

# MAESTRO BALANCED FUND



PRESCIENT  
LIFE

March  
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 24 668 222

#### NAV

Class A: 1.8595

#### 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

March was a month dominated by politics locally and globally. Positive economic data, however was a key underpin to many global equity markets.

The MSCI Emerging Market index again performed well rising 2.4%, led by the Indonesian market, which rose 3.4%, the Greek market gained 3.1%, Indian market 3.1% and Turkish market 1.7%. The MSCI World index rose 0.8%, led higher by the German market, which rose 4.0%. The UK market rose 0.6% while the US market rose 0.1%.

Global bond yields continued to decline, helping the Bloomberg Global Aggregate Bond index rise 0.2%. Despite the weaker US dollar (the DXY dollar index declined 1.3%), commodity prices were under pressure in general. The oil price fell 4.1% (although it was more than 10.0% down intra-month). By way of example, iron ore fell 13.6% (it is still up 46.5% over the past 12 months), nickel declined 8.5%, and copper 2.0%. Precious materials also declined with silver, platinum and gold falling 7.7%, 1.2% and 0.9% respectively.

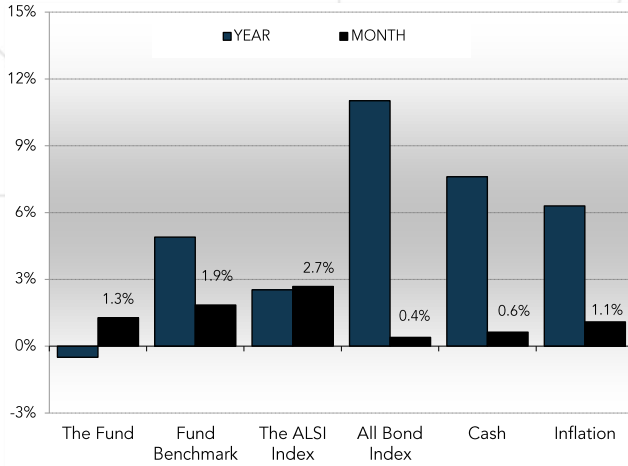
Turning to South Africa, politics continued to influence the currency, bond and equity markets. After strengthening over 5.0% in the first few weeks of the month the rand took a major knock following the removal of the Finance Minister and Deputy Minister, ending the month down 2.5% versus the US dollar. The bond market moved in an almost identical fashion to the rand, although the All Bond index managed to finish 0.4% higher

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

- Leonard Bernstein



**Local market returns**

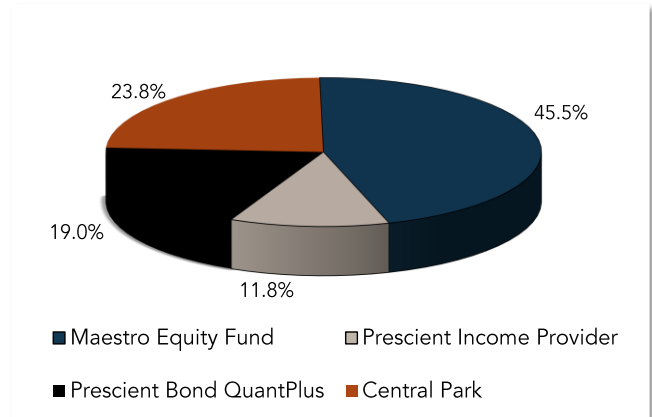


Turning to local markets, the All Share index (Alsi) gained 2.7% due to the significant weighting of rand hedge companies in the Alsi. The Financials index, which typically performs poorly as the rand weakens, declined 0.7% in March, while the Industrial index, which is dominated by rand hedges, rose 4.2%. The Basic Material index rose 2.9% and the Gold mining index 6.0%. The Large cap (Top40) index rose 3.3%, while the Mid and Small cap indices underperformed, returning -0.1% and 0.2%, respectively.

**Monthly fund returns**

During March the Maestro Balanced Fund's NAV increased by 1.3% versus the Fund's benchmark which increased by 1.9%. The [Maestro Equity Prescient Fund](#) increased by 0.6% versus the 2.7% increase of the All Share index. The [Prescient Income Provider Fund](#) returned 0.8% against its benchmark return of 0.6%. The [Prescient Bond QuantPlus Fund](#) increased by 0.8% versus its benchmark increase of 0.4%. [Central Park Global Balanced Fund](#) returned 4.3% in rand terms versus the 3.1% return of the rand benchmark.

**Asset allocation**



**Largest Holdings**

Investment	% of Fund
Naspers	6.3%
Steinhoff	3.0%
Aspen	2.4%
Prescient Flexible GI	2.0%
Old Mutual	1.9%
Richemont SA	1.8%
DB X-Trackers MSCI USA	1.8%
Firstrand	1.7%
Discovery	1.7%
Standard Bank	1.6%
<b>Total</b>	<b>24.2%</b>

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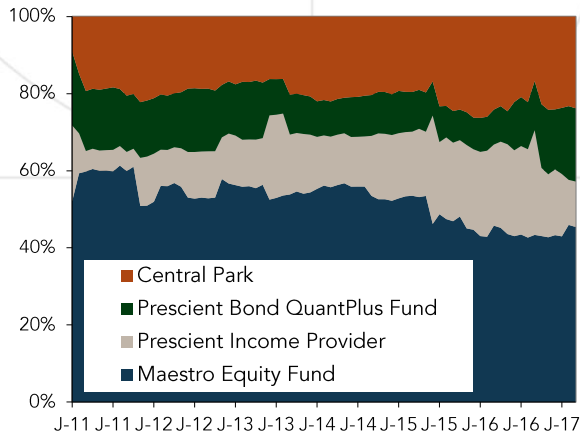
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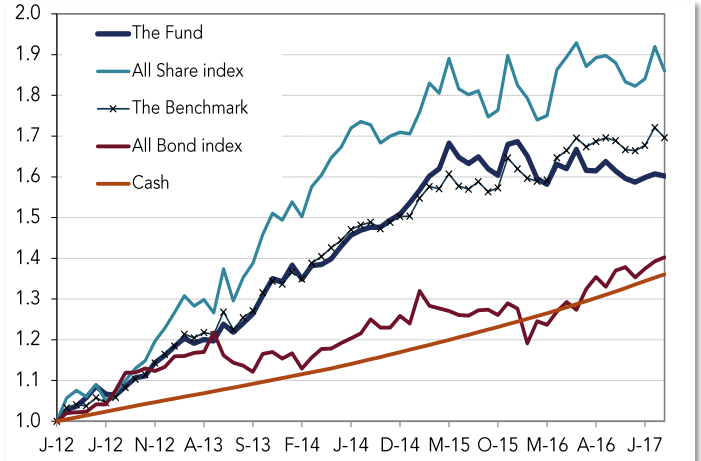
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## Historic sector allocation



## Historic performance



## Monthly and annual average return (%)

Investment	1month	1 year	3 years	5 years
Maestro Balanced Fund	1.3	-0.5	5.4	8.9
Maestro Balanced Fund Benchmark	1.9	4.8	7.1	10.7

## Monthly and annual average return (%)

Investment	Year to date	2016	2015	2014	2013	2012	2011	2010
Maestro Balanced Fund	1.5	-3.2	7.5	11.0	16.9	18.3	0.0	13.0
Benchmark	2.9	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).



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