

30 June 2021

Fortem Capital Conservative

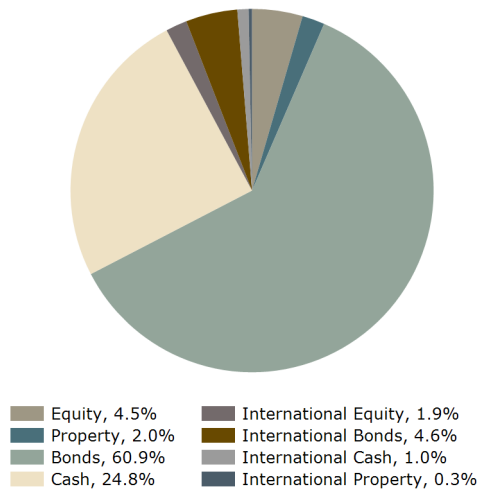
Fund Details

Fund Category	SA Multi Asset Income
Benchmark	CPI+2% over a 2-year rolling period
Risk Profile	Conservative
Investment period	2 years or longer
Launch Date	01 April 2018
Fund Size	R 3 million
Platform	Glacier

Fund Objective

The wrap fund aims to provide investors with a high level of income over the short term. The preservation of capital is of primary importance. The fund will consist primarily of income orientated assets with limited exposure to equities (maximum of 20%). Investors in this fund have an investment horizon of 1 years or longer. The fund is compliant with Regulation 28 of the Pension Funds Act, 1956.

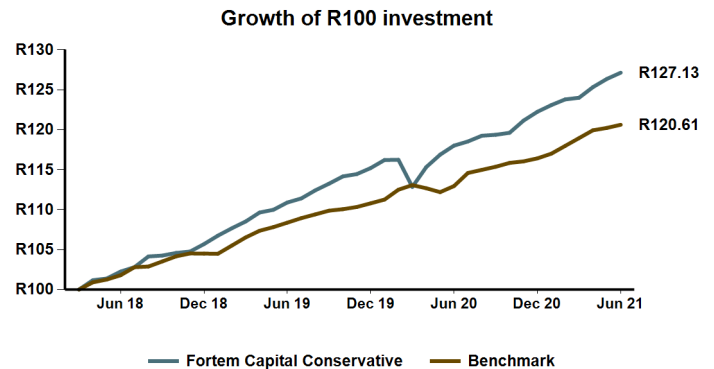
Asset Allocation



Investor Profile

- High level of income over the short term
- Capital preservation, with limited exposure to equities
- A minimum investment horizon of 1 years or longer

Cumulative performance since launch *



Performance (%)	Fund*	Benchmark
1 Month	0.62	0.33
3 Months	2.53	1.40
6 Months	4.00	3.61
1 Year	7.73	6.79
2 Years (annualised)	7.07	5.50
3 Years (annualised)	7.53	5.82
Since Launch	7.66	5.94

Risk statistics (2 years)	Fund*
Returns (annualised)	7.07%
Standard deviation (annualised)	3.04%
% Positive months	95.83%
Maximum drawdown	-2.91%
Sharpe ratio	0.54

Manager Selection (%)

Amplify SCI Defensive Balanced	8.50	Prescient Income Provider	15.00
Amplify SCI Strategic Income	18.00	Satrix Bond Index	5.00
BCI Income Plus	11.00	SIM Active Income	15.00
Coronation Strategic Income	13.00	SIM Inflation Plus	8.50
Nedgroup Investments Core Income	6.00		

Monthly Fund Performance* (%)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2021	0.68	0.58	0.17	1.07	0.82	0.62							4.00
Fund 2020	0.88	0.02	-2.91	2.20	1.35	0.97	0.44	0.60	0.10	0.21	1.27	0.91	6.11
Fund 2019	1.00	0.86	0.79	1.03	0.32	0.83	0.46	0.90	0.75	0.80	0.25	0.66	9.00

Fees (% incl. VAT)

Annual wrap fee	0.40
Underlying Manager TER's	0.53

* 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.

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Manager Comment

Most stock markets, including that of South Africa, retreated from recent highs and finished June on a mediocre note with modest gains or month-on-month declines. The market showed fears over the highly contagious delta variant and global inflation concerns following the announcement from the US Federal Reserve Bank regarding future interest hikes, while investors also took profits at the end of the quarter. Vaccination rollouts continued to accelerate in most developed countries, especially in Europe, while emerging markets continued to lag. Allowing governments in developed markets to continue the easing of COVID-related mobility restrictions in turn increased economic activity levels in these countries.

Global equity markets continued to march higher in June and recorded gains for a fifth consecutive month. The MSCI World Index returned 1.40% month-on-month (m/m) in USD and 5.52% in ZAR. US equity markets outperformed European equity markets with both obtaining positive returns for the month. The S&P 500 (US\$) was up 2.33%, the FTSE (£) up 0.16% and the Euro Stoxx 50(£) up 0.70%.

Equity markets have been benefiting from post pandemic economic normalisation in the form of cyclical, value stocks over the past few months. However, June instead saw the return of its 'pandemic beneficiaries', predominately technology businesses. A key catalyst for this rotation back into structural growth companies was the Fed's announcement mentioned above.

In June, emerging markets were also held back by rotation into growth companies, with the MSCI Emerging Market Index returning -0.11% month-on-month in USD and 3.95% in ZAR. The outliers for the month included Brazil and Russia, which benefited from their high exposure to energy companies, which rallied along with the strong oil price. On the back of this and lagged vaccination campaigns in emerging markets, it was no surprise to see developed market equities outperform emerging market equities.

The South African equity market winning streak came to an end this month, as the FTSE/JSE All Share Index closed at -2.43%, despite this it remains double digits up year to date.

Industrials managed to finish the month 0.56% up, with resources and financials delivering a poor return of -6.55% and -2.62%. SA listed property closed the month 3.37% up, with cash (STEF) once again returning a modest 0.31%.

In terms of our currency, the weaker dollar, lower US interest rates and SA's strong terms of trade were all supportive of a stronger rand in the first half of June, but was thrown off by the Fed's announcement, resulting in the currency trading with a bearish tone and closing the month 3.91% lower against the USD. Furthermore, the ZAR was down 0.94% and 1.13% against the euro and sterling respectively. The only win came in the form of 1.46% month-on-month to the Japanese yen.

Portfolio Manager



Yonela Makwetu

BCom Economics and Statistics
 BCom (Hons) Financial Analysis and Portfolio Management

About the Portfolio Manager

Yonela joined Sanlam's multi-management business as a Portfolio Manager for the retail implemented consulting team in 2018. She also forms part of the research team allocating capital to long-only products, hedge funds and private equity.

She started her working career working for an oil multi-national company (Chevron) and started her investment journey at Glacier International looking at offshore managers and assisting in research for the Glacier International model portfolios. She then joined Novare Investments where she occupied various roles; analyst, senior analyst and junior portfolio manager.

Yonela has a BCom in Economics and Statistics and an honours in Financial Analysis & Portfolio Management from the University of Cape Town. She is currently finishing her Master's thesis with a focus on infrastructure investments. She holds a postgraduate qualification in Emerging Markets and Country Risk Analysis from Fordham University in New York. She is an external supervisor for UCT and Stellenbosch for Actuarial Science honours students covering research mostly on hedge funds.

Manager Information

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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.

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