

# MAESTRO BALANCED FUND



PRESCIENT  
LIFE

June  
2017

#### 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 24 558 310

#### NAV

Class A: 1.8704

#### 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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## Market Overview

There were a few themes which dominated global investment markets during June. The first was the underperformance of sterling assets in the wake of a surprise UK election result. The second was the sharp decline in the oil price due to global supply strength, and the third was the spike in sovereign bond yields, particularly in Europe, as a number of major central bank governors hinted that they were near the end of looser monetary policy. The effects of the latter on global asset markets were mixed.

The MSCI Emerging Market index rose 0.5%, while the MSCI World index rose 0.3%. Amongst developed equity markets, a weaker US dollar assisted the S&P500 in gaining 0.6%, while the tech-heavy NASDAQ declined 0.9%. Asian markets were stronger, with Japan's Nikkei rising 2.0%, China's Shanghai Composite gained 2.4% and Hong Kong's Hang Seng 0.4%. A strong euro, which gained 1.4% against the dollar, held back European equities as Germany's Dax declined 2.2% while UK's FTSE100 index fell 2.8%. Within emerging market equities, a 5.3% decline in the oil price led to the Russian RTS falling 4.8%, while Turkey's BIST100 gained 3.0% and Indonesia's Jakarta composite index 1.6%. A late month sell-off in sovereign bond yields caused the Bloomberg Barclays Global Bond Index to fall 0.1% in June.

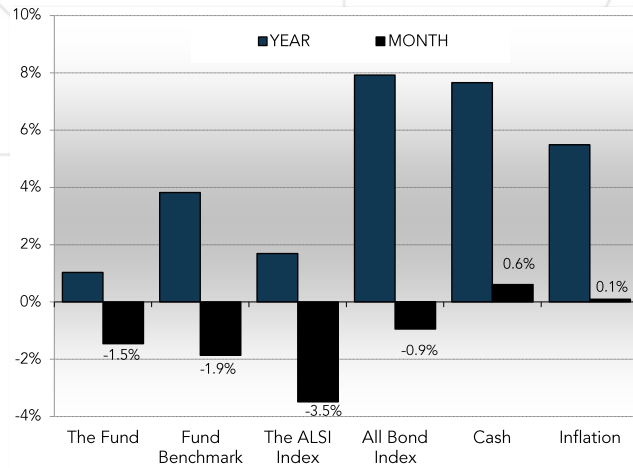
Within the commodity complex, precious metal prices came under pressure with the gold, platinum and silver prices declining 1.9%, 3.3% and 4.9% respectively. Base metals bounced back from a weak few months: copper gained 4.6% and nickel 4.4%, while the iron ore price managed to gain 9.8%.

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

- Leonard Bernstein



**Local market returns**



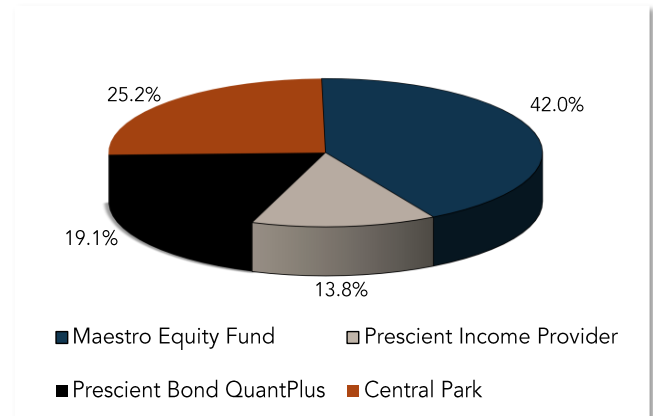
Politics continued to weigh on South African assets with policy uncertainty hurting investor sentiment. The rand, however was surprisingly firm, gaining 0.6% during the month, admittedly against a weak dollar. Almost all the major SA indices ended the month lower. The All Share index (Alsi) fell 3.5%, led lower by the Industrials Index, which fell 4.2%. The Basic Material index declined 3.1% while a stronger rand assisted the Financials index somewhat; it declined only 2.1%. Large caps declined 3.6% while mid-caps and small caps fared slightly better, falling 3.5% and 2.8% respectively. The All Bond index fell 1.0%, in line with global bond markets.

**Monthly fund returns**

During June the Maestro Balanced Fund's NAV decreased by 1.5% versus the Fund's benchmark which decreased by 1.9%. The [Maestro Equity Prescient Fund](#) decreased by 3.2% versus the 3.5% decrease of the All Share index. The [Prescient Income Provider Fund](#) returned 0.6% against its benchmark return of 0.6%. The [Prescient Bond QuantPlus Fund](#) decreased by 0.5% versus its benchmark decrease of

1.0%. [Central Park Global Balanced Fund](#) returned 0.6% in rand terms versus the 0.5% return of the rand benchmark.

**Asset allocation**



**Largest Holdings**

Investment	% of Fund
Naspers	6.2%
Steinhoff	2.4%
Aspen	2.4%
DB X-Trackers Col In Wld	2.0%
Discovery	1.9%
DB X-Trackers MSCI USA	1.8%
Richemont	1.8%
Firststrand	1.8%
Old Mutual	1.7%
R2048 8.75% 280248	1.7%
<b>Total</b>	<b>23.7%</b>

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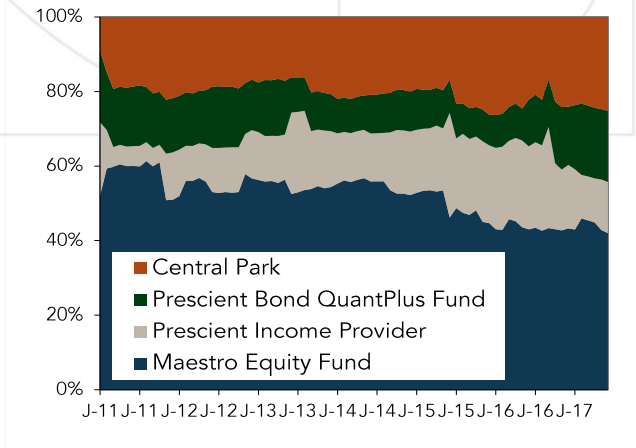
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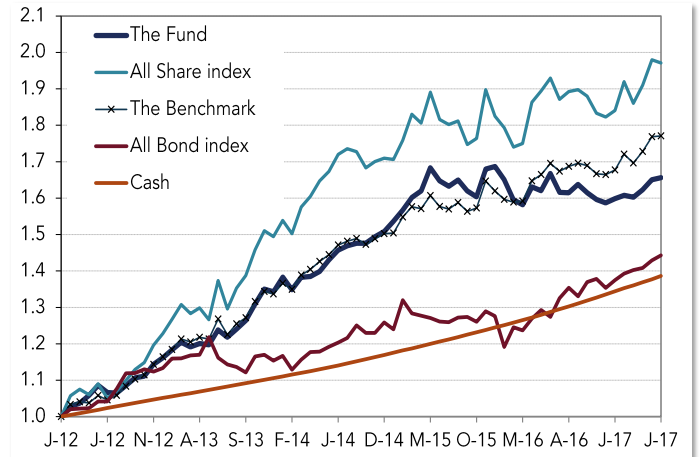
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## Historic sector allocation



## Historic performance



## Monthly and annual average return (%)

Investment	1month	1 year	3 years	5 years
Maestro Balanced Fund	-1.5	1.0	3.9	8.9
Benchmark	-1.9	3.7	5.7	10.4

## Monthly and annual average return (%)

Investment	Year to date	Year to date							
		2016	2015	2014	2013	2012	2011	2010	
Maestro Balanced Fund	2.1	-3.2	7.5	11.0	16.9	18.3	0.0	13.0	
Benchmark	3.5	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).