Sanlam

PRIVATE Wealth

SPW AGGRESSIVE TECHNICAL MOMENTUM PORTFOLIO 31 MAY 2020

Conservative | Cautious | Moderate | Moderate Aggressive | Aggressive

PORTFOLIO DESCRIPTION AND INVESTMENT OBJECTIVE

The portfolio aims to outperform the JSE All Share Index on a total return basis, over an investment horizon of three years or more, by investing in local companies.

The shares are selected based on trends of price performance relative to the JSE All Share Index. The 200d moving average is the primary input used when defining trends. This indicator along with others is used in portfolio positioning selection.

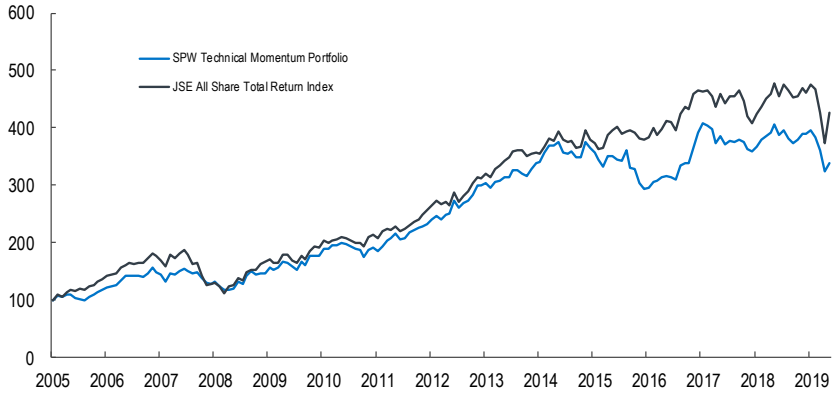
YOUR PERSONAL EQUITY PORTFOLIO

SPW Aggressive Technical Momentum Portfolio is constructed by the Investment Team based on an intensive and rigorous investment process. The model portfolio acts as a guide to your portfolio manager in customising your personal portfolio to suite your individual requirements. It is important to note that the performance on this fact sheet is based on the model portfolio and the performance of your portfolio may vary depending on the level of deviation from the model portfolio and the fees charged.

WHY SELECT A PERSONAL PORTFOLIO

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

PERFORMANCE NET OF FEES[1]



Percentage Returns	Portfolio	Benchmark	Active
Since Inception (Annualised)	8.15%	9.71%	-1.56%
5 Yrs (Annualised)	-0.63%	2.46%	-3.09%
3 Yrs (Annualised)	3.31%	1.33%	1.98%
Past 12 Month	-11.16%	-5.96%	-5.21%
YTD	-12.80%	-10.12%	-2.68%

PORTFOLIO INFORMATION

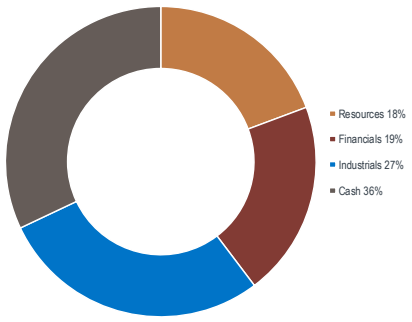
Risk Rating	Aggressive
Inception Date	August 2003
Minimum Investment	R1 Million
Benchmark	JSE All Share Index TR
Management Company	Sanlam Private Wealth
Portfolio Manager	Neale Campbell
Initial Fees	Nil
Annual Management	Fee Sliding Scale (refer to mandate)

TOP 5 SHARE HOLDING

(Please note your portfolio might vary from this)

BHP Group Plc	9.93%
Anglo American Plc	8.19%
Standard Bank Group Ltd	6.07%
Aspen	5.31%
Mr Price Group Ltd	5.28%

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

Neale Campbell, Bcom CMT

Neale is primarily responsible for the managed trading accounts at Sanlam Private Wealth, having joined the firm in 2009. In addition to this he is also responsible for the Technical Momentum portfolio and technical research at SPW. He manages the investments accounts for many high net worth clients and families. Prior to joining SPW, Neale gained experience in the City of London. Neale was awarded Chartered Market Technician designation in 2015.

PORTFOLIO MANAGER'S COMMENTS

Following a very strong recovery in April, local equities traded in a well-defined range in May. Despite shorter-term share price volatility, local equities – as measured by the FTSE/JSE All Share Index (ALSI) – closed the month marginally (0.3%) higher. Global equities, however, powered ahead – the MSCI World Index gained another 4.9% in the month as investors showed comfort in holding mega-cap international companies. Emerging market equities performed in muted fashion, gaining 0.6% on average.

Mining shares generally performed well. The sector gained 5.5% while the general miners advanced strongly with a gain of 10%. Gold shares, however, traded 7.2% lower during the month. Industrial sector shares traded in a wide range. Investors treated industries regarded as victims of COVID-19 harshly. Travel and leisure services traded 21% lower, and automobiles and parts sold down by 9%. Pharmaceuticals gained 19.5% while mobile telecommunication traded 7% higher.

Locally bond yields continued to strengthen after the sell-off in March. The All Bond Index gained an impressive 7% in the month. Prices of listed property entities started to stabilise – the sector closed only 0.7% lower after the carnage in recent months. Cash returned 0.47%.

The Technical Momentum portfolio performed well in May, delivering a total return of 1.70%. The positive performance was driven mainly by our active position in the large-cap mining stocks (Anglo American and BHP) as well a number of strong moves off oversold levels in our domestic shares (Coronation Fund Managers, PSG and Mr Price). In May we initiated a new position in Aspen which also ran fairly hard, delivering a return of 20% in May as it reclaimed its 200-day moving average and finally broke above the resistance in play for the past 18 months.

ABOUT SPW

Sanlam Private Wealth is a holistic, integrated wealth management business that provides advice and manages assets for high net worth private individuals, cultural organizations, charitable institutions and similar entities with investable assets of more than R1million.

MANDATORY DISCLOSURE

Participation in the Sanlam Private Wealth's Aggressive Technical Momentum Equity 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 as to its future performance. Calculations are based on a lump sum investment with gross income reinvested on the ex-dividend date. All performance figures exclude 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 2000/023234/07, is a member of the Johannesburg Stock Exchange, a licensed Financial Services Provider (FSP 37473) and a Registered Credit Provider (NCRCP1867).

TREATING CUSTOMERS FAIRLY (TCF)

As a business we are committed to the principles of TCF, practicing a specific business philosophy that is based on client-centricity and treating customers fairly. Our clients can be confident they are dealing with a company where TCF is central to what we do and be reassured that we have a holistic wealth management product offering that is tailored to their needs, and a service that is of a high standard.

CONTACT US

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