

## Investment Profile

Investment Manager:	Fairtree Asset Management
Risk Profile:	Medium to High
Investment Horizon:	6 years
Platform availability:	Investec & Glacier
Launch date:	01/03/2016
Total number of holdings:	6
Benchmark:	(ASISA) South African MA High Equity

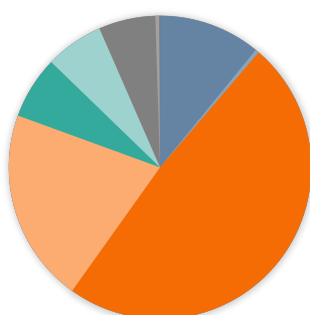
## Investment Objectives

The Fairtree Smart Beta Growth Portfolio aims to outperform the benchmark net of investment management fees, over any rolling 6 year period. The portfolio is diversified across the major asset classes utilizing a multi-manager approach, whereby fund managers are combined based on their skills and expertise. The available asset classes include: bonds, equity securities, non-equity securities, money market instruments, preference shares, property securities and assets in liquid form. The portfolio may invest in foreign assets as permitted by legislation and complies with Regulation 28 that applies in terms of Retirement Fund legislation.

## Fund Allocation

Fund	Allocation (%)
Fairtree Smart Beta Prescient B1	55.00
Fairtree Global Smart Beta Prescient B1	22.00
Coronation Strategic Income P	6.00
Fairtree Global Real Estate Prescient B1	6.00
STANLIB Income R	6.00
Investec Money Market R	5.00

## Asset Allocation



■ Local Bonds - 10.90%
■ Foreign Bonds - 0.40%
■ Local Equities - 48.57%
■ Foreign Equities - 20.68%
■ Local Properties - 6.67%
■ Foreign Properties - 6.21%
■ Local Cash - 6.07%
■ Foreign Cash - 0.44%
■ Local Other - 0.06%

## Monthly Returns

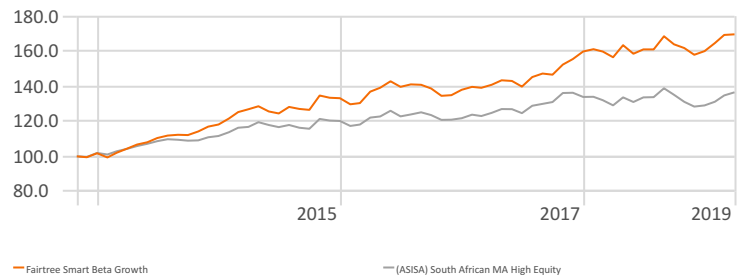
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	2.87	2.82	0.20										5.98
2018	0.81	-0.83	-2.03	4.39	-2.99	1.56	0.00	4.66	-2.72	-1.30	-2.38	1.33	0.13
2017	1.20	-0.38	1.23	1.82	-0.26	-2.25	3.89	1.38	-0.44	3.93	2.07	2.78	15.83
2016	-2.61	0.52	5.00	1.64	2.65	-2.23	1.01	-0.16	-1.49	-3.03	0.27	2.29	3.61
2015	2.86	3.04	1.31	1.34	-2.31	-0.90	2.99	-0.89	-0.42	6.47	-0.95	-0.19	12.69
2014	-2.35	2.71	2.28	2.24	1.22	2.24	1.27	0.40	-0.14	1.83	2.42	1.04	16.12

## Performance Comparison

	1 M	3 M	6 M	1 Y	3 Y	5 Y	YTD
Fairtree Smart Beta Growth	0.20	5.98	3.47	8.35	7.40	10.19	5.98
(ASISA) South African MA High Equity	1.32	5.79	1.03	5.76	3.79	5.54	5.79
FTSE/JSE All Share TR ZAR	1.56	7.97	2.71	5.04	5.68	6.50	7.97
Beassa ALBI TR ZAR	1.33	3.81	6.66	3.46	10.11	8.33	3.81
SA CPI Synthetic (Headline)	0.82	0.46	1.57	4.06	4.78	5.06	0.46

## Cumulative Performance

Time Period: 2013/11/01 to 2019/03/31



## Correlation

Time Period: 2014/04/01 to 2019/03/31

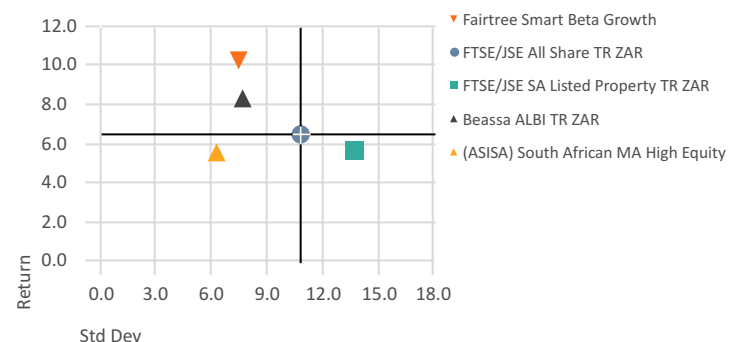
	1	2	3	4	5	6
1 FTSE/JSE All Share TR ZAR	1.00					
2 Fairtree Smart Beta Growth	0.86	1.00				
3 (ASISA) South African MA High Equity	0.91	0.90	1.00			
4 FTSE/JSE SA Listed Property TR ZAR	0.43	0.53	0.37	1.00		
5 Beassa ALBI TR ZAR	0.03	0.01	-0.16	0.30	1.00	
6 STeFI Composite ZAR	0.02	-0.10	-0.06	-0.12	0.08	1.00

■ Positively Correlated

■ Negatively Correlated

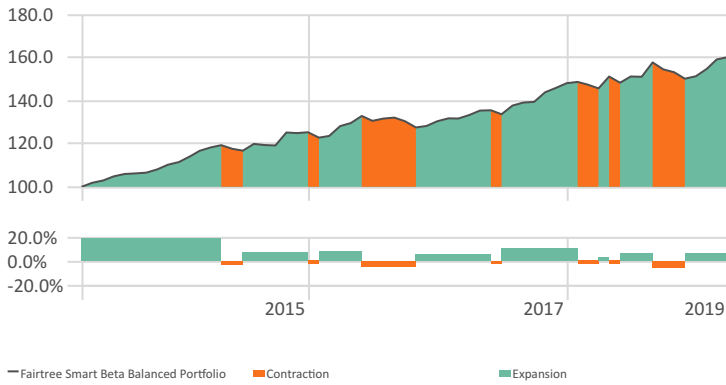
## Risk vs Return

Time Period: 2014/04/01 to 2019/03/31



## Investment Growth

Time Period: 2014/04/01 to 2019/03/31



## Correlation - Underlying Funds

Time Period: Since Common Inception (2017/04/01) to 2019/03/31

	1	2	3	4	5	6	7
1 Fairtree Smart Beta Growth	1.00						
2 Coronation Strategic Income P	0.43	1.00					
3 Fairtree Global Smart Beta Prescient B1	0.57	-0.02	1.00				
4 Fairtree Smart Beta Prescient B1	0.83	0.49	0.03	1.00			
5 STANLIB Income R	-0.11	0.18	-0.12	0.03	1.00		
6 Investec Money Market R	-0.04	0.38	-0.17	0.07	0.36	1.00	
7 Fairtree Global Real Estate Prescient B1	0.42	0.05	0.83	-0.12	-0.20	-0.07	1.00

■ Positively Correlated

■ Negatively Correlated

## Fees

Asset Management Fee:	0.42% (excl. VAT)
Model Portfolio Fee:	0.25% (excl. VAT)

## Market Commentary

Against the general expectation, but as was the case in late 2018, Moody's credit agency again decided to skip (as they are entitled to do) a scheduled pronouncement on SA's sovereign credit rating on Friday. This implies that the rating remains at one notch above sub-investment grade, with a stable outlook. Domestic financial markets responded positively to the news. Although Moody's reprieve is cause for relief, the current environment of weak SA real GDP growth and numerous fiscal risks, suggest that the risk of a rating outlook change and ultimately a credit downgrade will remain in the foreseeable future. Before the Moody's decision, the Monetary Policy Committee (MPC) decided to keep the repo rate unchanged. Other domestic news included an acceleration in producer inflation, an improvement in employment numbers and a modest trade surplus in February.

During the month, the local Equity market gained 1.6% in March and 8.0% in the first quarter, almost recovering the losses experienced in 2018. Resources, the best performing sector, gained 4.6% while Financials lost 4.8%. In line with Emerging market currency weakness, the Rand weakened 2.9%. Bonds were up 1.3% while Property lost 1.5% for the month. The best performing shares were dominated by rand hedges such as British American Tobacco (18.7%), MTN (10.1%), Naspers (9.4%) and BHP Group (8.8%). Amongst the worst performing shares were financial companies such as Absa (-15.8%), Nedbank (-11.7%) and Discovery (-10.6%). Aspen, the worst performing share, plunged 33% following poor results and cashflow concerns.

In the US, the headline ISM Manufacturing number rebounded in March to 55.3 from 54.2, beating expectations of 54.5. The new orders component also gained momentum, even against inventories. An improving new orders-to-inventories ratio is one of the most positive signals for growth and stocks one can envision. This suggests that U.S. growth is in the process of turning the corner, and the recent batch of poor news is arriving to an end.

China's closely watched PMI manufacturing gauges rebounded more sharply than expected in March, adding to the market narrative that the worst may be over for the world's second-largest economy. Both the small and medium sized enterprise-focused private PMI (50.8 vs. consensus 50.0) and the state-owned-enterprise heavy official gauge (50.5 vs. consensus 49.5) returned to expansionary territory. Markets rallied on the turn in business sentiment, with the Hang Seng China Enterprise index rising 1.7% and the onshore CSI 300 adding another 2% to reach a one-year high. Chinese growth is now showing signs of having bottomed out.

## Disclaimer

Please note that this is not an official fund fact sheet. The information presented in this document has been obtained from external data providers believed to be reliable. Even though reasonable effort has been made in order to confirm the correctness and completeness of the data, Fairtree Invest (Pty) Ltd does not guarantee the accuracy or timeliness of all information available from public sources. This information is not intended to serve as investment advice, nor does it take into consideration individual investor objectives, circumstances or constraints. The material is provided for reporting and informational purposes only. It is under no circumstances an offer or solicitation to buy or sell any securities.

## Statistics

Time Period: 2014/04/01 to 2019/03/31

	Return	Sharpe Ratio	Sortino Ratio	Std Dev
Fairtree Smart Beta Growth	10.19	0.43	0.69	7.45
(ASISA) South African MA High Equity	5.54	-0.19	-0.26	6.35
FTSE/JSE All Share TR ZAR	6.50	0.01	0.01	10.81
FTSE/JSE SA Listed Property TR ZAR	5.63	-0.03	-0.04	13.74
Beassa ALBI TR ZAR	8.33	0.20	0.30	7.71
STeFI Composite ZAR	7.01			0.16

## Investment Performance Detail

Time Period: 2014/04/01 to 2019/03/31 Calculation Benchmark: (ASISA) South African MA Medium Equity

	Up Period %	Down Period %	Best Month	Worst Month	Best Quarter	Worst Quarter
Fairtree Smart Beta Growth	61.67	38.33	6.47	-3.03	9.02	-2.37
(ASISA) South African MA High Equity	63.33	36.67	4.84	-2.98	5.79	-4.49
FTSE/JSE All Share TR ZAR	56.67	43.33	7.61	-5.76	8.91	-5.97
FTSE/JSE SA Listed Property TR ZAR	63.33	36.67	9.48	-9.91	13.69	-19.61
Beassa ALBI TR ZAR	61.67	38.33	6.47	-6.67	8.06	-6.43
STeFI Composite ZAR	100.00	0.00	0.63	0.46	1.88	1.42