

FUND OBJECTIVE & STRATEGY

The CGAM SA Balanced Prescient Fund is Regulation 28 compliant, investing in a balanced portfolio of South African asset classes. The Fund aims to provide medium to long-term capital growth ahead of inflation and its peer group. The Fund aims to achieve these objectives through an active approach to asset allocation, and via superior security selection. Fundamental analysis, a valuation discipline and a belief that inefficient markets create opportunities in mispriced assets underpin both our asset allocation and security selection process.

FUND INFORMATION

Portfolio Managers:	Andrew Vincent & Grant Morris
Inception Date:	10 July 2023
Fund Size:	R242.3 million
Unit Price:	104.68 cents
ASISA Category:	South African Multi-Asset High Equity
Benchmark:	CPI + 2%
Min Lump Sum:	R10 000
Min Monthly Investment:	R1 000
Issue Date:	01 December 2023
ISIN:	ZAE000323598
JSE Code:	NCFCB1

WHO SHOULD INVEST

The Fund is an ideal wealth creation vehicle for investors with a medium to long-term investment horizon.

RISK INDICATOR

Generally, these portfolios hold more equity exposure than lower risk profiled portfolios. These portfolios therefore tend to carry more volatility. Expected potential long-term returns could be higher than other risk profiles, in turn potential losses of capital could be higher.

LOW	LOW - MED	MED	MED - HIGH	HIGH
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NET PERFORMANCE (ANNUALISED) AT 30 NOVEMBER 2023

Performance will be available after one year.

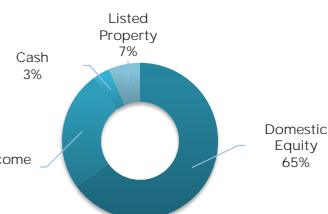
TOP 15 SA EQUITY HOLDINGS

ABSA	Naspers
Adcock Ingram	Old Mutual
AECI	Reunert
African Rainbow Minerals	Sasol
Anglo American	Standard Bank
British American Tobacco	Foschini Group
Firstrand	Truworths
MTN	

The Top 15 holdings make up 45% of the total fund.

FUND ASSET ALLOCATIONS

Asset Class	%
Domestic Equity	65.1%
Fixed Income	25.0%
SA Cash	3.4%
Listed Property	6.5%

**DISTRIBUTIONS**

Distribution Frequency	Annually
Distribution Date	01 April
Last Distribution	n/a - new fund

FEE STRUCTURE

TER, TC and TIC figures are not available due to this being a new Fund. These will be available a year after inception.

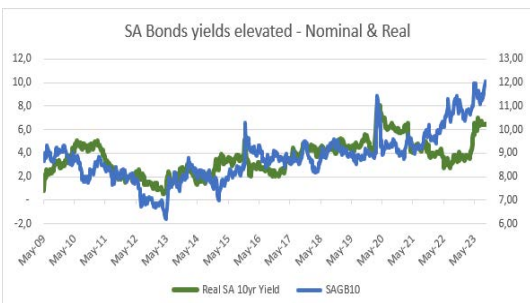
	Class B1	Class B2
TER		
Annual Management Fee (excl. VAT)	0.90%	0.75%
Other Cost	0.00%	0.00%
VAT	0.00%	0.00%
Total Expense Ratio (incl. VAT)	0.90%	0.75%
Transaction Costs (incl. VAT)	0.00%	0.00%
Total Investment Charge (incl. VAT)	0.90%	0.75%

QUARTERLY COMMENTARY | SEPTEMBER 2023

The CGAM SA Balanced Prescient Fund was launched in July 2023.

We have long articulated the ever expanding opportunity set in South African equities – clearly there are a plethora of reasons for the material de-rating of many companies, including but not limited to the difficult global and local economic backdrop, the ever weakening currency, rising interest rates and the operational impediments caused by loadshedding. Regardless of the near term challenges, we believe we have identified numerous good companies, of all sizes, that can grow their earnings over time, and are trading at appetising prices. We view the prospective returns these companies can generate as being very attractive. As witnessed in previous cycles, we are of the view that current valuation multiples will not persist for too long – if they do, history has taught us that more companies will find themselves the targets of buy-outs and join the ranks of the recently delisted – an enticing prospect for current shareholders, and a theme for which we believe we are well placed. The CGAM SA Balanced Prescient Fund holds a healthy allocation to South African equities.

Away from equities, as illustrated in the chart below, nominal South African fixed income yields remain stubbornly elevated, dwarfing those experienced in recent major crises, namely Nenegate in 2015 and the Covid crisis in March 2020. Much like the equity market, the South African issues of the day have driven yields to current levels. Real bond yields are nearing 7%, a level rarely witnessed. Our view remains that yields are too high – inflation continuing to subside from current levels is likely to be the catalyst for yields declining. The running yield on bonds is attractive on its own – these have the potential to be augmented by additional capital growth as yields decline.



Whilst South African investors have of late grown accustomed to extremes in our capital markets, we believe these real yields, punitive on so many levels, offer an attractive investment opportunity. The fund continues to be well exposed to fixed income assets.

The combination of an attractive equity and fixed income opportunity set leads us to believe the CGAM SA Balanced Prescient Fund is well placed to deliver on its investment objective of real returns to investors over sustained periods.

The current asset allocation is as follows:

Fund Asset Allocation	Q3 2023	Q2 2023
Domestic Equity	67%	0%
Fixed Income	22%	0%
SA Cash	5%	0%
Listed Property	5%	0%

The Fund has adhered to its policy objective.

The number of participatory units as at 30 September 2023 was 229 990 690.

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 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.

The Manager retains full legal responsibility for any third-party-named portfolio. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. A list of fund specific risks is provided below. 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 with income reinvested.

Max Gain: Largest increase in any single month.

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

% Positive Months: The percentage of months since inception where the Fund has delivered positive returns.

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.

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.

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.

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 loss.

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.

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

GLOSSARY SUMMARY**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 Returns:

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.

% Positive Months:

The percentage of months since inception where the Fund has delivered positive return.

Net Performance

Unit trust performance is net (after) management fees have been deducted.

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 address: 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:

ClucasGray Asset Management (Pty) Ltd, Registration number: 2019/060149/07 is an authorised Financial Services Provider FSP50733 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: Dunkeld Place, 12 North Road, Dunkeld West, 2196 Postal address: PO Box 413037, Craighall, 2024 Telephone number: +27 11 771 1960 Website: www.cgam.co.za

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