

31 December 2022

Aquila Wealth Balanced

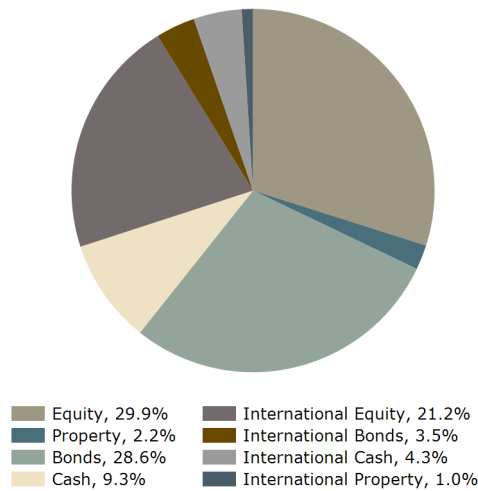
**Fund Details**

|                          |                                |
|--------------------------|--------------------------------|
| <b>Fund Category</b>     | SA Multi Asset High Equity     |
| <b>Benchmark</b>         | Avg SA Multi Asset High Equity |
| <b>Risk Profile</b>      | Moderate                       |
| <b>Investment period</b> | 5 years                        |
| <b>Launch Date</b>       | 01 September 2015              |
| <b>Fund Size</b>         | R 362 million                  |
| <b>Platform</b>          | Glacier                        |

**Fund Objective**

The wrap fund aims to provide a high level of capital growth over the long term. Investors in this fund are prepared to tolerate high fluctuations in the value of their investment over the short term. The fund will be diversified across all major asset classes with a bias towards equities (maximum of 75%). Investors in this fund should have a minimum investment horizon of 5 years. The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

**Asset Allocation**

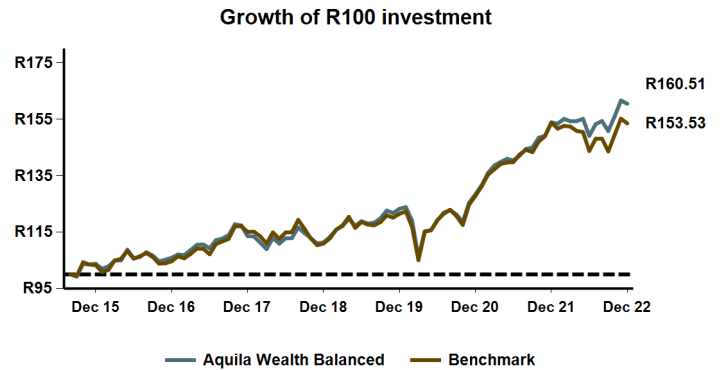


**Investor Profile**

This fund is suitable for investors looking for:

- High level of capital growth
- Able to tolerate high levels of volatility
- A minimum investment horizon of 5 years

**Cumulative performance since launch \***



| Performance (%)      | Fund* | Benchmark |
|----------------------|-------|-----------|
| 1 Month              | -0.69 | -1.08     |
| 3 Months             | 6.41  | 6.91      |
| 6 Months             | 7.62  | 6.80      |
| 1 Year               | 4.28  | -0.17     |
| 2 Years (annualised) | 11.81 | 9.60      |
| 3 Years (annualised) | 9.20  | 8.11      |
| 5 Years (annualised) | 7.16  | 5.93      |
| Since Launch         | 6.66  | 6.02      |

| Risk statistics (2 years)       | Fund*  |
|---------------------------------|--------|
| Returns (annualised)            | 11.81% |
| Standard deviation (annualised) | 6.32%  |
| % Positive months               | 75.00% |
| Maximum drawdown                | -3.86% |
| Sharpe ratio                    | 1.16   |

**Manager Selection (%)**

|                                  |       |                                    |       |
|----------------------------------|-------|------------------------------------|-------|
| Amplify SCI Balanced             | 10.00 | Ninety One Global Franchise Feeder | 5.00  |
| Amplify SCI Strategic Income     | 10.00 | PSG Flexible                       | 5.00  |
| Aylett Balanced Prescient        | 7.00  | Satrix Balanced Index              | 10.00 |
| Coronation Global Optimum Growth | 5.00  | Satrix Bond Index                  | 4.00  |
| Fairtree Equity Prescient        | 4.00  | SIM Inflation Plus                 | 13.00 |
| Glacier Money Market             | 3.00  | Truffle SCI Flexible               | 12.00 |
| Nedgroup Opportunity             | 12.00 |                                    |       |

| Monthly Fund Performance* (%) | Jan   | Feb   | Mar    | Apr  | May  | Jun   | Jul  | Aug  | Sep   | Oct   | Nov  | Dec   | YTD   |
|-------------------------------|-------|-------|--------|------|------|-------|------|------|-------|-------|------|-------|-------|
| Fund 2022                     | -0.29 | 1.08  | -0.51  | 0.02 | 0.50 | -3.86 | 2.76 | 0.73 | -2.29 | 3.43  | 3.60 | -0.69 | 4.28  |
| Fund 2021                     | 2.55  | 3.30  | 1.95   | 0.87 | 0.79 | -0.40 | 1.22 | 1.66 | 0.34  | 2.37  | 0.51 | 3.17  | 19.88 |
| Fund 2020                     | 0.49  | -3.95 | -10.79 | 8.57 | 0.42 | 3.11  | 1.77 | 1.16 | -1.31 | -2.18 | 5.73 | 2.38  | 4.15  |

**Fees (% incl. VAT)**

|                          |      |
|--------------------------|------|
| Annual wrap fee          | 0.37 |
| Underlying Manager TER's | 0.82 |

\* The investor is liable for CGT on any transactions in the units of the underlying unit trusts within the wrap funds. Compulsory investments are not subject to CGT. Performance is calculated using net returns (after fees) of the underlying unit trusts, and quoted excluding wrap fund fees. Performance quoted is pre-tax. Fund performance numbers shown are for a notional portfolio and do not reflect the actual performance of the client invested in the wrap fund due to timing differences of investments or disinvestments of the client. Benchmark returns for CPI are based on actual published returns and an estimated one month return for the month of the report date. ASISA Benchmark returns are the ASISA returns available as at the time of reporting.

**The Aquila Wealth BlueStar Balanced Wrap Fund, is developed and managed by Sanlam Investments on behalf of Aquila Wealth BlueStar.**

31 December 2022

Aquila Wealth Balanced

### Manager Comment

Investors were seeking a “Santa Claus rally” in the final month of the year, however, December proved to be no different with volatility and losses seen throughout 2022. Most major global markets ended in negative territory, including South Africa. This comes as no surprise as it was driven by global central banks’ aggressive interest rate hikes to curb inflation. Increasing recession fears, Russia’s invasion of Ukraine and increasing concerns over a surge in Covid-19 cases in China further contributed to the volatility.

The fourth quarter 2022 rally faded into year-end, with developed equity markets losing more ground in December but managed to deliver its first positive quarter of 2022. The MSCI World Index closed -4.34% m/m in USD and -4.25% m/m in ZAR. US tech stocks struggled once again, with the tech-heavy Nasdaq falling around 9% m/m, wiping out all its gains from 2022 and leaving itself comfortably in bear market territory for 2022 (around 32% down y/y). The S&P 500 returned -5.77% m/m. The Euro Stoxx 50 (€) returned -4.04% m/m. The UK’s blue-chip FTSE (£) fared better compared to counterparts, closing at -1.42% m/m.

Emerging equity markets outperformed their developed counterparts in the final month of the year, the MSCI Emerging Markets Index closed at -1.64% m/m in USD and -1.53% m/m in ZAR. China’s major market indices ended mixed, with Hong Kong’s Hang Seng Index rising, while the Shanghai Composite Index fell. This follows the country’s easing on Covid-19 restrictions and the unexpected surge in Covid-19 cases.

The South African equity market followed world markets lower, but ended the year in positive territory. The FTSE/JSE All Share Index closed at -2.26% m/m and 3.58% y/y. On a yearly basis, the country was one of the select few major global stock markets to eke out a gain in 2022. Stocks geared towards the domestic economy were amongst the worst-performing during the month.

All major sectors finished the month in the “red.” Resources took the biggest hit, closing at -3.58% m/m, followed by Financials closing at -1.71% m/m. Industrials fared slightly better, with the help of Naspers and Prosus closing at -0.07% m/m. SA Listed Property advanced for the third consecutive month, closing at 1.13% m/m. Local bonds continued to gain in the high interest rate environment, with the All Bond Index (ALBI) returning 0.62% m/m. Cash (STeFI) delivered a moderate return of 0.56% m/m. South African growth managers (-1.15% m/m) outperformed value managers (-3.52% m/m), while the opposite occurred globally.

The ZAR remained relatively unchanged against the safe-haven USD, closing at -0.10% m/m. Furthermore, the ZAR lost as much as 5.44%, 3.62% and 1.10% against the Japanese yen, euro, and sterling.

### Investment Committee

The investment committee forms an integral part of the investment management process. The investment committee members are involved in the process of multi management by participating in the Investment Committee Framework (the “Framework”). This Framework provides intermediaries with a platform to share their research and views with qualified investment professionals who will, based on certain constraints, construct a portfolio taking the intermediary’s research into account.

Jan Loots  
Kritz Coetzee  
Madle Abrahams  
Sherwin Govender  
Lehan Kruger

The information contained in this document has been recorded and arrived at by Glacier Financial Solutions (Pty) Ltd (FSP) Licence No. 770 in good faith and from sources believed to be reliable, but no representation or warranty, expressed or implied, is made as to the accuracy, completeness or correctness. Past performance is not necessarily a guide to future performance. Changes in currency rates of exchange may cause the value of your investments to fluctuate. The value of investments and income from them may therefore go down as well as up, and are not guaranteed. The information is provided for information purposes only and should not be construed as the rendering of investment advice to clients. Glacier Financial Solutions (Pty) Ltd and its shareholders, subsidiaries, agents, officers and employees accordingly accept no liability whatsoever for any direct, indirect or consequential loss arising from the use or reliance, in any manner, on the information provided in this document. Total expense ratios (TERs) are calculated quarterly and are accurate at the latest available date quoted on this document, intermediary and LISP fees are client-dependent and therefore not reflected. The wrap fund is made up of registered Collective Investment Schemes. The Minimum Disclosure Document of the underlying funds can be obtained from the respective Managers.

### Portfolio Manager



### Lehan Kruger

BCom (Hons) Investment Management (2010)  
CFA Charterholder (2019)

### About the Portfolio Manager

Lehan Kruger joined Sanlam Investments Multi Manager as a Portfolio Manager in 2021, having previously worked as an Investment Analyst in the manager research and investment team at Fundhouse for 6 years.

His investment experience ranges from manager research, where he was involved in evaluating a wide range of local and offshore funds for inclusion in client portfolios, to investment research, where he was a member of the investment committee responsible for developing tactical asset allocation views and portfolio construction across a range of mandates. Prior to this, he worked at CURO as a Specialist Fund Administrator as well as the Burgiss Group as a Financial Analyst.

### Manager Information

Sanlam Multi Manager International (SMMI) (Pty) Ltd

### Physical address

55 Willie van Schoor Avenue, Bellville, 7530  
Postal Address: Private Bag X8, Tygervalley, 7536  
Website: [www.sanlaminvestments.com](http://www.sanlaminvestments.com)

### Contact Details

Tel: +27 (21) 950-2500  
Fax: +27 (21) 950-2126  
Email: [siretail@sanlaminvestments.com](mailto:siretail@sanlaminvestments.com)