

MAESTRO CAUTIOUS FUND



27four Life

31 May 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 consisting of 30% All Share Index, 30% All Bond Index (ALBI) and 40% Short term fixed income (STEFI) index.

Legal structure

The Fund is a pooled portfolio on 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 1.0% (excluding VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Fund Services.

Fund size

R 284 332

NAV

Class A: 2.3900

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

The month of May came and went rather quickly, surrounded by the usual "sell in May and go away" adage. However, although there is a lot "going on" in the markets, the month actually turned out to be rather quiet and uneventful. Investors seem to have taken the robust economic growth forecasts and increased corporate earnings projections to heart, and are now "sitting back" and waiting to see if they materialize as has been forecast.

Starting with global bond markets, the Bloomberg Global Aggregate Bond index rose 0.7% while the respective US Bond index rose only 0.3%. A weaker dollar was quite a feature of the month, with the trade-weighted DXY dollar index falling 1.6% in May. The rand firmed another 5.7% against the dollar. The rand remains one of the top performing emerging market currencies in recent months, with its fortunes closely related to the dramatic increase in the commodity price complex. The oil price rose 3.8%, while gold and silver rose 7.8% and 5.1% respectively. Copper rose 4.6% (for an annual gain of 91.0%), iron ore rose 6.6% (97.0%), and nickel and aluminium 3.3% (47.3%) and 3.8% (62.3%) respectively.

Turning to equity markets, the MSCI World and Emerging market indices rose 1.3% and 2.1% respectively. While the 0.7% rise in the S&P500 index was relatively tame, the Hong Kong market rose 1.5%, Germany 1.9%, and Switzerland 3.1%. The tech-heavy NASDAQ index declined 1.5% but is still up 44.9% over the past year. Amongst emerging markets, the Chinese market rose 4.7%, Russia 5.0%, India 6.5%, and Brazil 6.2%. The South African All Share index rose 7.4% in dollar terms.

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

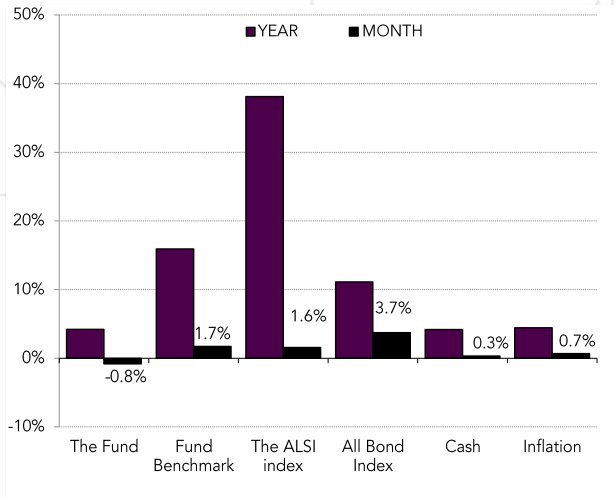
- Leonard Bernstein



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Returns for periods ended 31 May 2021



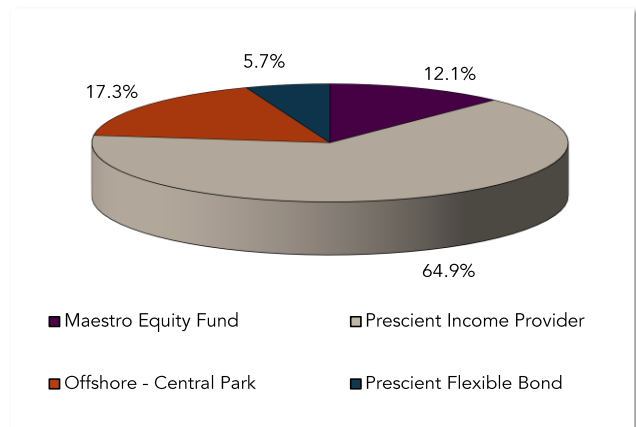
Turning to the local market, the All Share index return was relatively sedate – at least in rand terms. Given the firm (5.7%) rand though, the dollar returns were nothing short of spectacular. The Basic Materials, Financial, and Industrial index returns were -1.3%, 9.3% and 1.6% - a real dispersion across these sectors. The All Bond index rose 3.7%. Shares which retarded the Fund returns during May included Naspers, which declined 7.9%. The Sygnia Itrix 4th Industrial Revolution Fund declined 7.3%. Ninety One fell 5.6%, the Sygnia MSCI US ETF fell 4.7%, the MSCI China ETF 4.5%, Billiton 4.5%, and the Coreshares S&P500 ETF 4.4%. On the other hand, Firstrand rose 9.8%, Transaction Capital 11.0%, Richemont 11.1%, Capitec 12.1% and Standard Bank 15.0%.

Monthly fund returns

During May the Maestro Cautious Fund's NAV fell 0.8% versus the Fund's benchmark increase of 1.7%. The [Maestro Equity Prescient Fund](#) rose 0.4% versus the 1.6% increase of the All Share index. The

[Prescient Income Provider Fund](#) rose 0.5% versus its benchmark return of 0.3%. The [Prescient Flexible Bond Fund](#) rose 5.8% versus its benchmark which increased 3.7%. [Central Park Global Balanced Fund](#) fell 6.8% in rand terms versus the 4.4% decrease of the rand benchmark.

Asset allocation (% of Fund)



Largest Holdings

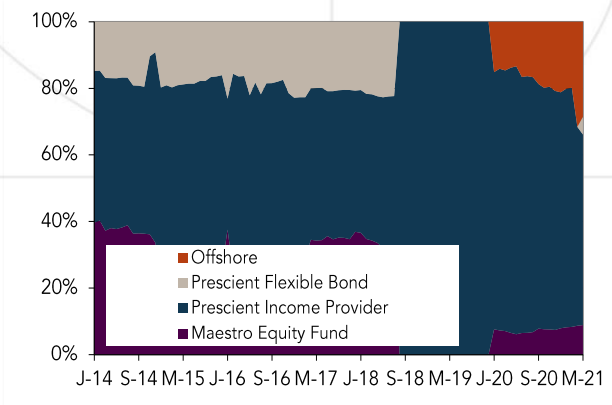
Investment	% of Fund
RSA 10.50% R186 211226	6.6%
Prescient Flexible Global Income USD	5.2%
RSA 5.50% R197 071223	2.7%
ZAR/USD FWD 20210915 RMBTD	2.4%
Standard Bank CLN Telkom SOC JB3+190	1.3%
Standard Bank IDC CLN JB3+210bps CLN5	1.3%
Mobile Telephone Networks MTN23 8.27%	1.3%
Firstrand Bond 6.250% 230423	1.2%
Prescient Income Plus Fund B3	1.1%
Prescient Clean Energy and Infrastructure	1.1%
Total	24.2%



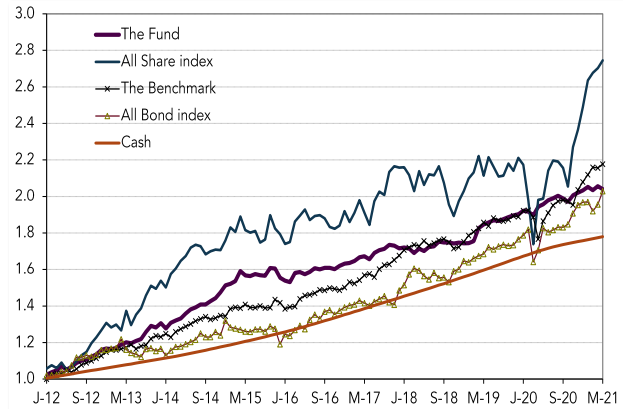
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Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 year	5 years	7 years
Maestro Cautious Fund	-0.8	4.2	6.2	5.3	6.0
Fund Benchmark	1.7	15.9	8.3	8.3	7.8

Monthly and annual average return (%)

Investment	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Maestro Cautious Fund	0.9	6.2	5.7	1.8	5.9	4.2	5.4	12.9	12.6	16.1
Fund Benchmark	6.5	7.6	9.7	2.7	12.4	8.4	3.1	8.8	8.7	14.8

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).

