

### PORTFOLIO DESCRIPTION AND INVESTMENT OBJECTIVE

This multi-asset class portfolio invests both locally and offshore. Local assets may include equities, bonds, money market instruments and property. Offshore exposure is obtained through direct investment in listed instruments and/or investment in collective investment schemes. The mandate allows for an unconstrained view, both from an asset allocation and a stock-picking perspective. Portfolio management is likely to reflect high-conviction calls and high levels of trading activity, both of which will at times reflect tactical investment calls. The asset classes will be selected on the potential to generate nominal performance and not on a relative valuation perspective.

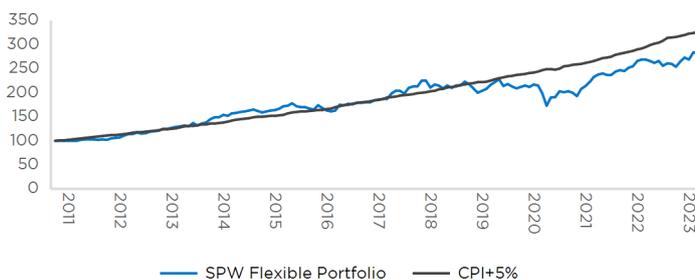
### YOUR PERSONAL EQUITY PORTFOLIO

The SPW Flexible Portfolio is constructed by the investment team based on an intensive and rigorous investment process. It acts as a guide to your portfolio manager in customising your personal portfolio to suit your individual requirements. Note that the performance on this fact sheet is based on the model portfolio - the performance of your portfolio may vary, depending on the level of deviation from the model and the fees charged.

### WHY SELECT A PERSONAL PORTFOLIO

A personal portfolio is suitable to discerning investors who might have unique factors to consider during the investment process. Your investment can be tailored to your requirements, you have more direct access to your portfolio manager and you have direct ownership of shares. Your portfolio will not be affected by the cash investment and withdrawals of other investors.

### PERFORMANCE NET OF FEES<sup>1</sup>



Percentage Returns	Portfolio	Benchmark	Active
Since inception	8.69%	10.22%	-1.53%
10 Yrs (Annualised)	8.06%	10.12%	-2.06%
5 Yrs (Annualised)	5.58%	9.82%	-4.24%
3 Yrs (Annualised)	12.24%	10.14%	2.10%
Past 12 Months	4.91%	11.94%	-7.03%
YTD	4.89%	1.34%	3.55%

### PORTFOLIO INFORMATION

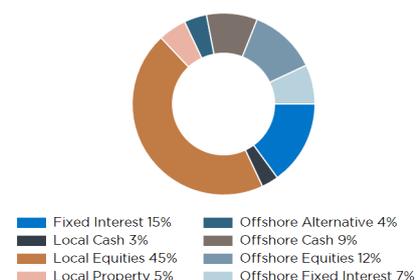
Risk rating	Aggressive
Inception date	October 2010
Minimum investment	R1 million
Benchmark	CPI + 5% <over rolling 36 months>
Management company	Sanlam Private Wealth
Portfolio manager	David Lerche
Initial fees	Nil
Annual management	Fee sliding scale (refer to mandate)

### TOP 5 HOLDINGS

(Please note your portfolio might vary from this)

British American Tobacco PLC	6.26%
Prosus NV	5.77%
Anglo American PLC	5.25%
FirstRand Ltd	5.06%
Sasol Ltd	2.98%

### EQUITY SECTOR EXPOSURE



1.The net of fee calculation assumes a 1.15% annual management charge and total trading costs of 1% (both inclusive of VAT) on the value of actual portfolio turnover.



## ABOUT THE PORTFOLIO MANAGER

David Lerche, CFA, CA (SA)

David has 14 years` experience in the asset management industry. He is a CFA charterholder and a qualified CA (SA), and has degrees in finance and accounting. David joined the Sanlam Private Wealth team five years ago as an investment analyst, and has been Head of Equities since the start of 2021. Before this, he spent nine years in institutional stockbroking as an equity analyst servicing major South African and global asset managers.

## PORTFOLIO MANAGER'S COMMENTS

Following a stellar start to the year in January, markets were on the back foot again in February as a tight labour market in the developed world and persistent inflation raised concerns that central banks would have to ultimately raise interest rates more than previously expected. South African equities, as measured by the FTSE/JSE All Share Index, declined by 2.2% in February. The rand weakened substantially during the month, resulting in a US dollar decline of 7.0% for the local market versus -2.4% for global equities.

Resources shares dragged our local market lower with the resources index falling by 13%, while industrial and financial shares fared materially better, managing to squeeze out positive returns of 1.7% and 2.5% respectively in rand terms. Bond prices faced the pressure from rising yields internationally, with the FTSE/JSE All Bond Index declining by 0.9% in February. Cash returned 0.6%. Local listed property followed the bond market lower, declining by 0.7%.

The portfolio delivered nominal performance of 4.9% for the 12-month period to the end of February. This return missed the inflation-plus-5% target for the period. Not only have the higher recent inflation numbers raised the performance bar materially, but the benchmark of CPI+5% has proved to be a tough measuring stick over the past five years - all local asset classes have failed to match it. However, the good performance over 36 months (12.2% per annum) surpassed the inflation-plus benchmark of 10.1% per annum for the period. The portfolio has recorded a credible 8.7% after costs since inception.

Over the past year, the severe drawdown in global equities had a material impact on the nominal performance of the portfolio. Second, the outbreak of the war in Ukraine had severe negative short-term implications for global banking shares and overall emerging market performance - the performance in Russia was diabolical. Since the portfolio has direct exposure to emerging markets and international financial shares, the very short-term performance came under pressure.

In February, the portfolio reduced its exposure to equities (both South African and global), while adding to both local and US government bonds. At the end of February, the portfolio held 58% in equities, 22% in fixed interest investments, 5% in local listed property, 4% in global alternative investments and 11% in local cash.

## ABOUT SANLAM PRIVATE WEALTH

Sanlam Private Wealth is a holistic, integrated wealth management business that provides advice and manages assets for high net worth private individuals, cultural organisations, charitable institutions and similar entities with investable assets of more than R1 million.

## CONTACT US

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## MANDATORY DISCLOSURE

Participation in the SPW Flexible Portfolio is a medium- to long-term investment. The value of this portfolio is subject to fluctuation and past performance is not necessarily a guide to its future performance. Calculations are based on a lump sum investment with gross income reinvested on the ex-dividend date. All performance figures are net of fees and costs. Actual investment performance will differ based on the fees applicable, the actual investment date and the date of reinvestment of income. A schedule of fees and maximum commissions is available from the manager. Sanlam Private Wealth (Pty) Ltd, registration number 2000/O23234/O7, is a member of the Johannesburg Stock Exchange, a licensed Financial Services Provider (FSP 37473) and a Registered Credit Provider (NCRCP1867).

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