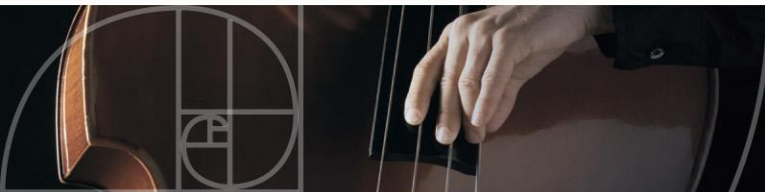


MAESTRO BALANCED FUND



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LIFE

October
2019

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 27Four 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. 27Four Life Limited is a linked insurer governed by the Long Term Insurance Act. 27Four Life Limited issues investment linked policies. This Fund operates as white label under the 27Four 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 Fund Services.

Fund size

R 8 617 831

NAV

Class A: 2.0163

Long term insurer

27Four Life Limited
(Reg. no: 2004/014436/06)

Auditor

SNG Grant Thornton International

Portfolio manager

Maestro Investment Management (Pty) Limited

Enquiries

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Orchestrating Your Wealth



Market Overview

I am sure you have noticed the Christmas wares on offer in the shops already, promotions in the media, and countdowns to Christmas. These are timely reminders of just how rapidly this year is coming to an end. So it is natural for us to start looking back at the past year and comparing it to history in terms of returns from different asset classes and regions. No matter how one looks at it, 2019 will go down in history as one of the more profitable years on global equity markets. This, despite the uncertainty, much of it Trump-induced, the economic slowdown, geopolitical speedbumps, and the political malaise in so many countries, South Africa included. Against this backdrop, October proved to be a remarkably profitable month. As we noted last month, equity markets continue to climb the proverbial "wall of worry".

Starting with the MSCI World index, it rose 2.5% during October, the MSCI Emerging market index rose 4.1%. During October the Japanese market rose 4.7%, the German market 3.5%, and Hong Kong 3.1%, the UK market declined 2.2% and the tech-heavy NASDAQ rose 3.7%. Russia was up 6.7%, India 3.8%, South Africa 3.1%, Brazil 2.4%, and China up 0.8% but Turkey down 6.3%.

Global bond markets were relatively volatile, as the debate continued regarding looser monetary policy in various countries. The Bloomberg Global Aggregate Bond index rose 0.7%, but the dollar lost ground, with the DXY index falling 2.0%. The palladium price rose 7.1%, which has now gained 65.3% during the past year, and the 9.9% decline in the iron ore price, which is up only 11.2% during the past year.

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

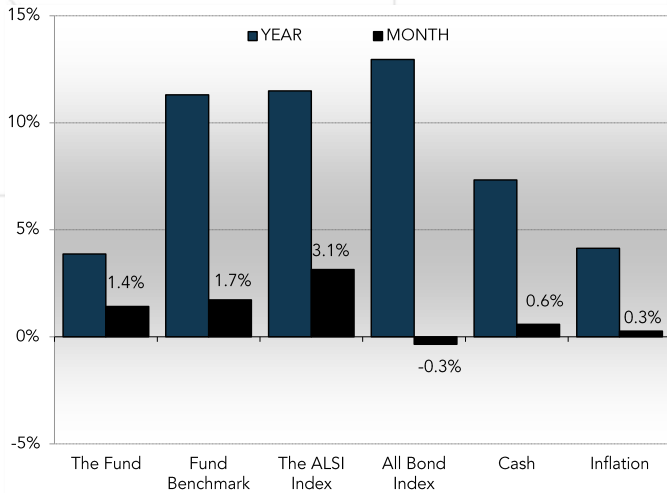
- Leonard Bernstein



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Local market returns



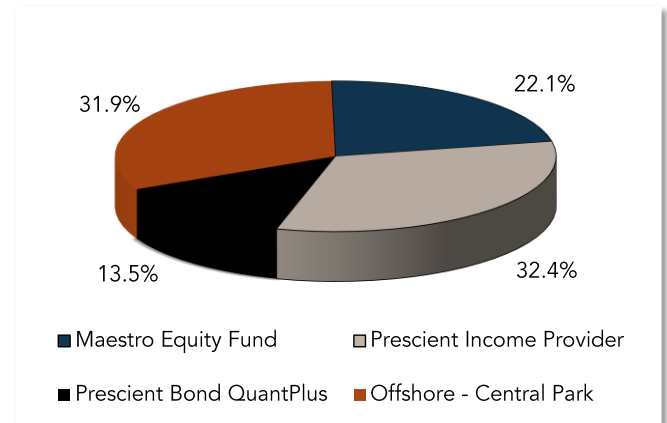
Turning to South Africa, the All Share index rose 3.1%, but the All Bond index declined 0.4%. Within the equity space, the Basic Material index rose 7.3%, the Financial index 3.6, and the Industrial index 0.3%. The Large (Top40), Mid and Small cap indices rose 3.0%, 7.2% and 1.7% respectively. The Gold index rose 22.0% during October, that index now boasts a year-to-date return of 101.0%. Turning to the assets under our care, our returns were hindered by a lack of exposure to gold and platinum shares. Our performance was also impacted by the 11.3% price decline in Ascendis Health, the 10.9% fall in Cashbuild's price, and the 6.5% decline in Naspers. Other decliners included Afrimat down 4.7%, AdaptIT down 2.2%, Billiton 1.4% and Glencore 1.0%. On a positive note, Discovery rose 5.4%, Richemont 6.3%, Anglo 9.9%, and Aspen 22.7%.

Monthly fund returns

During October the Maestro Balanced Fund's NAV rose 1.4% versus the Fund's benchmark which increased 1.7%. The [Maestro Equity Prescient Fund](#)

rose 0.6% versus the 3.1% 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](#) fell 0.1% versus its benchmark decrease of 0.3%. [Central Park Global Balanced Fund](#) rose 3.3% in rand terms versus the 1.1% increase of the rand benchmark.

Asset allocation



Largest Holdings

Investment	% of Fund
Sygnia Itrix US	2.1%
Prescient Flexible Global Income USD Fund	2.1%
Tencent	1.9%
Visa	1.9%
Naspers Ltd - N Shares	1.9%
Alibaba	1.8%
RSA 10.50% R186 211226	1.8%
ZAR/USD FWD 20191218 NEDTD	1.7%
Sygnia Itrix World	1.6%
New Oriental Education Group	1.6%
Total	18.4%

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- Leonard Bernstein

MAESTRO BALANCED FUND

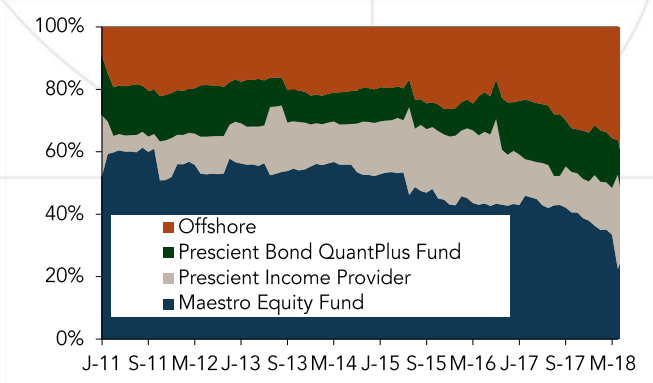
Orchestrating Your Wealth



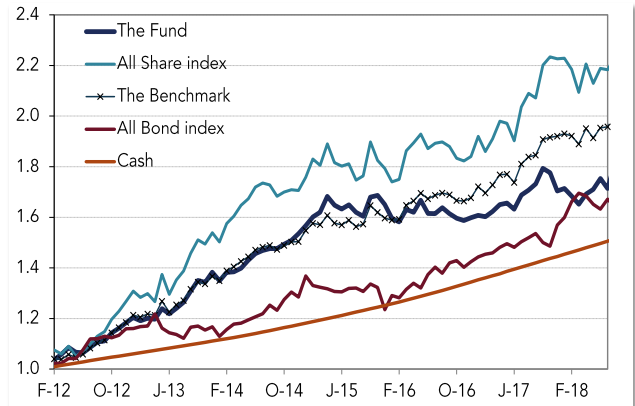
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Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 years	5 year	7 years
Maestro Balanced Fund	1.4	3.9	3.3	3.3	6.4
Fund Benchmark	1.7	11.3	8.1	7.2	9.1

Monthly and annual average return (%)

Investment	Year to Date	2018	2017	2016	2015	2014	2013	2012	2011	2010
Maestro Balanced Fund	8.9	-5.0	6.6	-3.2	7.5	11.0	16.9	18.3	0.0	13.0
Fund Benchmark	10.1	-0.4	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 27Four Life Limited are members of the Association for Savings and Investments of South Africa (ASISA).