

MAESTRO GLOBAL BALANCED FUND



27 f o
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LIFE

October
2019

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 70 563 077 as at 31 October 2019

NAV

Class A: 106.84

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



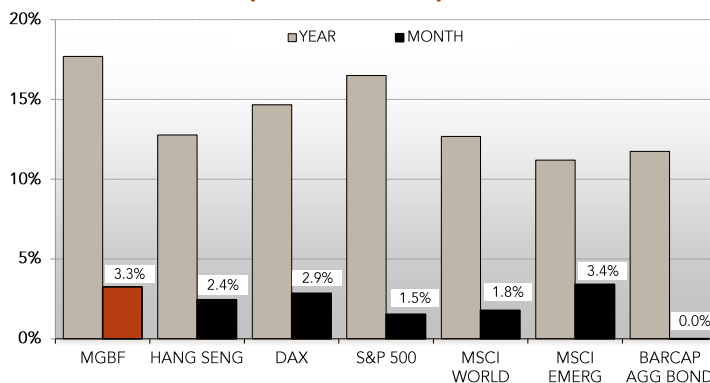
Market Overview

I am sure you have noticed the Christmas wares on offer in the shops already, promotions in the media, and countdowns to Christmas. These are timely reminders of just how rapidly this year is coming to an end. So it is natural for us to start looking back at the past year and comparing it to history in terms of returns from different asset classes and regions. No matter how one looks at it, 2019 will go down in history as one of the more profitable years on global equity markets. This, despite the uncertainty, much of it Trump-induced, the economic slowdown, geopolitical speedbumps, and the political malaise in so many countries, South Africa included.

Starting with the MSCI World index, it rose 2.5% during October, the MSCI Emerging market index rose 4.1%. During October the Japanese market rose 4.7%, the German market 3.5%, and Hong Kong 3.1%, the UK market declined 2.2% and the tech-heavy NASDAQ rose 3.7%. Russia was up 6.7%, India 3.8%, South Africa 3.1%, Brazil 2.4%, and China up 0.8% but Turkey down 6.3%.

The Bloomberg Global Aggregate Bond index rose 0.7%, but the dollar lost ground, with the DXY index falling 2.0%. The palladium price rose 7.1%, which has now gained 65.3% during the past year, and the 9.9% decline in the iron ore price, which is up only 11.2% during the past year.

Market Returns (In rand terms)



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

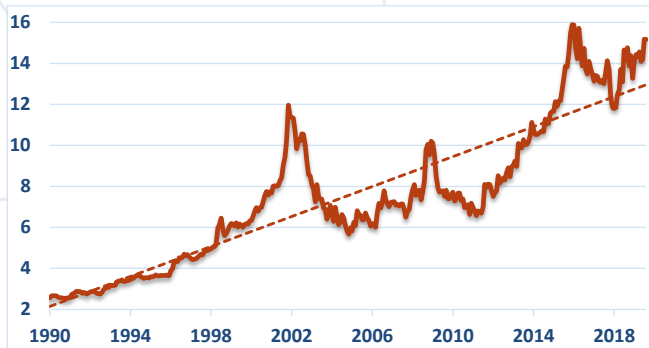
- Leonard Bernstein



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The Rand Dollar Exchange rate



Investment Manager Comment

The Maestro Global Balanced Fund posted an above-average return this month on the back of a slightly firmer rand. The rand strengthened 0.7% this month. The Maestro Global Balanced Fund rose 3.3% in October, this can be compared to the benchmark and comparable sector returns of 1.1% and 1.6% respectively.

Turning to the specific drivers of the Global Balanced Fund's return this month: Wirecard declined 22.9%, Tencent and Vifor Pharma both declined 2.8%, and Charles Schwab 2.7%. Lonza rose 5.2%, Alibaba rose 5.6%, SAP 9.9%, New Oriental Education 10.6%, Bossard 13.9%, Sika 16.1%, and TAL Education 25.0%. Sunny Optical rose 10.1%, Geely Automobile rose 12.0%, Ctrip 12.6% and CSPC Pharma 28.0%.

At the end of October 1.0% of the Fund was invested in bonds, 21.0% was retained in cash and the balance of 78.0% 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	6.0%
Visa Inc.	5.9%
Alibaba Group Holdings Limited	5.7%
New Oriental Education and Tech Group	5.1%
SAP AG	4.9%
CSPC Pharma Group Ltd	4.5%
Alphabet Inc.	4.3%
Ping An Ins Group Co of China	4.3%
Adobe Systems	4.1%
Partners Group Holdings AG	3.7%
Total	48.5%

Monthly and Annual Average Returns (%)

Investment	1 month	3 month	6 month	9 month	1 year
Maestro Global Balanced Fund	3.3	7.2	3.0	23.3	17.7
Fund benchmark	1.1	8.4	8.9	23.0	12.7
Sector*	1.6	7.2	6.9	21.4	11.5

* Morningstar ASISA Global Multi Asset Flexible Category

** Inception Date 1 December 2017

Investment	Year-to-date	2018	2017	2016	2015
Maestro Global Balanced Fund	28.1	-5.6	NA**	NA**	NA**
Fund benchmark	19.5	8.4	4.0	-9.1	31.7
Sector*	19.2	4.6	5.3	-8.6	26.7

* 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).

