

MAESTRO GLOBAL BALANCED FUND



27 f o
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LIFE

January
2020

Investment objective

To produce above average long-term returns by investing in global equity, bonds and cash markets, through the assumption of less risk than that of the underlying markets. The Fund acts as a feeder fund for Central Park Global Balanced Fund, which is also managed by Maestro Investment Management.

The Fund benchmark

An index consisting of a 60% equity weighting (MSCI World Index), and a 40% weighting in bonds (Bloomberg Barclays Global Aggregate Bond Index).

Legal structure

The Fund is a pooled portfolio on the 27Four Life Limited balance sheet. The appointed Investment 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.

Inception Date

15 November 2017

Fee structure

The Fund incurs fees at two levels. Firstly, the investment management fee in Central Park Global Balanced Fund is 1.5% per annum, together with a 10% performance fee subject to a high water mark. Secondly, administration and other fees are charged by 27Four Life on the following basis:

- For investments under R5m: 0.46%
- Investments between R5m and R10m: 0.41%
- For investments in excess of R10m: 0.39%

Fund size

R 73 167 753 as at 31 January 2020

NAV

Class A: 111.93

Long term insurer

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

Auditor

SNG Grant Thornton International

Investment manager

Maestro Investment Management (Pty) Limited

Enquiries

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Orchestrating Your Wealth



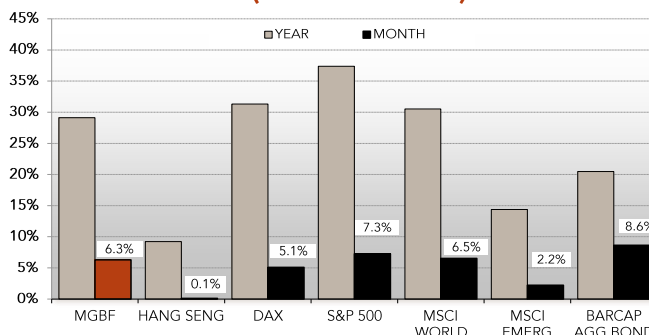
Market Overview

January proved to be an extraordinary month in global investment markets. Hot on the heels of a very profitable 2019, investors and managers alike were still patting themselves on the back when the first reports of the virus emerged around 20 January. Markets got off to a cracking start – the S&P500 rose 3.0% in the first 11 trading days of the year – but all the gains were wiped away as the uncertainty of the viral outbreak in Wuhan began to emerge.

The MSCI World index, a proxy for developed economies' equity markets, declined 0.7% in January (after having been up 2.5% to 22 January) while the MSCI Emerging Market index declined 4.7% (it had been up 3.2%) as investors dramatically reduced their exposure to riskier assets. For the same reason, the global bond market rose 1.3%, despite the very low level of interest rates, while the dollar (DXY index) rose 1.0%. The Swiss franc firmed 0.4% against the dollar. Given its proximity to the epicenter of the virus outbreak, and the recent social unrest in the city, it is unsurprising that the Hong Kong equity market fell 6.7%.

The majority of commodity prices also posted substantial declines, as investors sought to make sense of the uncertainty created by the coronavirus outbreak. The oil price declined 14.5%, copper fell 9.8%, and iron ore 10.2%. The Baltic Dry index fell 55.3% while the palladium price rose 10.6%.

Market Returns (In rand terms)



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

- Leonard Bernstein



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The Rand Dollar Exchange rate



Investment Manager Comment

The Maestro Global Balanced Fund posted a positive return this month on the back of a weak rand. The rand weakened 6.8% this month. The Maestro Global Balanced Fund rose 6.3% in January, this can be compared to the benchmark and comparable sector returns of 7.4% and 6.0% respectively.

Turning to the specific drivers of the Global Balanced Fund's return this month: Bossard declined 19.8% on the month, Geely Automobile 17.7%, Shanghai Fosun Pharma 11.1%, CSPC Pharma 6.9% and Sunny Optical 6.1%. On the "upside" TAL Education rose 3.5%, Visa 5.9%, Adobe 6.5%, Alphabet 7.3%, Lonza 12.2% and Wirecard 23.9%.

At the end of January 1.0% of the Fund was invested in bonds, 19.8% was retained in cash and the balance of 79.2% was invested in global equity markets.

Note to Investors

The Fund is an investment-linked Endowment Policy, issued by 27Four Life. Maestro Investment Management is the Fund's Investment Manager. All investments into the Fund are directed into Central Park Global Balanced Fund, the unit trust Maestro uses to manage its Clients' offshore assets.

The Fund's Largest Holdings

Investment	% of Fund
Tencent Holdings Limited	6.7%
Alibaba Group Holdings Limited	6.3%
Visa Inc.	6.2%
Adobe Systems	4.9%
New Oriental Education and Tech Group	4.8%
Alphabet Inc.	4.6%
TAL Education Group	4.5%
SAP AG	4.5%
Partners Group Holdings AG	4.1%
Ping An Ins Group Co of China	4.0%
Total	50.6%

Monthly and Annual Average Returns

Investment	1 month	3 month	6 month	1 year	2 years
Maestro Global Balanced Fund	6.3	4.8	12.3	29.1	11.4
Fund benchmark	7.4	2.9	11.5	26.6	15.9
Sector*	6.0	2.9	10.2	25.0	13.3

* Morningstar ASISA Global Multi Asset Flexible Category

** Inception Date 1 December 2017

Investment	YTD	2019	2018	2017	2016
Maestro Global Balanced Fund	6.3	26.2	-5.6	NA**	NA**
Fund benchmark	7.4	14.6	8.4	4.0	-9.1
Sector*	6.0	15.5	4.6	5.3	-8.6

* Morningstar ASISA Global Multi Asset Flexible Category

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).