

Fairtree Global Flexible Income Plus Fund Minimum Disclosure Document - Class D

INVESTMENT PROFILE

The Fund is suitable for investors who have a low to medium risk profile and who wish to capture upside attractive total returns from income producing assets while minimising downside volatility over the medium to long term.

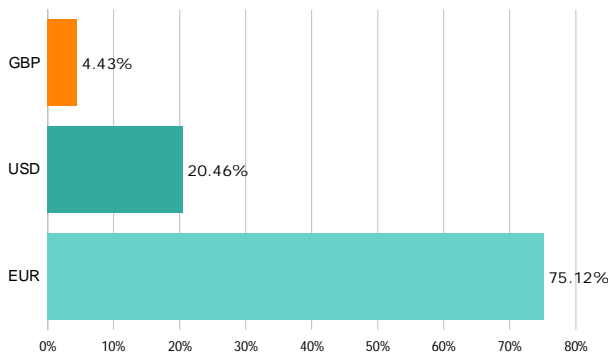
INVESTMENT OBJECTIVE & POLICY

The Fund has as its primary objective the generation of a high level of current income, which will be achieved primarily through investment in debt and debt-related securities. The Fund may also invest from time to time in global currencies, equities and equity-related securities and collective investment schemes.

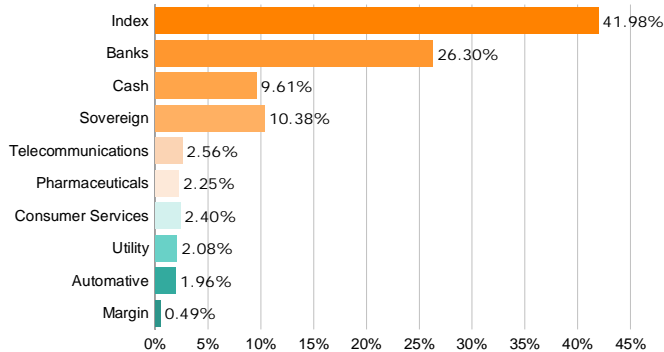
HISTORICAL PERFORMANCE SINCE INCEPTION

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2019	0.27%	1.34%	0.49%	1.20%	-1.91%	2.06%	0.43%						3.90%

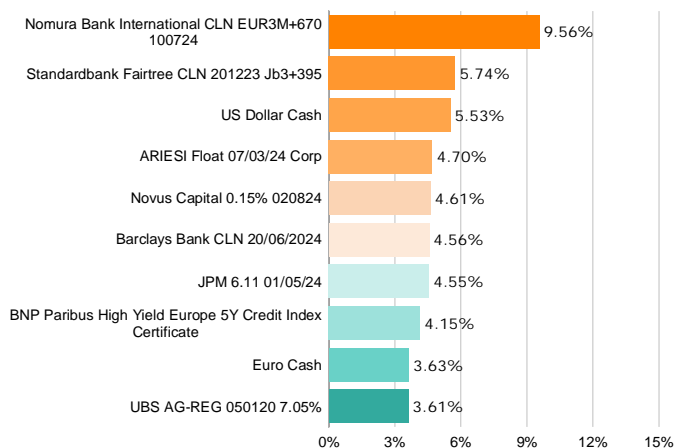
FX ALLOCATION (%)



ASSET ALLOCATION



TOP 10 HOLDINGS



FUND INFORMATION

Portfolio Manager(s):

Paul Crawford
BSc Eng(Elec), MBA, CFA
Joined Fairtree in 2013



Dane Merrick
MSc & BSc in Mechanical Engineering
Joined Fairtree in 2015



Inception date:	21 January 2019
Fund size (in millions):	€ 43.4
JSE code:	PGFGFFD
Unit Price:	1,039.00
ISIN Number:	IE00BG4R0D11
Domicile:	Ireland
Fund Structure:	UCITS Fund
Fund Category:	Global Bond
Regulation 28 Compliant:	No

Cost Ratios:

Total Expense Ratio (TER%):	Please note the Total Expense Ratio and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product and the funds TER will be available after one year.
Performance fee incl. in TER (%) (PF%):	
Transactions Costs Ratio (TC%):	
Total Investment Charges (TIC%):	

Fees:

Initial Fee - Adviser (incl. VAT): The Investment Manager has also been appointed as Distributor of the Shares of the Fund and is in relation thereto entitled to any initial charge payable on subscriptions or redemption fee on redemptions." (not vatable if fees are charged)
Annual management fee (excl. VAT): 0.00%
Performance fee: N/A

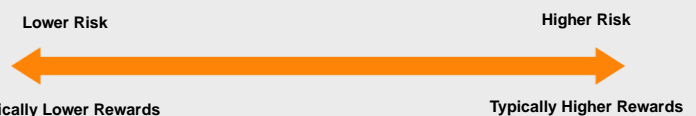
Benchmark:	iTraxx Crossover 5 year Total Return Index
Analysis Currency:	EUR
Minimum Subscription:	€5,000
Minimum Additional Investment:	€1,000

Please see Disclosures and Glossary section for further information on Cost Ratios

Income Distribution:

Declaration:	N/A
Payment:	N/A
Distribution Total for the past 12 months:	N/A
Management and administration:	Prescient Management Company (RF) (Pty) Ltd
Valuation time of fund:	5.00pm (New York Time) on each Dealing Day
Transaction cut-off time:	3.00pm (Irish time) on the relevant Dealing Day

RISK PROFILE



The risk indicator is determined using historical data or, where historical data is not available, using simulated historical data. Historical data, such as is used in calculating the synthetic indicator, may not be a reliable indication of the future risk profile of the Fund. The risk category shown is not a target or a guarantee and may change over time. A category 1 fund is not risk free, the risk of loss is small but the chance of making gains may also be limited. With a category 7 fund, the risk of losing money is high but so also is the possibility of making gains. **The risk indicator for the Fund is set at 3 as this reflects the market risk arising from proposed investments.**

PERFORMANCE SUMMARY

	Fairtree Global Flexible Income Plus Fund	iTraxx Crossover 5 year Total Return Index
Performance comparison		
Inception date	Jan-19	Jan-19
Current month	Jul-19	Jul-19
Total period (No. months)	7	7
Analysis currency	EUR	EUR

Return analysis

Return for current month	0.43%	0.27%
Total return (since inception)	3.90%	3.87%
Average annualised return (since inception)	n/a	n/a
Current 12 month rolling return	n/a	n/a
Highest rolling 1-year return (since launch)	n/a	n/a
Lowest rolling 1-year return (since launch)	n/a	n/a

Consistency analysis

% Up months (since inception)	85.71%	71.43%
% Up months (last 12 months)	n/a	n/a
Standard deviation (since inception - annualised for periods > 12 mnths)	n/a	n/a

Risk analysis

Downside deviation (since inception - annualised Risk free)	n/a	n/a
Largest monthly drawdown	-1.91%	-2.66%
Average monthly drawdown	-1.91%	-1.50%
Largest cumulative drawdown	-1.91%	-2.66%

Risk/ return analysis

Total gain / Total loss	3.04	2.30
Average gain / Largest loss	0.51	0.52
Average gain / Average loss	0.51	0.92
Sharpe ratio (since inception - annualised for periods > 12 mnths)	n/a	n/a
Sortino ratio (since inception - annualised for periods > 12 mnths)	n/a	n/a

Market correlation

Index correlation (ITRXTX5I Index)	0.97	(Monthly)
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MARKET COMMENTARY

It was a rather pedestrian month for our benchmark credit index, with the iTRAXX Crossover 5 year Total Return Index delivering 0.27% in EUR currency. Given that 3 month EURIBOR is around -0.37%, I think that anything with a positive sign is a good outcome these days. Anyways, our more favoured 2* levered index produced a more respectable 0.54% during the period.

There was one official recovery auction in global credit derivative markets viz. Weatherford International, a US name forming part of various CDX High Yield indices, which recovered some 44.5% in the auction dated 24 July. That brings the cumulative number of default auctions in 2019 to 7.

SPECIFIC RISK

- **Default risk:** The risk that the issuers of fixed income instruments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The issuers credit quality is vital. The worse the credit quality, the greater the risk of default and therefore investment loss.
- **Derivatives risk:** The use of derivatives could increase overall risk by magnifying the effect of both gains and losses in a Fund. As such, large changes in value and potentially large financial losses could result.
- **Developing Market (excluding SA) risk:** Some of the countries invested in may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.
- **Foreign Investment risk:** Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, political, tax, settlement risks and currency fluctuations.
- **Interest rate risk:** The value of fixed income investments (e.g. bonds) tends to be inversely related to interest and inflation rates. Hence their value decreases when interest rates and/or inflation rises.
- **Property risk:** Investments in real estate securities can carry the same risks as investing directly in real estate itself. Real estate prices move in response to a variety of factors, including local, regional and national economic and political conditions, interest rates and tax considerations.
- **Currency exchange risk:** Changes in the relative values of individual currencies may adversely affect the value of investments and any related income.
- **Geographic / Sector risk:** For investments primarily concentrated in specific countries, geographical regions and/or industry sectors, their resulting value may decrease whilst portfolios more broadly invested might grow.
- **Derivative counterparty risk:** A counterparty to a derivative transaction may experience a breakdown in meeting its obligations thereby leading to financial loss.
- **Liquidity risk:** If there are insufficient buyers or sellers of particular investments, the result may lead to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than expected.
- **Equity investment risk:** Value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. bankruptcy), the owners of their equity rank last in terms of any financial payment from that company.

GLOSSARY

Annualised performance	Annualised performance show longer term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.
Highest & Lowest return	The highest and lowest returns for any 1 year over the period since inception have been shown.
NAV	The net asset value represents the assets of a Fund less its liabilities.
Alpha	Denoted the outperformance of the fund over the benchmark.
Sharpe Ratio	The Sharpe ratio is used to indicate the excess return the portfolio delivers over the risk free rate per unit of risk adopted by the fund.
Sortino Ratio	The Sortino Ratio is used to measure the risk-adjusted return of the fund.
Standard Deviation	The deviation of the return stream relative to its own average.
Max Drawdown	The maximum peak to trough loss suffered by the Fund since inception.
Max Gain	Largest increase in any single month.
% Positive Month	The percentage of months since inception where the Fund has delivered positive return.
Average Duration	The weighted average duration of all the underlying interest bearing instruments in the Fund.
Average Credit quality	The weighted average credit quality of all the underlying interest bearing instruments in the Fund (internally calculated).
Dividend Yield	The weighted average dividend yield of all the underlying equity in the Fund. The dividend yield of each company is the dividends per share divided by the price.
PE Ratio	The weighted average price earnings ratio of all the underlying equity in the Fund. The price earnings ratio of each company is the price divided by the earnings per share.
High Water Mark	The highest level of performance achieved over a specified period.
Total Expense Ratio (TER%)	The Total Expense Ratio (TER) is the percentage of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product.
Performance fee incl. in TER (% PF)	The Performance Fee is a payment made to the Fund Manager for generating positive returns, and is generally calculated as a percentage of investment profits, often both realized and unrealized.
Transactions Costs (TC%)	The Transaction Costs (TC) is the percentage of the net asset value of the Financial Product incurred as costs relating to the buying and selling of the assets underlying the Financial Product.
Total Investment Charges (TIC%) = TER (%) + TC (%)	The Total Investment Charges (TIC), the TER + the TC, is the percentage of the net asset value of the class of the Financial Product incurred as costs relating to the investment of the Financial Product. It should be noted that a TIC is the sum of two calculated ratios (TER+TC).

DISCLAIMER

Management Company: Prescient Global Funds PLC, **Physical address:** 49 Upper Mount Street, Dublin 2, Ireland **Postal address:** 33 Sir John Rogerson's Quay, Dublin 2, Ireland **Telephone number:** 00 353 1 676 6959 **E-mail:** info@prescient.ie **Website:** www.prescient.ie

Representative Office: Prescient Management Company (RF) (Pty) Ltd, Registration number: 2002/022560/07 **Physical address:** Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 Postal address: PO Box 31142, Tokai, 7966. Telephone number: 0800 111 899. **E-mail address:** info@prescient.co.za **Website:** www.prescient.co.za

Trustee/ Depository: Northern Trust Fiduciary Services (Ireland) Limited. Physical address: Georges Court,54-62 Townsend Street, Dublin 2, Ireland Telephone number: +353 1542 2000 Website: www.northerntrust.com

Investment Manager: Fairtree Asset Management (Pty) Ltd, **Registration number:** 2004/033269/07 is an authorised Financial Services Provider (FSP25917) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (NO.37 of 2002). Please be advised that there may be representatives acting under supervision. **Physical address:** Willowbridge Place, Cnr. Carl Cronje and Old Oak Road, Bellville, 7530. **Postal address:** PO Box 4124, Tygervalley, 7536. **Telephone number:** +27 86 176 0760 **Website:** www.fairtree.com.

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

The Manager retains full legal responsibility for any third-party-named portfolio. Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 14:00 (SA), to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut off time Prescient shall not be obliged to transact at the net asset value price as agreed to. The Fund are priced at either 3pm or 5pm depending on the nature of the Fund. Prices are published daily and are available on the Prescient website.

Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the manager on request.

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For any additional information such as fund prices, brochures and application forms please go to www.prescient.ie

Where a current yield has been included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest-bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change.'

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