

# Absa Select Equity Fund

## Minimum disclosure document – Month ended 31 July 2020

### Fund details

Fund details	
Industry category	SA - Equity - General
Benchmark	FTSE/JSE All Share Index
Fund launch date	23 February 2004
Class C1 launch date	05 March 2013
Fund Size	R 2,22 Billion
JSE code	ASEF
Fund Manager	Stephen Arthur – B.Sc. Eng Mining, CFA Roy Mutooni – MBA, CFA
Asset Manager	Absa Asset Management (Pty) Ltd
Minimum lump sum	R 2000
Minimum Monthly	R 200

### Income distributions - cents per unit (cpu)

	Class A	Class C1
the 6 months ended 31 Dec 2019	6.43	8.10
the 6 months ended 30 Jun 2020	6.28	7.82
Income declaration	30 June & 31 December	
Income distributions	1 July & 1 January	

### Fees and Cost ratio (VAT incl.)

Fees	Class A	Class C1
Initial Fees:		
Absa:	0%	0%
Adviser:	0-3.45%	0%
Annual Fees:		
Management:	1.73%	1.15%
Adviser:	0-1.15%	0%
Performance Fee:	No	No

Costs (annual, based on period shown)	Class A	Class C1
For the period to 31-03-2020, from:	01/04/2017	01/04/2017
Total expense ratio (TER):	1.76%	1.19%
Transaction costs (TC):	0.34%	0.34%
Total investment charges (TER+TC):	2.10%	1.53%

Please refer to Disclosure section on next page for further information on Fees and Costs

### Performance

Performance: annualised total returns (%)					
Term	Class A	Benchmark	Sector Average	Rank	Class C1
Launch	13.60	13.68	11.68	6/31	5.02
1 Year	0.11	1.58	-2.80	59/164	0.69
3 Year	1.15	3.63	-0.31	59/146	1.74
5 Year	1.22	4.58	0.86	59/110	1.63
10 Year	7.29	10.31	7.26	36/60	-

### Performance Yearly returns (%)

Year ending:	Jul'20	Jul'19	Jul'18	Jul'17	Jul'16	Jul'15	Jul'14	Jul'13
Class A	0.11	-0.91	4.34	2.25	0.38	0.63	24.83	15.20
Benchmark	1.58	2.19	7.20	7.59	4.49	4.37	28.31	23.02
Class C1	0.69	-0.33	4.93	2.83	0.12	1.40	25.29	-

Sector Average & Rank: applies to the A Class.

Please refer to Disclosures section on next page for further information on calculation methodology and source of all performance data content (tables and/or charts) of this MDD

### Fund objectives

The Absa Select Equity Fund will be a general fund that will invest the majority of its assets in South African investment markets at all times and will predominantly invest in securities of an equity nature traded on the South African registered exchanges.

### Fund strategy

The fund is focused on stock selection and will invest primarily in South African-listed equities. Additional securities which may be included are non-equity securities, assets in liquid form and other income-bearing instruments and securities. A minimum of 75% of the fund's assets will be invested in equities at all times.

### Fund features

- Ideal vehicle for long-term investments
- Offers exposure to JSE-listed equities, with emphasis on stock selection
- Unconstrained value-based investment philosophy
- A fund with a proven track record and investment style that has delivered superior performance over the long term
- Suitable for investors who seek long-term capital growth from equity exposure

### Fund specific risks

Concentration: Investments may be primarily concentrated in specific areas (e.g. countries/geographical regions and/or industry sectors), in terms of investment style (e.g. income or growth), in individual holdings and/or in a number of other ways. This may mean the value of the Fund may decrease whilst more broadly invested funds might grow. Equity investment: The 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. Liquidity: There may be insufficient buyers or sellers of particular investments giving rise to delays in trading and being able to make settlements from the Fund and/or large fluctuations in the value of the Fund which may lead to larger financial losses than anticipated.

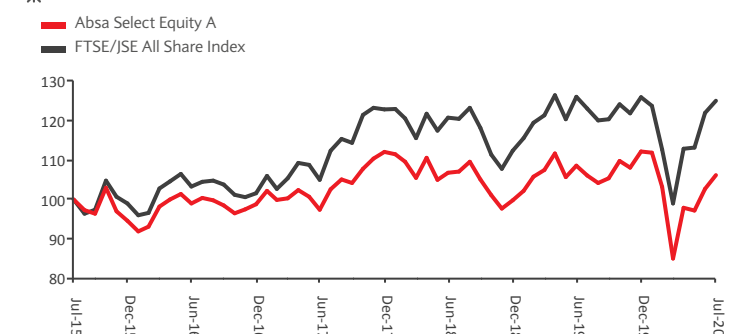
### Risk profile and advisable minimum term



### Risk statistics

Class A	Since Inception (23 February 2004)	
Number of positive months		126/197
Highest 1 Year Performance	30/04/2006	67.09%
Lowest 1 Year Performance	31/10/2008	-20.97%

### Cumulative performance (5 years)



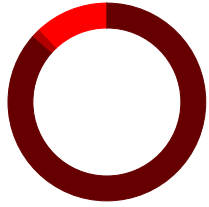
The chart reflects the value (monthly data points) of a R100 investment made on the 01/08/2015

### Sector Allocation (%)



Telecommunications	5.52%
Technology	4.65%
Health Care	0.76%
Consumer Goods	12.25%
Consumer Services	24.02%
Basic Materials	30.71%
Industrials	4.08%
Financials	18.02%

### Asset Allocation (%)



Equity	86.44%
Money market	1.44%
International equity	12.05%
International money market	0.07%

### Top share holding

Naspers	13.80%
BHP Group Plc	6.64%
Sibanye Stillwater	6.55%
British American Tobacco	4.56%
Anglo	4.46%
Standard Bank	4.15%
Prosus	3.99%
Impala Platinum Holdings	3.75%
MTN Group	3.47%
Sanlam / Ord	3.18%

### Quarterly fund commentary as at 30 June 2020

The Fund Commentary is provided on a quarterly basis and can be found on [www.absainvestmentmanagement.co.za](http://www.absainvestmentmanagement.co.za) under Unit Trusts Minimum Disclosure Documents. The latest quarterly commentary available is for the quarter ending 30 June 2020.

### Disclosures

**Fees:** Class A Adviser annual fee is not included in the annual management fee, it is charged by a way of unit reduction.

**Costs:** All fees quoted on this MDD is inclusive of VAT. Total Expense Ratio ("TER") is expressed as an annualised percentage of the value of the class of the portfolio that was incurred as expenses relating to the administration of the portfolio. A higher TER does not necessarily imply a poor return, nor does a lower TER imply a good return. The current TER cannot be regarded as an accurate indication of future TER's. Transaction Costs ("TC") is expressed as an annualised percentage of the value of the portfolio that was incurred as costs relating to the buying and selling of the assets underlying the portfolio. TC are a necessary cost in administering the portfolio and impact returns. TC should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of portfolio, the investment decisions of the investment manager and the TER. Note that the Total investment charges have already been deducted prior to the calculation of the performance figures shown. Fees calculated are inclusive of VAT. All fees disclosed are rounded to 2 decimal places. Full fee disclosure may be obtained from the manager upon request.

**Performance:** Performance is calculated for the portfolio/ class of portfolios. Illustrative performance information is included for illustrative purposes only; individual investor performance may differ as a result of initial and ongoing fees, the actual investment date, the date of reinvestment and dividend withholding tax. All figures quoted are from Morningstar and/or IRESS, for the period ending 31/07/2020 (unless otherwise stated), calculated on a NAV to NAV basis, with income distributions reinvested on the ex-dividend date. Annualised figures refer to the average yearly return of an investment over a given time period, all actual annual figures (if not shown) are available on request.

**Collective Investment Schemes (CIS)** are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. Fluctuations or movements in exchange rates may cause the value of underlying international investments in a fund to move up or down. Forward pricing is used. CIS are traded at ruling prices. Absa Fund Managers (RF)(Pty) Ltd (AFM) may borrow up to 10% (ten per cent) of the market value of a fund to accommodate insufficient liquidity. Securities in a fund may be lent to borrowers. Income from the fund is distributed semi-annually and may only be paid out into an account as nominated by the investor. Prices are calculated on a net asset value (NAV) basis which is the total value of all assets in a fund including any income accrual and less permissible deductions from the fund. Prices are published daily and are available at [www.Absa.co.za/Absacoza/indices/Absa-unit-trusts](http://www.Absa.co.za/Absacoza/indices/Absa-unit-trusts) and in daily newspapers, or from AFM upon request. Fees and charges associated with the most expensive class are available directly from AFM for investment by members of the public, other than financial institutions. CIS are financial products and not investments in insurance policies with an insurer and therefore cooling-off periods do not apply. AFM does not provide any guarantee either with respect to the capital or the return of a fund. The directors and personnel of AFM may be invested in any of the funds. AFM holds professional indemnity cover. AFM utilises Absa Bank Limited's electronic and telephone banking platform. All requests for transactions received on or before 16:00 every day will be traded at ruling prices and valued after 16:00 on that day. Investments in funds with foreign securities may involve various material risks, which include potential constraints on liquidity and the repatriation of funds, macroeconomic, political, foreign exchange, tax and settlement risks and potential limitations on the availability of market information and there may be tax to be levied on certain of the benefits accruing to the investor from the funds and AFM may be required to deduct and pay over to the authorities any such tax from such benefits before paying any balance to or for the benefit of the investor. AFM has a right to close the fund to new investors in order to manage it more efficiently in accordance with its mandate. The investor understands that the legal and tax environment is continually changing, and that AFM cannot be held responsible for any changes to the law which might have an effect on their investment, and which did not exist at the time their investment was made. Additional information on the fund including, but not limited to, brochures, application forms, annual and half-yearly reports are available free of charge from the AFM website or from AFM upon request. AFM is a registered Collective Investment Scheme Manager and a full member of the Association for Savings and Investment SA. All figures on this commentary have been sourced from Morningstar as at June 2020. MDD issue date: 17 August 2020

### Contact details

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