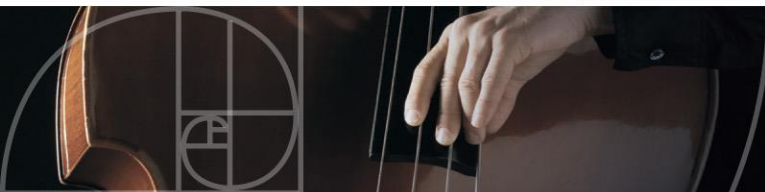


# MAESTRO BALANCED FUND



PRESCIENT  
LIFE

January  
2018

#### Investment objective

The Fund's objective is to produce above average long-term returns whilst simultaneously aiming to assume less risk than is inherent in the market itself. The Fund adopts a conservative investment philosophy and is Regulation 28 compliant.

#### The Fund benchmark

The Fund measures itself against a benchmark of 50% All Share Index, 20% All Bond Index (ALBI), 20% Short term fixed income (STEFI) index and 10% against a Global Benchmark.

#### Legal structure

The Fund is a pooled portfolio on the Prescient Life Limited balance sheet. The appointed portfolio manager of the Fund is Maestro Investment Management (Pty) Limited, an approved Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act, operating under license number 739. Prescient Life Limited is a linked insurer governed by the Long Term Insurance Act. Prescient Life Limited issues investment linked policies. This Fund operates as white label under the Prescient Life License.

#### Fee structure

There is no initial fee charged. The Maestro Growth Fund is a Fund with an annual management fee of 1.5% (excluding VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Life.

#### Fund size

R 21 104 088

#### NAV

Class A: 1.9639

#### Long term insurer

Prescient Life Limited  
(Reg. no: 2004/014436/06)

#### Auditor

KPMG Inc.

#### Portfolio manager

Maestro Investment Management (Pty) Limited

#### Enquiries

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Orchestrating Your Wealth



## Market Overview

Hot on the heels of the remarkable year of 2017, January proved to be an even more remarkable month on global equity markets, and a whole lot more profitable too. Many equity markets registered their 13th uninterrupted month of positive returns, while January 2018 delivered the greatest returns of all those months.

A key feature and driving force of the January returns was the weak dollar. The DXY trade-weighted dollar index declined 3.2%, while the euro and pound gained 3.7% and 5.1% against the greenback, respectively. Both the Eurozone and UK economies are more resilient than expected, which supported the currency gains over and above the dollar weakness. The weak dollar had a major positive impact on emerging market currencies, and also supported emerging equity markets. Consequently, the MSCI Emerging Market index rose 8.3% in January, some way above the MSCI World index return of 5.2%, which in itself was more than respectable. Strong equity market returns were registered in Brazil, which closed 11.1% higher on the month, Russia 11.0%, Greece 9.5%, India 5.6%, and China 5.5%. Hong Kong rose an astonishing 10.0%, bringing its annual gain to 40.8%. The US equity market rose 5.8% and the tech-heavy NASDAQ 7.4%.

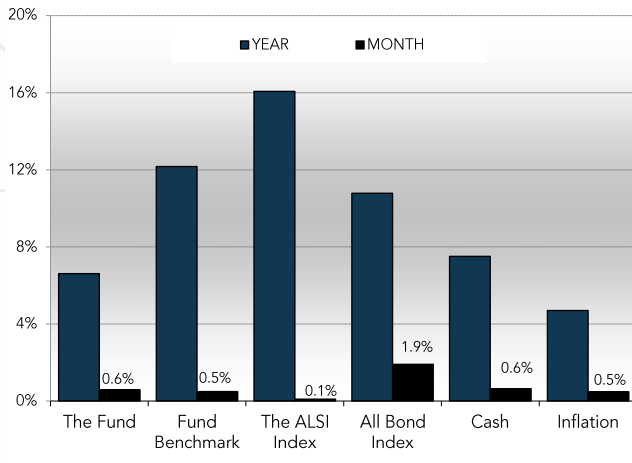
The Bloomberg US Bond index lost 1.5% while the Bloomberg Global Aggregate Bond index rose 1.2%. Commodity prices were generally firmer due to the weak dollar although the 2.4% decline in the copper price was a surprise. Oil continued to rise, adding 2.3% in January, bringing its annual gain to 21.8%.

"To achieve great things, two things are needed; a plan, and not quite enough time."

- Leonard Bernstein



Local market returns



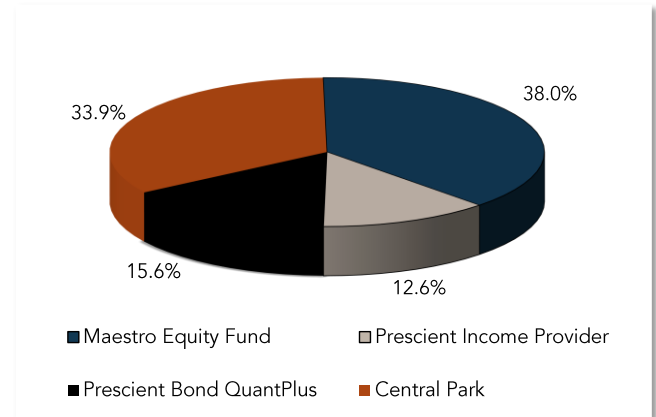
Turning to local markets, the JSE was in a less buoyant mood than global markets, making the 0.1% return of the All Share index look rather silly. The All Bond index return of 1.9% was more in keeping with global bond movements. Despite the firm rand – it rose 4.3% during the month – the Financial index lost 3.0%. Similarly, despite the firm rand, the Basic Materials index rose 3.2%. The Industrial index rose only 0.4%, while the Mid and Small cap indices lost 0.1% and 0.3%, respectively.

Monthly fund returns

During January the Maestro Balanced Fund's NAV increased by 0.6% versus the Fund's benchmark which increased by 0.5%. The [Maestro Equity Prescient Fund](#) decreased by 0.6% versus the 0.1% increase of the All Share index. The [Prescient Income Provider Fund](#) returned 0.4% against its benchmark return of 0.6%. The [Prescient Bond QuantPlus Fund](#) increased by 1.5% versus its benchmark increase of 1.9%. [Central Park Global Balanced Fund](#) returned 2.5% in rand terms versus the 0.6% decrease of the

rand benchmark.

Asset allocation



Largest Holdings

| Investment              | % of Fund    |
|-------------------------|--------------|
| Naspers                 | 7.4%         |
| Sygnia ITrix MSCI World | 3.1%         |
| Sygnia ITrix MSCI US    | 3.0%         |
| Discovery               | 2.9%         |
| Billiton                | 2.3%         |
| Glencore                | 2.2%         |
| Afrimat                 | 2.1%         |
| HSBC Call 6.70%         | 2.0%         |
| AdaptIT                 | 2.0%         |
| Aspen                   | 2.0%         |
| <b>Total</b>            | <b>28.9%</b> |

# MAESTRO BALANCED FUND

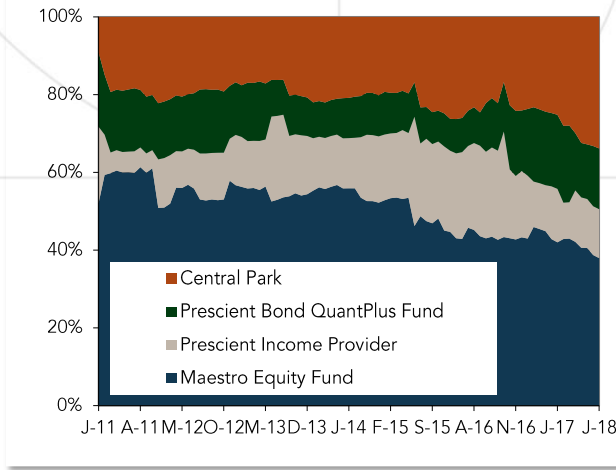
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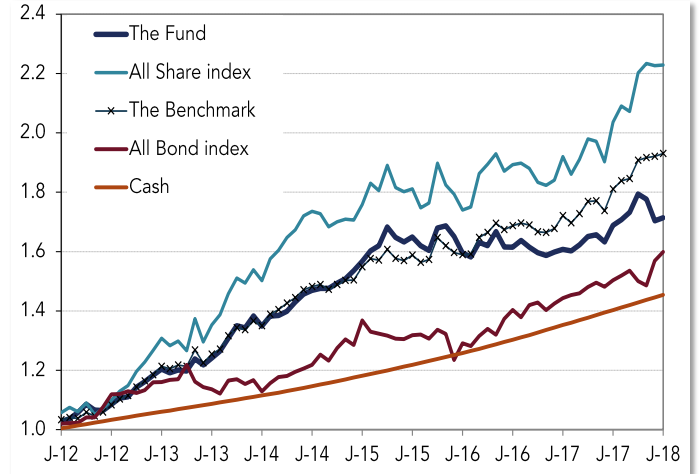
PRESCIENT LIFE

January 2018

## Historic sector allocation



## Historic performance



## Monthly and annual average return (%)

| Investment            | 1 month | 1 year | 3 year | 5 years | 7 years |
|-----------------------|---------|--------|--------|---------|---------|
| Maestro Balanced Fund | 0.6     | 6.6    | 3.0    | 7.3     | 8.4     |
| Benchmark             | 0.5     | 12.2   | 7.6    | 9.7     | 10.9    |

## Monthly and annual average return (%)

| Investment            | Year to date | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|-----------------------|--------------|------|------|------|------|------|------|------|------|
| Maestro Balanced Fund | 0.6          | 6.6  | -3.2 | 7.5  | 11.0 | 16.9 | 18.3 | 0.0  | 13.0 |
| Benchmark             | 0.5          | 14.4 | 5.0  | 6.2  | 10.1 | 15.4 | 18.6 | 6.1  | 14.0 |

Units in linked insurance policies should be considered as medium to long-term investments. The value of units may go up as well as down and past performance is not necessarily a guide to future performance. Unit 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, Securities Transfer Tax, VAT, Auditor's fees, Bank Charges, Custodian fees and the annual Management fee) from the portfolio divided by the number of units in issue. Fluctuations or movements in exchange rates may cause the value of any underlying international investments to go up and down. Forward pricing is used. Maestro Investment Management (Pty) Limited and Prescient Life Limited are members of the Association for Savings and Investments of South Africa (ASISA).

