

MAESTRO BALANCED FUND



27four Life

31 October 2021

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 9 759 466

NAV

Class A: 2.3627

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

So, as has been the case so often this year, global equity markets defied expectations and staged a strong recovery during October. A real sense of nervousness and uncertainty about the persistence of rising inflation and the integrity of the post-pandemic economic recovery had led to considerable weakness in certain market sectors in general and growth stocks in particular. Just when many investors had thought they had seen the best equity markets had to offer in 2021, global markets went on to register new record levels.

Let's get straight to the data then: the MSCI World index rose 5.6% in October, the gains were led largely by the US equity market, which rose a remarkable 7.0%. Much of these gains were driven by growth and tech shares – that much is clear from the NASDAQ's 7.3% monthly gain. The S&P Mid and Small cap indices rose 5.8% and 3.4% respectively. Other reasonable gains were posted by Switzerland, which rose 4.0%, Hong Kong 3.3% and the German market, which rose 2.8%. In stark contrast, emerging markets underperformed sharply; the MSCI Emerging Market index rose only 0.9%. The Brazilian, Turkish and South African currencies were relatively weak, which didn't help, although on the back of a strong (+6.3%) oil price, the Russian equity market was firm (+3.7%). The Brazilian equity market declined 6.7%, while the Turkish market rose 8.2% in local currency terms. The Chinese equity market fell 0.6% but the Indian market rose 0.9%.

Global bond yields continue to rise gradually, and prices fall accordingly, resulting in the Bloomberg Global Aggregate Bond index falling 0.2% - in stark contrast to the MSCI World index comparable return of 18.0%.

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

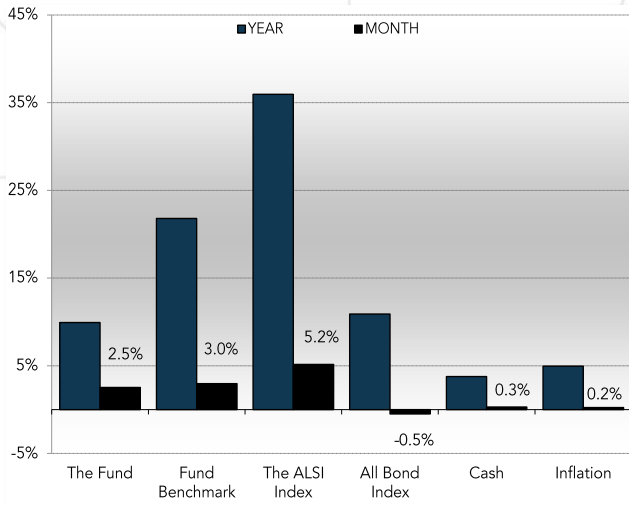
- Leonard Bernstein



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Returns for periods ended 31 October 2021



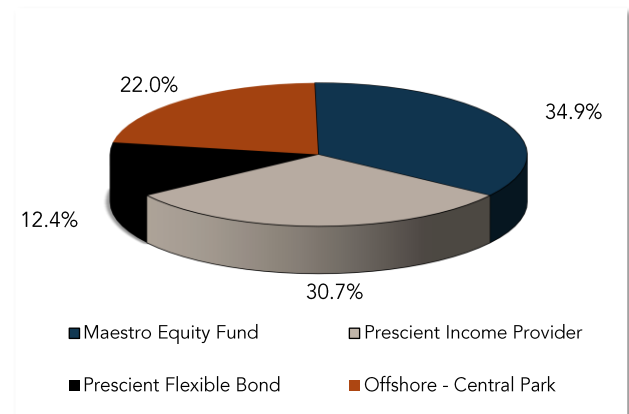
Locally, the All Share index rose 5.2%, but the All Bond index lost 0.5%. The rand lost 1.0% against the dollar. The Basic Materials and Industrial indices rose 8.7% and 6.7% respectively, but the Financial index lost 2.9%. During October the Large, Mid, and Small cap indices rose 5.3%, 1.2%, and 3.1% respectively. Aspen declined 10.2%, Firststrand 10.1%, Afrocentric 9.4%, Capitec 6.2%, and Standard Bank 5.4%. On the "upside", Afrimat, the Fund's largest direct holding, rose 6.1%, the Sygnia 4th Industrial Revolution EFT rose 6.3%, the MSCI US equity tracker 6.4%, Transaction Capital 7.0%, Richemont 20.8%, and Renergen 41.7%, although the latter is a very small holding.

Monthly fund returns

During October the Maestro Balanced Fund's NAV rose 2.5% versus the Fund's benchmark which increased 2.5%. The [Maestro Equity Prescient Fund](#) rose 3.3% versus the 5.2% increase of the All Share index. The [Prescient SA Income Provider Fund](#) rose 0.3% versus its benchmark return of 0.3%. [The](#)

[Prescient Income Plus Fund](#) rose 0.4% versus its benchmark return of 0.5% The [Prescient Flexible Bond Fund](#) rose 0.6% versus its benchmark which decreased -0.5%. [Central Park Global Balanced Fund](#) rose 5.8% in rand terms versus the 4.3% increase of the rand benchmark.

Asset allocation (% of Fund)



Largest Holdings

Investment	% of Fund
R2048 8.75% 280248	9.9%
Sygnia Itrix US	4.3%
Satrix Resi	4.0%
Sygnia Itrix World	3.5%
iShares China CNY Bond ETF	2.3%
Afrimat Ltd	2.2%
Discovery Holdings Ltd	2.2%
I2050 2.25% 2050	1.9%
Compagnie Financiere Richemont	1.8%
CoreShares S&P 500 Exchange Tr	1.8%
Total	33.8%

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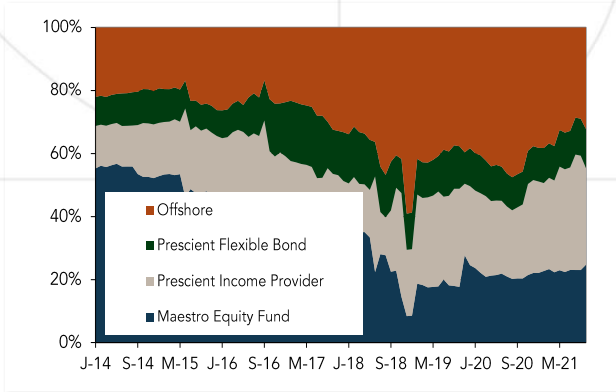
- Leonard Bernstein



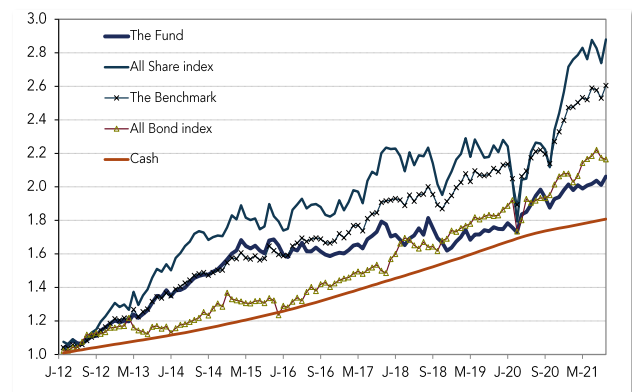
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Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 years	5 year	7 years
Maestro Balanced Fund	2.5	9.9	6.8	5.3	4.7
Fund Benchmark	3.0	21.7	11.0	9.2	8.2

Monthly and annual average return (%)

Investment	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Maestro Balanced Fund	6.3	11.0	7.9	-5.0	6.6	-3.2	7.5	11.0	16.9	18.3
Fund Benchmark	11.9	8.9	11.2	-0.4	14.4	5.0	6.2	10.1	15.4	18.6

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).

