

SPW GLOBAL EQUITY INCOME PORTFOLIO

29 FEBRUARY 2024



PORTFOLIO DESCRIPTION AND INVESTMENT OBJECTIVE

The primary objective is to provide above-average total returns (capital plus income) over a medium to long-term investment horizon, by investing in ordinary shares listed globally. Management will typically not be trading orientated, holding concentrated equity positions reflecting the manager’s best ideas globally and limited to 10% individual positions.

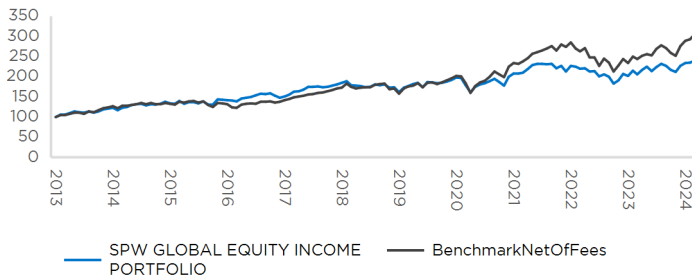
The portfolio is characteristically dominated by companies with a global footprint and an impressive track record of growing profits and well-entrenched industry market positions.

WHY SELECT A PERSONAL PORTFOLIO

The portfolio is designed to meet the needs of investors looking for concentrated equity exposure through a directly held and actively managed portfolio of quality global shares reflecting our highest conviction views in respect of market groupings, sectors and fundamentals.

Volatility of portfolio returns could be high due to a combination of underlying equity volatility and the impact of foreign exchange fluctuations, which historically has been high.

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



PERFORMANCE FIGURES IN US\$

	FUND	BENCHMARK
Since Inception	8.05%	10.50%
10 Yrs (Annualised)	6.83%	9.06%
5 Yrs (Annualised)	6.08%	11.66%
3 Years	4.22%	8.64%
1 Year	16.44%	24.96%
YTD	2.29%	5.49%

PORTFOLIO INFORMATION

Risk Rating	Aggressive
Inception Date	1 January 2013
Minimum Investment	US\$ 150,000
Benchmark	MSCI World Index Net TR USD
Management Company	Sanlam Private Wealth
Portfolio Advisers	Pieter Fourie and William Ball
Holdings	Typically consisting of 25 direct shares
Annual Management	1.15%
Yield**	2.48%

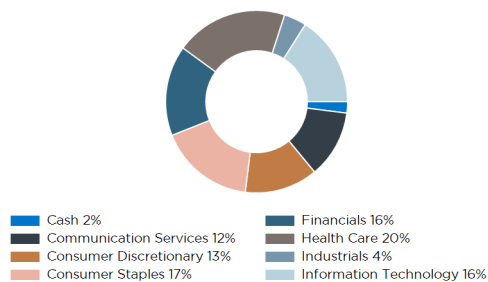
TOP 5 HOLDINGS

(Please note your portfolio might vary from this)

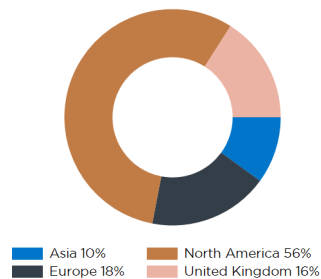
SAP SE	5.43%
Fiserv Inc	4.54%
Visa INC - Class A Shares	4.36%
Alphabet Inc Cl C	4.21%
London Stock Exchange Group	3.98%

1.The net of fee calculation assumes a 1.25% annual management charge excluding VAT on the value of the actual portfolio.

## EQUITY SECTOR EXPOSURE



## GLOBAL ANALYSIS



## PORTFOLIO ADVISERS COMMENTS

The Global Equity Income portfolio under-performed the MSCI World Index during the month, returning 1.83% while the index returned 4.24%.

The best performing stock was Yum China (+24.0%). The shares started the year poorly, as concerns over the near-term Chinese macro environment took hold. However, the company posted strong full-year results, reigniting market confidence in its long-term prospects. The number of restaurants across all their brands currently stands at 14 644. This is expected to grow to 20 000 by the end of 2026. KFC has seven restaurants serving every million people in China. In Japan, McDonalds has 24 restaurants per million. Herein lies the opportunity. We view their scale, best-in-class technology platform, and ability to open new restaurants at a lower cost than competitors as key competitive advantages in increasing their share of the market. Management has guided long-term system sales and operating profit to grow at a compound high-single-to-low-double-digit percentage, and earnings to grow at a double-digit percentage. This includes significant cash returns to shareholders with a minimum of USD3 billion being returned in the form of dividends and share repurchases over the next three years. Other strong performers this month were IHG (+10.9%) and NetEase (10.5%). IHG posted strong full-year results and announced a new USD800 million buy-back, which equates to 5% of their market capitalisation. NetEase received approval for various new games, setting up a strong release pipeline for 2024.

In terms of the laggards, Reckitt Benckiser (-13.1%) and Akamai (-10.0%) under-performed. Reckitt posted poor full-year results with volumes and pricing coming in lower than expected. After a period of inflationary price increases, consumer staple businesses are struggling to maintain volumes as consumers search for better value. Akamai sold off after results, which were in line with expectations - the share had a strong run prior to results.

## ABOUT THE PORTFOLIO ADVISERS

Pieter Fourie (CFA CA(SA)) Head of Global Equities

As Head of Global Equities, Pieter is the lead fund manager for the Sanlam Global High Quality Equity Fund, having joined the firm in mid-2012. His responsibilities include the design, management and implementation of our global equity client offering, including segregated mandates for high net worth individuals. Pieter oversees a team of five analysts focusing on global and UK equities across multiple industries. Current assets under management managed by the investment team in direct global and UK equity mandates is more than US\$2.1 billion.

William Ball (BSc (Hons), IMC) Senior Equity Analyst

William is a senior equity analyst and the deputy fund manager of the Sanlam Global High Quality Fund. In conjunction with the Head of Global Equities, William is also responsible for global equity research and managing the high net worth global equity mandates and the global equity offering. He has over 13 years of investment experience and a track record of investing in equities. Before joining Sanlam in 2009, William worked at Brown Shipley before moving to Merrill Lynch.

## 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.

## MANDATORY DISCLOSURE

Participation in this 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. 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.

This factsheet provides information on a model portfolio that has been designed to reflect the global equity income portfolio service. Actual investment performance experienced by clients will reflect portfolio-specific decision made by the portfolio manager. In practice, the portfolio manager may take up to six months to be fully invested in this portfolio and potentially longer where this is appropriate. This gives the portfolio manager the opportunity to invest in the stocks at an attractive entry point.

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