Marriott Global Income Fund

31 December 2024

This Mandatory Disclosure Document (MDD) provides investors with key information that is intended to assist the investor in understanding the nature and risks of investing in this fund.

Fund Objective and Investment Approach

The Marriott Global Income Fund has as its primary objective maintenance of a high level of income, whilst maintaining capital stability in US Dollars. To achieve this, the fund will invest in high yielding listed securities, non-equity securities and other fixed-income securities, as well as assets in liquid form. The benchmark is the Secured Overnight Financing Rate (SOFR). The asset manager shall strive to maintain at least an 85% holding of offshore investments on average.

Fund Information

Registered Name	Marriott Global Income Fund
Fund Size	R 111,252,224.91
Price (NAV)	624.43 cpu
Distribution	5.0256 cpu (Rand terms)

Key Features

Fund Classification (ASISA)	Global - Interest Bearing - Short Term
Inception Date	22 February 1999
Base Currency	ZAR
Minimum Initial Investment	R500
Minimum Additional Investment	R300
Minimum Debit Order	R300
Distribution Declaration	31 March, 30 June, 30 September, 31 December
Distribution Payment Dates	3 to 4 working days after declaration
Instruction Cut-off	15h00 daily
Fund Valuation Frequency	15h00 daily

Risk Category Conservative

Low Medium High

This fund aims to provide a secure income stream with stability in capital. It also aims for low stable growth on invested capital.

Fees (excluding VAT)

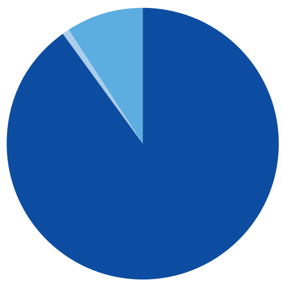
Marriott Initial Fee	0 %
Marriott Annual Management Fee	0.6 %
Marriott Performance Fee	n/a
Advisor Initial Fee (max)	3 %
Advisor Annual Fee (max)	0.5 %

Expenses (including VAT)

Total Expense Ratio (TER)	0.69 %
Transaction Costs (TC)	0.00 %
Total Invest Charge (TIC)	0.69 %

Current Asset Allocation

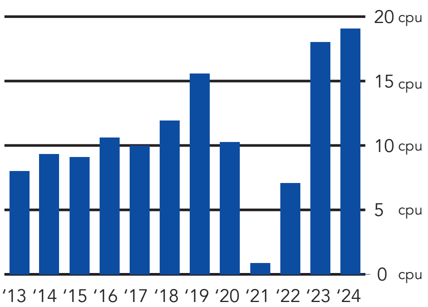
- Int Bonds 90.6%
- Int Money Market 0.5%
- RSA Money Market 8.9%



Source: **Marriott**

Distributions Since 2013

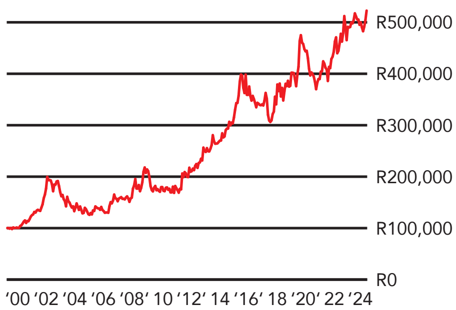
(Paid quarterly in cents per unit)



Source: **Marriott**

Total Returns Since Inception

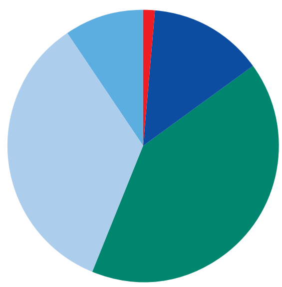
(Assuming R100,000 invested at inception)



Source: **Marriott**

Maturity Profile

- 10 Years plus 1.6%
- 3-10 Years 13.4%
- 1-3 Years 41.2%
- < 1 Year 34.4%
- Current 9.4%



Source: **Marriott**

Fund Limits and Constraints

At least 85% of the assets of this fund will be held offshore at all times in interest-bearing instruments of a minimum of Grade A or higher.

Performance

Net of all fees and expenses as per the TER disclosure (including income)

Annualised (pa)	1 year	2 years	3 years	4 years	5 years	Since Inception (Feb 1999)	Volatility of Return Since Inception: Highest 12 Months	Volatility of Return Since Inception: Lowest 12 Months
Income Return	3.2%	3.1%	2.4%	1.8%	1.9%	3.6%	-	-
Price Return	1.8%	5.3%	5.2%	5.3%	4.9%	3.0%	-	-
Total Return	5.0%	8.4%	7.6%	7.1%	6.8%	6.6%	81.1%	-28.5%

Source: **Marriott**

For periods longer than 12 months annualised performance figures are used. An annualised performance figure represents the compounded average return in percentage terms earned by the fund over the given period of time.

Commentary

Now that central banks have embarked on rate cuts across most main markets, one might expect bond yields to trend downwards in 2025, allowing for capital uplift within fixed income portfolios. However, using the last 12 months as a precedent for this year, the near-term outlook is anything but certain, a record year for elections having dovetailed with a period of political uncertainty. As a result, the yields on 10-year government bonds, a common yardstick for 'risk-free' returns, ended 2024 higher than where they began across each of our core markets. Since January, the US 10-year Treasury yield has moved from 3.9% to 4.6%, driven by concerns that the Federal Reserve will be forced to pause rate cuts as the inflationary consequences of Trump's incoming tariffs become more apparent.

If the pace of rate cuts were a certainty, there would be an argument for choosing longer term debt in advance of further policy meetings. However, that same rationale would have made sense this time last year (when the pace of expected rate cuts was rather steep) and many investors will have been worse off for it. The near-term outlook has only grown more uncertain. As such, we feel it prudent to maintain our bias towards shorter-term instruments, in case interest rates do not move advantageously. After all, downside protection is just as important (if not more so) as attempting to outperform in a bull market.

In North America, a lively election season culminated in a decisive Republican victory, sparking bullish market sentiment as markets anticipate a more business friendly administration to characterise the next 4 years. Whilst Trump campaigned on the promise of imposing largely indiscriminate global import tariffs of 10% (except for China at 60%), it would not be surprising to see tariff threats being used as a bargaining tool. Despite these concerns, whilst growth is expected to slow, the US economy is still expected to expand by 2.1% in the year ahead, comparing favourably against developed market peers. Consequently, the Federal Reserve revised down its expectations for rate cuts, owing to concerns that these policies would add to inflationary pressures. The good news here, especially for emerging market and other international investors of the fund, is that the hawkish shift is causing the US Dollar to strengthen. This, in turn, helped the Global Income Fund to return 8.0% in the quarter.

Contact us: To find out more about this fund or to obtain free of charge additional information such as brochures, application forms, annual reports and other marketing material, please visit our website **www.marriott.co.za** or contact our Communication Centre on **0800 336 555**.

Collective investment schemes are generally medium to long-term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. If required, the manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Forward pricing is used. The ruling price of the day is calculated at approximately 15h00 SA time each day. Purchase and repurchase requests must be received by the manager by 15h00 SA time each business day. Prices are published on a daily basis on the Marriott website, www.marriott.co.za. Unit trusts are calculated on a net asset value basis. Net asset value is the value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. Marriott does not provide any guarantees with respect to the capital or the return of the portfolio. A schedule of fees and charges and maximum commissions is available on request from Marriott. Where initial fees are applicable, these fees are deducted from the investment consideration and the balance invested in units at the net asset value. Commissions and incentives may be paid and if so, would be included in the overall costs. Different classes of units apply to the fund and are subject to different fees and charges. Fund of funds portfolios are portfolios that invest in other portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure for the fund of funds. The inclusion foreign securities in a portfolio are subject to risks including but not limited to potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks and the potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Declaration of income accruals are monthly. Performance figures are based on lump sum investment. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. This portfolio may be closed to new investors in order to manage it more efficiently in accordance with its mandate. The TER shows the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees relating to the management of the portfolio. A higher TER ratio does not necessarily imply poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product 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 Financial Product, the investment decisions of the investment manager and the TER. Marriott Unit Trust Management Company (RF) (Pty) Ltd is a member of the Old Mutual Investment Group. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA).

A MEMBER OF OLDMUTUAL INVESTMENTS

Custodian & Trustee: FirstRand Bank Ltd, 3 First Place Bank City, Cnr Simmonds & Jeppe Streets, Johannesburg, 2001, +27 (0)87 311 2111

Manager: Marriott Unit Trust Management Company (RF)(Pty) Ltd.

Asset Manager: Marriott Asset Management (Pty) Ltd, a licenced financial services provider, FSP 592

Marriott House
2 Delamore Road Hillcrest 3610
PO Box 2099 Hillcrest 3650 South Africa
Client Relationship Team 0800 336 555
Tel +27 (0)31 765 0700 Fax +27 (0)31 765 0790
Email info@marriott.co.za **www.marriott.co.za**

MARRIOTT INVESTMENT MANAGERS