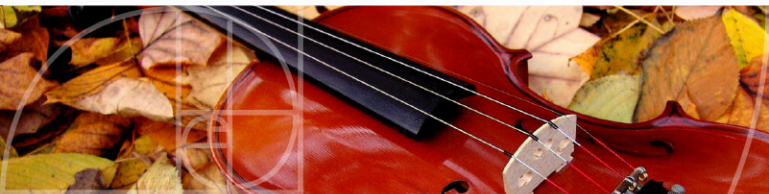


# MAESTRO GLOBAL BALANCED FUND



PRESCIENT  
LIFE

August  
2018

## 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 Prescient 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 Prescient 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

R55 442 131 as at 31 August 2018

## NAV

Class A: R104.06

## Long term insurer

Prescient Life Limited  
(Reg no: 2004/014436/06)

## Auditor

KPMG Inc.

## Investment manager

Maestro Investment Management (Pty) Limited

## Enquiries

Maestro Investment Management  
Box 1289  
Cape Town  
8000  
Email: shane@maestroinvestment.co.za  
Tel: (021) 674 9220

Orchestrating Your Wealth



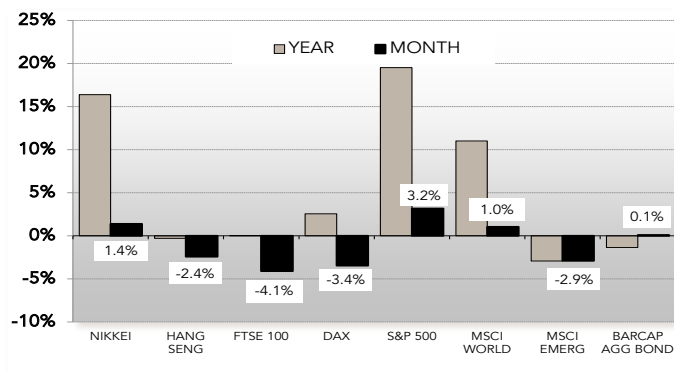
## Market Overview

To describe market behaviour during August as catastrophic might be melodramatic – unless you are a Turk or Argentinian of course. To describe it as concerning understates the powerful forces at work in currency and equity markets. There is simply no place for structurally weak economies – only the strong will survive. Any sign of political indiscretion and structural economic weakness was dealt with swiftly and mercilessly during August.

The Argentinian peso has fallen over 50% this year, the Turkish lira 42.7%, the Brazilian real 19.5%, the rand 15.5%, the Indian rupee 10.1%, and the Indonesian rupiah 7.9%. Perhaps now you understand why I suggested that recent market activity has been catastrophic. Quietly in the background, the US dollar continued to rise.

The US equity market rose 3.2%, while the UK, German, and Swiss markets declined 4.1%, 3.5%, and 2.2% respectively. US equity markets were propelled by the tech sector, NASDAQ rising 5.7%. The Chinese and Hong Kong markets fell 5.3% and 2.4% respectively, Russian market fell 6.9%, Turkey and Greece 4.4% and 4.2% respectively, and Brazil 3.2%. Against this background, the MSCI World index monthly return of 1.0% and the -2.9% MSCI Emerging Market index return is understandable.

## Market Returns



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

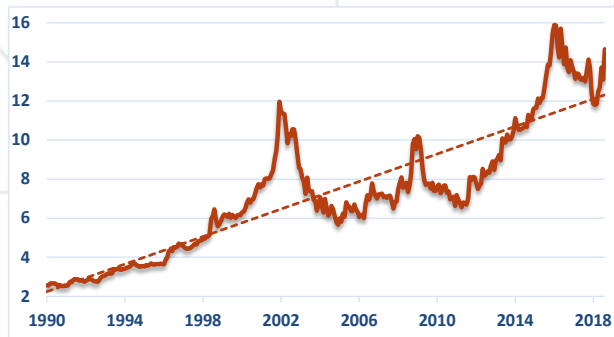
- Leonard Bernstein



**PRESCIENT**  
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**The Rand Dollar Exchange rate**



**Investment Manager Comment**

On the back of the weak rand, the Fund rose 9.8% in August, which can be compared to the benchmark and comparable sector returns of 12.6% and 11.5% respectively.

During August, Sunny Optical fell 23.0% after posting disappointing results, Shanghai Fosun Pharma Group fell 15.4%, New Oriental Education Group 8.6%, Noah Holdings 7.9%, TAL Education Group 7.5%, Geely Automobile 6.8%, and Alibaba 6.5%. On a positive note, Bucher Industries rose 5.6%, Visa 7.4%, Adobe 7.7%, Wirecard 18.8% - it constitutes 1.6% of the Fund, having registered a return of 15.4% last month.

**Monthly and Annual Average Returns (%)**

Investment	1 month	3 month	6 month	9 month	1 year
<b>Maestro Global Balanced Fund</b>	<b>9.8</b>	<b>7.8</b>	<b>21.3</b>	<b>8.8</b>	<b>NA**</b>
Fund benchmark	12.6	18.2	25.3	10.0	19.5
Sector*	11.5	17.5	23.1	8.3	17.5

\* Morningstar ASISA Global Multi Asset Flexible Category

\*\* Inception Date 1 December 2017

Investment	Year-to-date	2017	2016	2015	2014
<b>Maestro Global Balanced Fund</b>	<b>17.7</b>	<b>NA**</b>	<b>NA**</b>	<b>NA**</b>	<b>NA**</b>
Fund benchmark	20.1	4.0	-9.1	31.7	13.0
Sector*	18.7	5.3	-8.6	26.7	9.5

\* Morningstar ASISA Global Multi Asset Flexible Category

At the end of August 0.9% of the Fund was invested in bonds, 16.1% was retained in cash and the balance of 83.0% invested in global equity markets.

**Note to Investors**

The Fund is an investment-linked Endowment Policy, issued by Prescient 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	7.6%
Alphabet Inc.	6.9%
Tencent Holdings Limited	6.2%
Adobe Systems	5.2%
Fedex Corporation	5.1%
Visa Inc.	4.8%
CSPC Pharma Group Ltd	4.4%
SAP AG	4.3%
New Oriental Education and Tech Group	3.6%
Ping An Ins Group Co of China	3.5%
<b>Total</b>	<b>51.6%</b>

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 Prescient Life Limited are members of the Association for Savings and Investments of South Africa (ASISA).

