURE DOCUMENT & GENERAL INVESTOR REPORT

INVESTMENT AND RETURN OBJECTIVE

The Fund aims to deliver returns close to the MSCI World Index Total Return at low cost. Although the Fund is structured similarly to the MSCI World Index, it is not a tracker fund and can out / underperform the MSCI World Index by small amounts over time.

INVESTMENT PROCESS

The Fund follows an investment policy which firstly endeavours to follow the composition of the MSCI World Index closely and secondly seeks enhancement opportunities to secure for investors an optimum overall return. The Fund can use derivatives to create exposure to the MSCI World Index or subsets thereof in a low cost and efficient manner.

WHO SHOULD INVEST

Investors who are seeking long term capital growth through diversified exposure to the global markets by investing in a fund with a low tracking error relative to the MSCI World Index and who are cost conscious.

RISK INDICATOR DEFINITION

These portfolios typically hold meaningful equity and/or offshore exposure which may result in significant capital volatility over all periods. Due to their nature expected long term returns are higher than for the other risk categories.

RISK INDICATOR



ANNUALISED PERFORMANCE (%)			CUMULATIVE PERFORMANCE	
	Fund	Benchmark		
1 year	32.13	32.31		
Since incep.	22.28	22.57		
Highest rolling 1 year	32.13	32.31		
Lowest rolling 1 year	9.89	9.33		

RISK AND FUND STATS (Since inception)			TOP 10 SHARES	
Since inception (p.a.)	Fund	Benchmark		% of Fund
Alpha	-0.29%		APPLE	4.7
Sharpe Ratio	1.29	1.26	MICROSOFT CORP	3.8
Standard Deviation	13.60%	14.26%	AMAZON.COM	2.4
Max Drawdown	-10.00%	-10.29%	TESLA	1.4
Dividend Yield	1.67%	1.68%	ALPHABET A	1.4
PE Ratio	24.23	24.04	ALPHABET C	1.3
			NVIDIA	1.3
			META PLATFORMS A	1.2
			JPMORGAN CHASE & CO	0.8
			HOME DEPOT	0.8
			Total	19.0

ASSET ALLOCATION		SECTOR ALLOCATION (%)			
		Fund	Benchmark	Relative	
	Equity	98.23%			
	Cash	1.77%			
	Communication Services	8.1	8.3	-0.2	
	Consumer Discretionary	12.0	12.3	-0.3	
	Consumer Staples	6.7	6.9	-0.2	
	Energy	3.0	3.1	-0.1	
	Financials	12.8	13.1	-0.3	
	Health Care	12.3	12.6	-0.3	
	Industrials	10.0	10.2	-0.3	
	Information Technology	23.1	23.7	-0.6	
	Materials	4.1	4.2	-0.1	
	Real Estate	2.7	2.8	-0.1	

Prescient

31 DECEMBER 2021

ABOUT THE FUND

Fund Manager:
Equities Team

Fund Classification:
Global - Equity General

Benchmark:
MSCI Daily TR Net World (ZAR)

JSE Code:
PREFA2

ISIN:
ZAE000269460

Fund Size:
R53.3 m

No of Units:
9,077,793

Unit Price (cpu):
165.01

Inception Date:
30 April 2019

Minimum Investment:
R10 000 lump-sum
R1 000 per month

Income Distribution:
31 March 2021 - 1.77 cpu

Initial Fee:
0.00%

Annual Management Fee:
0.23% (incl VAT)

Fee breakdown:

Management Fee	0.20%
Performance Fees	0.00%
Other Fees*	0.64%
Total Expense Ratio (TER)	0.84%
Transaction Costs (TC)	0.00%
Total Investment Charge (TIC)	0.84%

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

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FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019					-3.84%	2.49%	2.01%	3.83%	2.33%	1.72%	0.23%	-2.08%	6.64%
2020	6.88%	-5.27%	1.10%	12.48%	-0.04%	1.43%	2.64%	6.63%	-4.18%	-6.08%	7.04%	-1.41%	21.33%
2021	2.24%	2.75%	0.65%	2.60%	-3.92%	5.81%	4.68%	0.64%	0.27%	5.58%	4.37%	2.94%	32.13%

FUND COMMENTARY

December brought a strong end to what has been a fruitful year for most global equity markets with major indices at or close to their all-time highs. The MSCI World Index closed the month up an impressive +4.27%. This, despite the uncertainty caused by rising inflation fears and the rapid spreading Omicron variant brought global index performance for the final quarter to +7.77%, and a remarkable +21.82% for the year. In the US, the S&P 500 Index similarly delivered impressive returns, up +4.48% for the month, +11.03% for the quarter and a massive +28.71% for the year. European equity market returns were broadly speaking less pronounced however still firmly in the green. The Eurostoxx Index returned, +5.58%, 3.84% and 12.18% in US dollars respectively for the month, quarter, and calendar year. The major markets in the east – which make up approximately half of the MSCI Emerging Market Index – went against this tide. Most notably China where regulatory crackdowns, a struggling property sector and lower economic growth expectations have precipitated the lacklustre performance. Although the CSI 300 Index returned +2.38% for December and +2.94% for the quarter, the final print for the 2021 calendar year was -2.65% in US dollars. Japan's Nikkei 225 Index despite upgraded economic expectations for the final quarter of 2021 returned +1.63%, -5.42% and -5.96% for the month, quarter, and calendar year respectively in US dollars. The broader emerging market performances were mixed and ultimately the negative contribution from China coupled with a resilient US dollar saw the MSCI Emerging Market Index deliver +1.88% for the month, -1.31% for the quarter and -2.54% for the 2021 calendar year.

Local equity indices performances for December were primarily driven by Financials and Resources which were up +8.89% and +5.53% respectively. Resources and Industrials had a particularly strong quarter, up +22.19% and 16.45% for the quarter.

The MSCI Daily TR Net (ZAR) Index closed the month up +3.95%. The Prescient Core Global Equity Feeder Fund was behind the benchmark, up +2.97% (gross of fees) for the month.

Contributors to Performance

The positions that contributed most to the absolute performance of the fund for the month were APPLE (+7.42%), UNITEDHEALTH GROUP (+13.41%), and BROADCOM (+20.95%).

Detractors from Performance

The largest detractors from the month's absolute performance were AMAZON.COM (-4.93%), NVIDIA (-9.98%), and TESLA (-7.69%).

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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.

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.

Max Drawdown: The maximum peak to trough loss suffered by the Fund since inception.

Dividend Yield: The weighted average dividend yield of all the underlying equity in the Fund. The dividend yield of each company is the dividends per share divided by the price.

PE Ratio: The weighted average price earnings ratio of all the underlying equity in the Fund. The price earnings ratio of each company is the price divided by the earnings per share.

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.

Foreign Investment risk: Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, 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.

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.

Derivative counterparty risk: A counterparty to a derivative transaction may experience a breakdown in meeting its obligations thereby leading to financial loss.

Liquidity risk: If there are insufficient buyers or sellers of particular investments, the result may lead to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than expected.

Equity investment risk: Value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. bankruptcy), the owners of their equity rank last in terms of any financial payment from that company.

Information Disclosure

The portfolio has adhered to its object and there were no material changes to the composition of the Fund 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. 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. 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.

Please refer to <https://www.prescient.co.za/data-and-price-information-service-provider-disclaimer> for all Data and Price Information Source Disclaimers.

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

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Trustee:

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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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