

MAESTRO GLOBAL BALANCED FUND



27 f o
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LIFE

October
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 93 935 540 as at 31 October 2020

NAV

Class A2: 1.2995

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



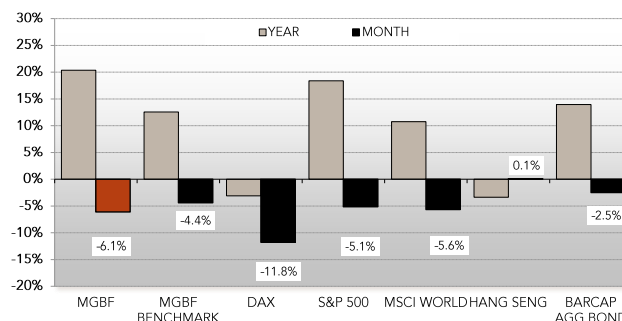
Market Overview

Investment markets continue to intrigue and fascinate; October was no exception. After a period of robust developed market returns, it was the turn of emerging markets to produce strong returns during the past month. Developed equity markets lost ground in absolute and relative returns: the US equity market lost 2.6%, the UK market lost 4.9% (bringing its year-to-date return to -26.1%) and the German equity market lost all of 9.4%. Even the defensive Swiss equity market lost 5.9% in October. In contrast, the Indian equity market rose 4.1%, and China 0.2%, the net result being that the MSCI World index lost 3.1% (bringing the year-to-date return to -2.8%) while MSCI Emerging market index gained 2.0% (year-to-date return of -1.0%).

It was noteworthy that mid and small-sized companies outperformed their larger peers. The S&P Mid and Small Cap indices rose 2.1% and 2.5% respectively, versus the 2.6% decline of US large caps.

Emerging market currencies were firm during the month, as the dollar came under pressure. Strangely though, the DXY dollar index actually rose 0.2% on the month. Within the commodity price complex, precious metals were a bit weak but base metals and soft commodity prices were firm. The oil price lost 10.2% as a result of concerns about oversupply and slowing demand. The Bloomberg Global Aggregate Bond index was flat, posting a return of 0.1%.

Market Returns (In rand terms)



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

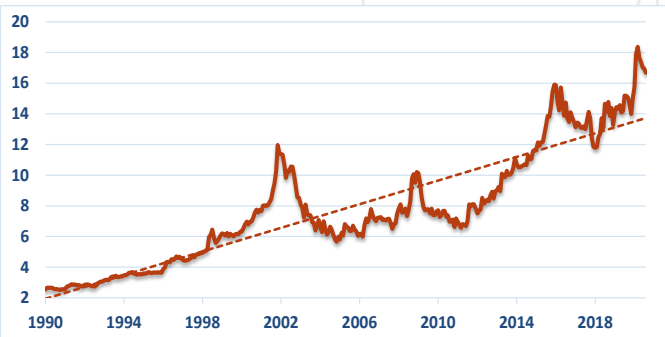
- Leonard Bernstein



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The Rand Dollar Exchange rate



Investment Manager Comment

The Maestro Global Balanced Fund a negative return this month on the back of a firm rand. The rand strengthened 2.7% this month. The Maestro Global Balanced Fund fell 6.1% in October, this can be compared to the benchmark and comparable sector returns of -4.4% and -4.1% respectively.

Turning to the specific drivers of the Global Balanced Fund's return this month; SAP, lost 31.5% after disappointing results. Vifor Pharma lost 17.7%, Yihai 15.1%, CSPC Pharma 12.9%, TAL Education 12.6%, and Swiss Life 11.6%. On the other hand, Sunny Optical rose 8.4%, Alphabet, Google's parent, rose 10.3%. Mercadolibre rose 12.2%, Tencent 15.5%, Zur Rose 16.1%, and Meituan Dianping 19.2%.

At the end of October 6.8% of the Fund was invested in bonds, 3.9% was retained in cash and the balance of 89.3% 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	8.2%
Tencent Holdings	6.3%
iShares China CNY Bond ETF	5.8%
New Oriental Education Group	5.8%
Adobe Systems	5.7%
TAL Education Group	5.6%
Visa Inc	5.2%
Aberdeen Palladium ETF	5.0%
Alphabet Inc	4.8%
Partners Group Holdings AG	3.7%
Total	56.1%

Monthly and Annual Average Returns

Investment	1 month	3 month	6 month	1 year	2 years
Maestro Global Balanced Fund	-6.1	-8.3	-0.7	20.4	19.1
Fund benchmark	-4.4	-5.0	-3.8	12.6	12.6
Sector*	-4.1	-4.7	-3.0	9.6	11.0

* Morningstar ASISA Global Multi Asset Flexible Category

** Inception Date 1 December 2017

Investment	YTD	2019	2018	2017	2016
Maestro Global Balanced Fund	22.1	26.2	-5.6	NA**	NA**
Fund benchmark	17.4	14.6	8.4	4.0	-9.1
Sector*	12.9	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).

