

MAESTRO GLOBAL BALANCED FUND



27
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LIFE

May
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 91 828 728 as at 31 May 2020

NAV

Class A: 129.15

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



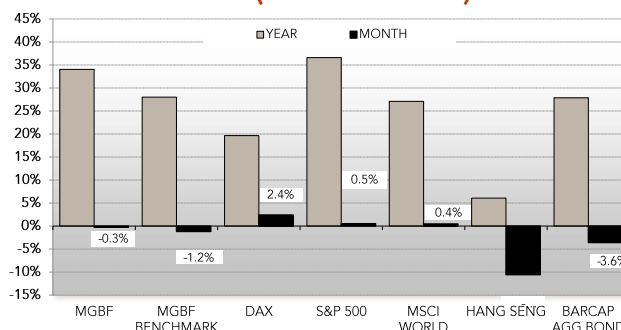
Market Overview

The behaviour of global equity markets during May is easy to brush aside on the basis that it was "just another strong month". Yet consider the following: the world remains in the throes of a global health pandemic that is far from over; a pandemic which has wrought economic destruction and devastation on an unimaginable scale. In addition, the economic catastrophe has obliterated earnings, the ultimate driver of share prices, for at least half of the market, and has completely destroyed a number of industries in its wake.

The MSCI World index rose 4.6% and the Emerging Market index 0.6%. Within the developed markets, the US rose 4.7%, Germany's Dax index rose 6.7%, and Japan's Nikkei rose 8.3%. Within emerging markets, the Brazilian and Russian markets rose 8.5% and 8.4% respectively, which is ironic for in these two countries the Covid pandemic is still largely out of control. The S&P Mid and Small cap indices rose 7.1% and 4.2% respectively, indicative of the increasing appetite for risk that characterized market behaviour during the month.

The dollar declined slightly (0.7%) during May, which supported commodity prices. The oil price continues to struggle through its own crisis – it rose 38.4% but is still down 43.7% during the past year. The Bloomberg Aggregate Global Bond index rose 0.4%, bringing its annual gain for the year to 2.1%; the MSCI World index is down 8.9% during the past year.

Market Returns (In rand terms)



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

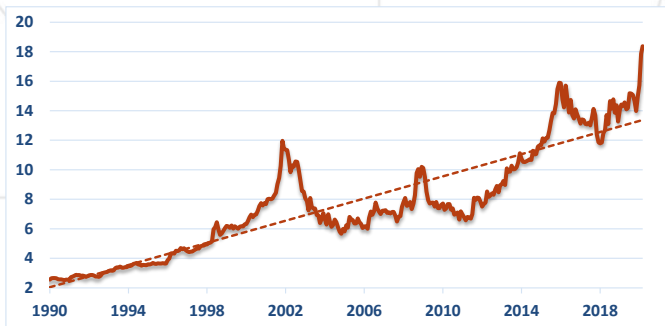
- Leonard Bernstein



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The Rand Dollar Exchange rate



Investment Manager Comment

The Maestro Global Balanced Fund posted a negative return this month on the back of a firm rand. The rand strengthened 4.2% this month. The Maestro Global Balanced Fund fell 0.3% in May, this can be compared to the benchmark and comparable sector returns of -1.2% and -1.6% respectively.

Turning to the specific drivers of the Global Balanced Fund's return this month; GSX Techedu declined 20.7%, Sunny Optical lost 7.0%, New Oriental Education 6.0% and Ping An 4.0%. On the "upside", BB Biotech rose 11.5%, Yihai 11.7%, Lonza 11.9%, TeamViewer 16.3%, Zur Rose 21.8%, Pierer Mobility 35.5% and Mercadolibre 46.0%.

At the end of May 1.1% of the Fund was invested in bonds, 22.5% was retained in cash and the balance of 76.4% 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
Alibaba Group Holdings Limited	6.7%
Visa Inc.	6.4%
Adobe Systems	5.6%
TAL Education Group	5.4%
Tencent Holdings Limited	5.0%
New Oriental Education and Tech Group	4.9%
Alphabet Inc.	4.8%
SAP AG	4.6%
Partners Group Holdings AG	3.9%
Swiss Life Holdings	3.7%
Total	51.0%

Monthly and Annual Average Returns

Investment	1 month	3 month	6 month	1 year	2 years
Maestro Global Balanced Fund	-0.3	13.0	21.3	34.1	15.7
Fund benchmark	-1.2	12.7	17.4	28.0	21.4
Sector*	-1.6	8.6	11.9	20.8	17.0

* Morningstar ASISA Global Multi Asset Flexible Category
** Inception Date 1 December 2017

Investment	YTD	2019	2018	2017	2016
Maestro Global Balanced Fund	22.7	26.2	-5.6	NA**	NA**
Fund benchmark	20.7	14.6	8.4	4.0	-9.1
Sector*	14.0	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).