

MAESTRO CAUTIOUS FUND



27 f o
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LIFE

November
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 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 519 256

NAV

Class A: 2.2218

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

November brought with it an unusual amount of volatility in both equity and bond markets. However, when all was said and done we saw much of the trends that have dominated the year so far reassert themselves: strong US equity markets, weak Chinese and Hong Kong equity markets, and mixed emerging market performances. As we have come to expect, the US China trade war was a major factor behind the volatility.

The MSCI World index rose 2.6% during the month, in stark contrast to the decline in the MSCI Emerging market index of 0.2%. The US equity market rose 3.6% on the back of a better-than-expected corporate earnings season. The NASDAQ index rose 4.5%, bringing its year-to-date return to 30.6%, the German market posted a useful 2.9% gain, the Swiss market rose 2.7%, and the Japanese market 1.6%. The Hong Kong market though fell 2.1% as the ongoing protests there started affecting all aspects of that economy. The Chinese equity market fell 2.0%, although its year-to-date return remains a respectable 15.2%, thanks to a strong start to the year.

The dollar was slightly firmer against most currencies and commodity prices ended the month with mixed but relatively benign movements. Global bond markets endured above-average volatility but ended the month marginally lower.

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

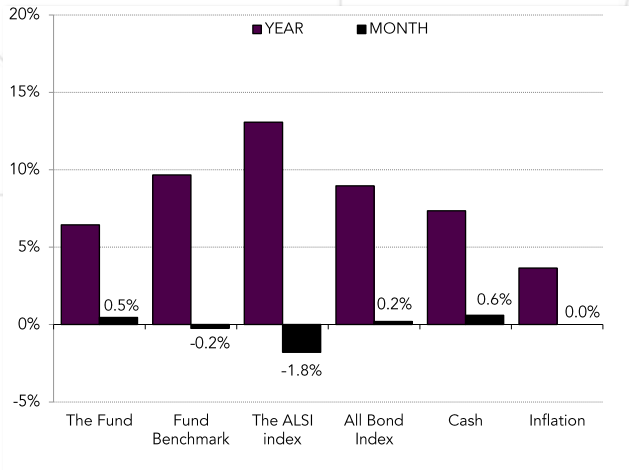
- Leonard Bernstein



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Local market returns



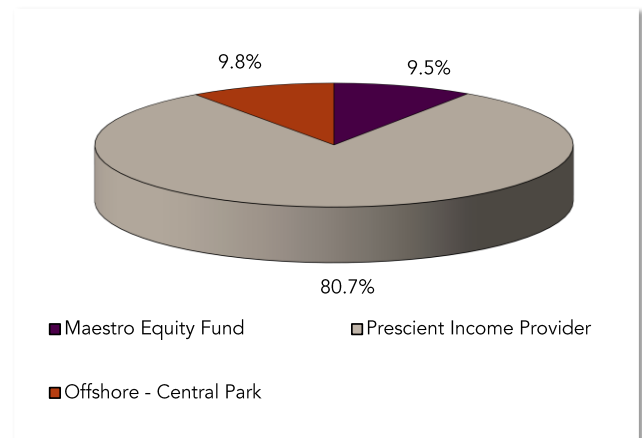
Within the South African markets, the rand posted a relatively strong gain, rising 2.8% against the dollar. The All Bond index rose 0.2%, in keeping with the firm rand, but the All Share index declined 1.8%. Despite the firm rand the Financial index declined 1.4%, the Basic Materials index fell 0.9%, and the Industrial index fell 2.6%. In the face of the weak South African equity markets, our local funds declined during the month, although by and large by less than the overall market. Within the local equity portfolios in our care, AdaptIT declined 23.1%, Ascendis Health 12.7%, KAP 10.8%, and Richemont 6.1%. On a more positive note, Afrimat rose 4.6%, Mr Price 9.5%, and Aspen 11.3%. Notwithstanding the firm rand and their relatively large offshore weightings, the Maestro Growth and Balanced Funds both delivered returns in excess of their benchmarks.

Monthly fund returns

During November the Maestro Cautious Fund's NAV rose 0.5% versus the Fund's benchmark decrease of 0.3%. The [Maestro Equity Prescient Fund](#) fell 1.7% versus the 1.8% decrease of the All Share index. The

[Prescient Income Provider Fund](#) returned 0.4% against its benchmark return of 0.6%. The [Prescient Bond QuantPlus Fund](#) fell 0.5% versus its benchmark increase of 0.2%. [Central Park Global Balanced Fund](#) fell 0.3% in rand terms versus the 1.5% decrease of the rand benchmark

Asset allocation



Largest Holdings

Investment	% of Fund
RSA 5.50% R197 071223	3.2%
Standard Bank CLN SBCLN025	2.0%
Standard Bank IDC CLN JB3+210bps	1.6%
Firststrand Bond 6.250% 230423	1.6%
Standard Bank Group Ltd JB3+240	1.3%
Nedbank FRN JB3+97.5 010321	1.2%
PCEIDFF (RF) Proprietary Ltd FRD	1.2%
Standard Bank Group SBT102 300922 JB3+5	1.2%
Investec INVPLC CLN JB3+375	1.2%
Firststrand FRB16 FRN 080720	1.1%
Total	15.6%

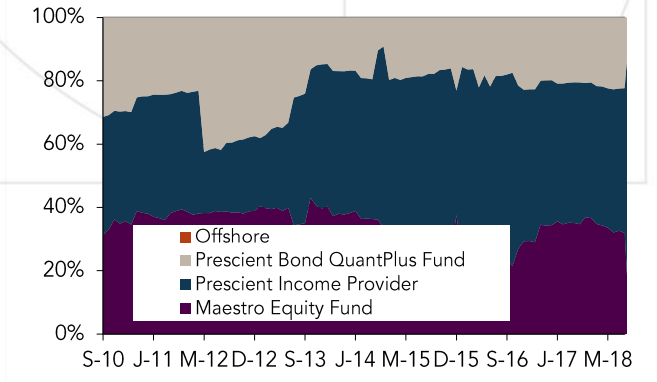
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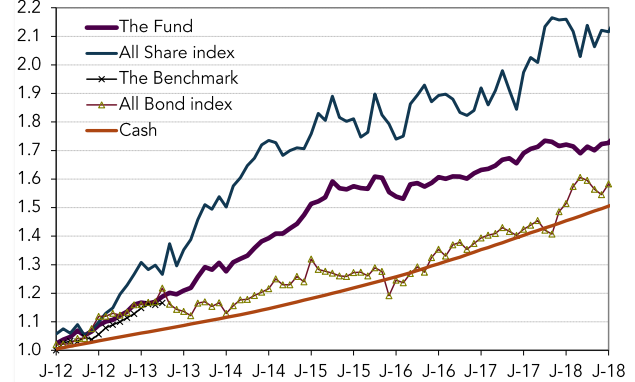


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Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 year	5 years	7 years
Maestro Cautious Fund	0.5	6.4	5.8	5.6	7.6
Fund Benchmark	-0.2	9.7	7.9	6.8	7.6

Monthly and annual average return (%)

Investment	Year to Date	2018	2017	2016	2015	2014	2013	2012	2011	2010
Maestro Cautious Fund	5.3	1.8	5.9	4.2	5.4	12.9	12.6	16.1	2.9	12.8
Fund Benchmark	7.8	2.7	12.4	8.4	3.1	8.8	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 27Four Life Limited are members of the Association for Savings and Investments of South Africa (ASISA).

