

MAESTRO CAUTIOUS FUND



PRESCIENT
LIFE

November
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 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 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 1.0% (excluding VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Life.

Fund size

R 2 248 933

NAV

Class A: 2.0277

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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Orchestrating Your Wealth



Market Overview

Where has this year gone? It's quite unbelievable that we into the final month of 2017. One wonders if this year will be remembered for all the records that have been broken or for the rise of the infamous cryptocurrencies! Irrespective of how you choose to remember it, it has been a very profitable year for global equity investors.

The MSCI World index rose 2.0% and the MSCI Emerging Market index 0.2%. Their respective year-to-date gains are now 18.6% and 30.0%. Strong monthly gains were registered by Japan, which rose 3.2%, and Hong Kong up 3.3%. Brazil and India took a break this month, declining 3.2% and 0.2% respectively. The US market put in another impressive performance, its thirteenth straight month of gains, rising 3.0%. The tech-heavy NASDAQ index rose 2.2%, up an impressive 27.7% year-to-date.

The dollar weakened slightly during the month – the (trade-weighted dollar) DXY index fell 1.8%. The euro and sterling appreciated by 2.4% and 1.9% respectively. Supported by the weaker dollar, commodity prices were firm: the iron ore price rose 16.5%, palladium 4.8%, platinum 2.9%, and gold 0.8%. Soft (agricultural) commodity prices were a mixed bag with some positive and negative returns. Global bond markets strengthened in November; the Bloomberg Global Aggregate Bond index rose 1.1%, with its year-to-date return an attractive 7.0%.

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

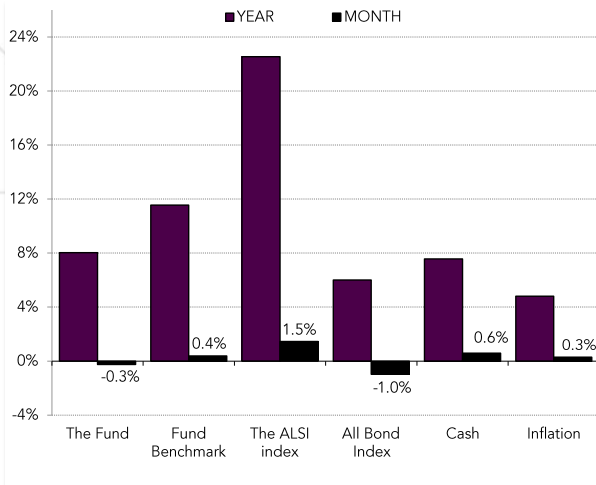
- Leonard Bernstein



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Local market returns



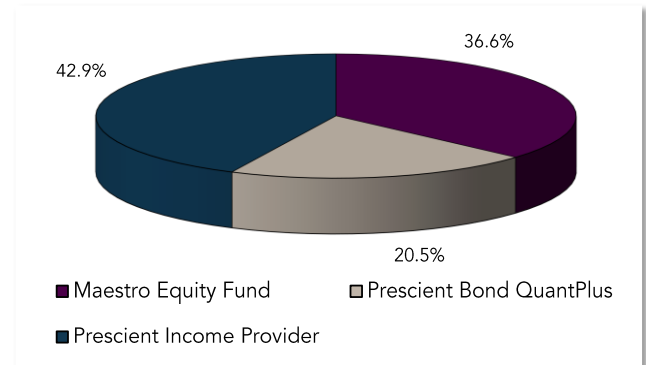
Turning to local markets: the rand experienced a mini relief rally after the downgrade announcements, appreciating 3.7% against the greenback. Its gains against the euro and sterling were less impressive, rising 1.7% and 1.3% respectively. As one would imagine the Basic Materials index came under pressure, declining 1.6% while the Financial index rallied 4.4%. The Industrial index, which is dominated by rand hedge shares, managed to rise 1.4% despite the stronger rand. The Mid cap index rose 2.3% while the Small cap index fell 2.7%. Both these indices have been struggling the last year, which is indicative of the sluggish growth we have been experiencing as a country.

Monthly fund returns

During November the Maestro Cautious Fund's NAV decreased by 0.3% versus the Fund's benchmark increase of 0.4%. The [Maestro Equity Prescient Fund](#) decreased by 0.7% versus the 1.5% increase of the All Share index. The [Prescient Income Provider Fund](#) returned 0.2% against its benchmark return of 0.6%. The [Prescient Bond QuantPlus Fund](#) decreased by

0.6% versus its benchmark decrease of 1.0%. The Maestro Cautious Fund does not invest in the [Central Park Global Balanced Fund](#).

Asset allocation



Largest Holdings

Investment	% of Fund
Naspers	7.1%
Prescient Flexible GI Class D	3.3%
Sygnia ITrix MSCI World	2.4%
Discovery	2.3%
Sygnia ITrix MSCI US	2.3%
R2048 8.75% 280248	2.1%
Aspen	2.0%
STD 10.13% SBS27 200224	1.7%
Echo Polska	1.7%
Firstrand	1.6%
Total	26.4%

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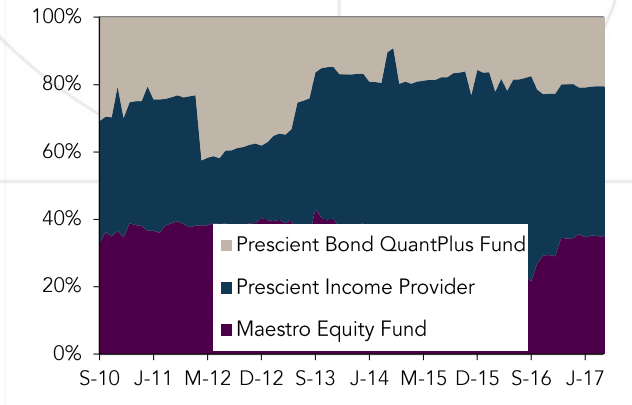
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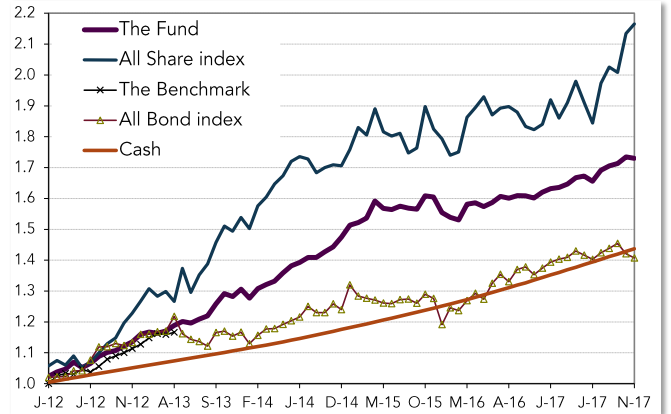
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Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 year	5 years	7 years
Maestro Cautious Fund	-0.3	8.1	6.3	8.8	9.0
Benchmark	0.4	11.5	7.1	8.2	8.9

Monthly and annual average return (%)

Investment	Year to date	2016	2015	2013	2012	2011	2010
Maestro Cautious Fund	6.8	4.2	5.4	12.6	16.1	2.9	12.8
Benchmark	10.4	8.4	3.1	8.7	14.8	5.9	13.7

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).

