

MAESTRO GROWTH FUND



27 f o
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LIFE

February
2020

Investment objective

The Fund's objective is to produce above average long-term returns whilst simultaneously aiming to assume less risk than is inherent in the market itself. The Fund adopts a conservative investment philosophy and is Regulation 28 compliant.

The Fund benchmark

The Fund measures itself against a benchmark of 60% All Share Index, 20% All Bond Index (ALBI), 10% Short term fixed income (STEFI) index and 10% against a Global Benchmark.

Legal structure

The Fund is a pooled portfolio on the 27Four Life Limited balance sheet. The appointed portfolio 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. 27Four Life Limited is a linked insurer governed by the Long Term Insurance Act. 27Four Life Limited issues investment linked policies. This Fund operates as white label under the 27Four Life License.

Fee structure

There is no initial fee charged. The Maestro Growth Fund is a Fund with an annual management fee of 1.5% (excluding VAT). This is inclusive of investment consulting, all underlying managers, and administrative functions performed by Prescient Fund Services.

Fund size

R 31 340 587

NAV

Class A: 2.0848

Long term insurer

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

Auditor

SNG Grant Thornton International

Portfolio manager

Maestro Investment Management (Pty) Limited

Enquiries

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Orchestrating Your Wealth



Market Overview

Investors and managers alike agree on how best to describe February's market action – brutal. While nervousness and volatility permeated investments markets throughout February, the final week of the month was nothing less than brutal in the damage inflicted on investor portfolios. The week has gone down in history as the fastest decline into correction territory since the Great Depression, where "correction" is regarded by the popular media as a decline greater than 10%. Even that ignominious description seems tame compared to the declines experienced across the board.

The MSCI World index declined 8.6%, with the UK market down 9.7%, Japan down 8.9% and the US 8.3%. The declines were even more severe in emerging markets, with the MSCI Emerging Market index losing 5.4%. Russia suffered from the added weight of the collapse in the oil price ending down 14.3%. Brazil, Indonesia and Turkey all registered declines in excess of 8.0%. The Greek market lost 20.9% in February alone and the South African All Share index lost 13.2% in dollar terms (9.0% in rand terms). One standout during February was the Hong Kong equity market, which declined only 0.7% although it fell 6.7% during January.

The Bloomberg Global Aggregate Bond index rose 0.7%, while the US Bond index rose 1.8%. The price of gold rose 4.7% and the palladium price continued its astonishing rise, gaining 20.9% during February. Most other commodity prices ended the month lower. The dollar rose 0.8% and the Swiss franc 0.4% but most emerging market currencies buckled in the flight to safety and away from risk.

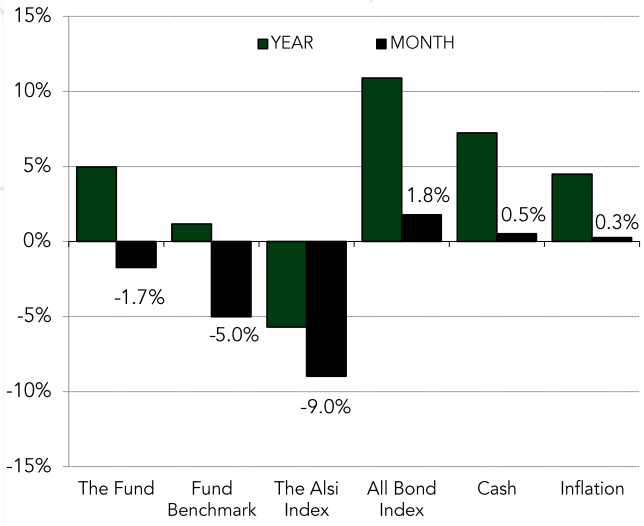
"To achieve great things, two things are needed; a plan, and not quite enough time."

- Leonard Bernstein



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Local market returns



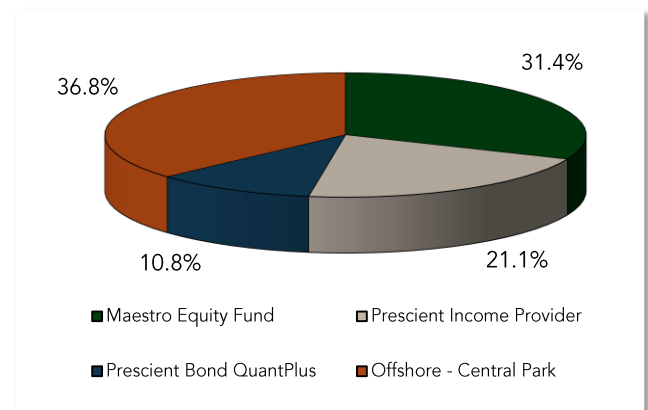
The rand lost 4.7% against the dollar, despite losing 6.8% in January. The All Share index lost 9.0%. The large cap Top40 index fell 8.4%, while the Mid and Small cap indices lost 12.9% and 13.3% respectively. The Basic Material index lost 11.6%, The All Gold index lost 1.7%, the Financial index 9.5% and the Industrial index 7.0%. The All Bond index rose 1.8%, which although positive was in reality supported by rising bond prices globally and a crumbling rand. The Fund's small cap investments continue to disappoint, with AdaptIT and Ascendis Health losing 49.6% and 47.5%. KAP lost 20.9%, Cashbuild 18.2%, Discovery Holdings 17.7%, and Aspen and Billiton 13.8% each. Standard Bank lost 5.7%, Firstrand 4.6%, Naspers 3.2%, Prosus 2.4%, and Stadio 1.1%.

Monthly fund returns

During February the Maestro Growth Fund's NAV fell 1.7% versus the Fund's benchmark which declined 5.0%. The [Maestro Equity Prescient Fund](#) fell 7.2% versus the 9.0% decrease of the All Share index. The

[Prescient Income Provider Fund](#) returned 0.2% against its benchmark return of 0.5%. The [Prescient Bond QuantPlus Fund](#) rose 0.1% versus its benchmark decrease of 0.1%. [Central Park Global Balanced Fund](#) rose 2.1% in rand terms versus the 0.2% decrease of the rand benchmark.

Asset allocation



Largest Holdings

Investment	% of Fund
Naspers Ltd - N Shares	3.7%
Sygnia Itrix US	3.1%
Tencent	2.5%
Sygnia Itrix World	2.4%
Alibaba	2.3%
Visa	2.1%
I2050 2.25% 2050	2.0%
New Oriental Education Group	1.8%
TAL Education Group	1.8%
Adobe	1.8%
Total	23.5%

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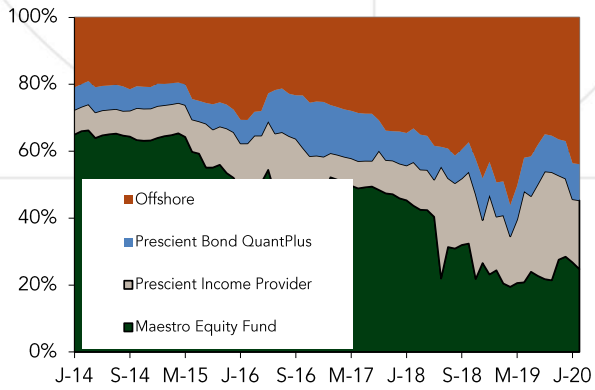
- Leonard Bernstein



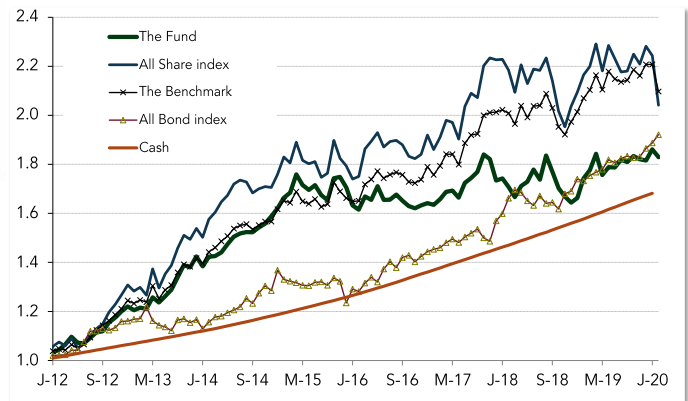
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Historic sector allocation



Historic performance



Monthly and annual average return (%)

Investment	1 month	1 year	3 year	5 years	7 years
Maestro Growth Fund	-1.7	5.0	3.8	1.9	6.2
Fund Benchmark	-5.0	1.2	6.0	4.9	7.9

Monthly and annual (%)

Investment	YTD	2019	2018	2017	2016	2015	2014	2013	2012	2011
Maestro Growth Fund	0.7	10.5	-5.2	6.2	-4.2	7.4	11.5	18.7	20.0	-1.3
Fund Benchmark	-5.0	11.7	-2.0	15.8	4.5	6.0	10.6	17.0	21.0	5.8

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).

