

# MEGAFIN SANLAM COLLECTIVE INVESTMENT BALANCED FUND OF FUNDS B1

Minimum Disclosure Document (Fund Factsheet)



As of 2020/07/31

## INVESTMENT OBJECTIVE & POLICY

The primary objective of this fund is to deliver capital growth over the long term at moderate levels of volatility, reflecting a moderate aggressive risk profile. Capital growth is of primary importance. This is an actively managed fund which is broadly diversified across a combination of equity, bonds, money market instruments, listed property, including offshore equities and equity fixed interest investments. Its moderate aggressive risk profile results in a higher allocation to equities (maximum 75%). The portfolio will also be allowed to invest in listed and unlisted financial instruments (derivatives) as allowed by the Act from time to time, as well as offshore investments in line with Regulation 28. Investors should be prepared to tolerate capital fluctuations over the shorter term, with a recommended investment horizon of 5 years and longer.

The fund is Regulation 28 compliant.

## FUND FACTS

Fund Classification	South African MA High Equity
Risk Profile	Moderate Aggressive
Benchmark	Average SA MA High Equity
B1 Fund Class Launch Date	9 February 2015
Fund Size	R 579 553 993,00
Income Declaration Dates	30 June & 31 December
Income Price Dates	1st Working Day after declaration
Income Price Distribution	Following Working Day
Valuation Time of Fund	17:00
Trading Closing Time	15:00
Latest Distribution	30 June 2020 : 13.11 cpu
Previous Distribution	31 December 2019 : 15.77 cpu
Minimum Investment	LISP Dependent
Repurchase Period	3 Working Days

## HIGHEST AND LOWEST ANNUAL FIGURES FOR ROLLING 10 YEARS

Highest Annual (%) 2019/2020	9,52
Lowest Annual (%) 2016/2017	0,82

The lowest and highest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not exist for 10 years.

## FEES %

Advice Initial Fee (max incl. VAT)	0,00
Advice Annual Fee (max incl. VAT)	1,15
Manager Annual Fee (incl. VAT)	0.86

## ADDITIONAL INFORMATION

Advice fee - Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor.

Period: 9 February 2015 to 31 March 2020

**Total Expense Ratio (TER): 1.67%** of the value of the Financial Product was incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return.

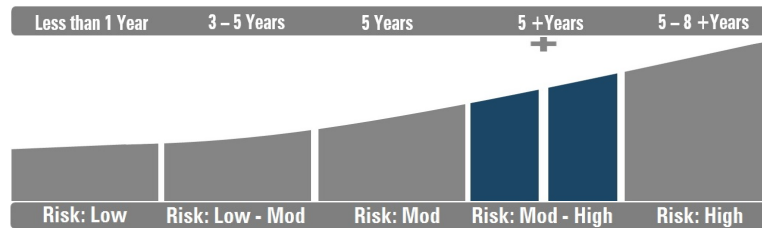
**Total Expense Ratio (TER) 1 year rolling: 1.53%**

**Transaction Cost (TC): 0.22%** of the value of the Financial Product was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. 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.

**Total Investment Charges (TER + TC): 1.89%** of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

Issue Date: 14 August 2020

## RISK PROFILE RANGE

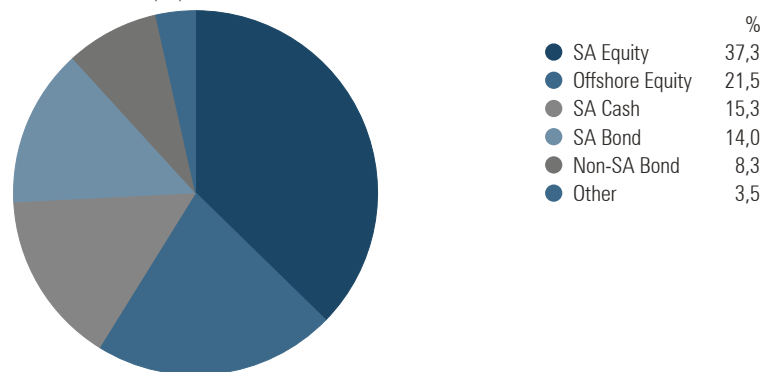


## WHY CHOOSE THIS FUND

The fund offers a high quality, well-diversified portfolio of collective investment schemes at a reasonable cost. It is appropriate for investors looking for a stable income and capital growth, but at moderate levels of capital volatility.

## ASSET ALLOCATION

Portfolio Date: 2020/06/30

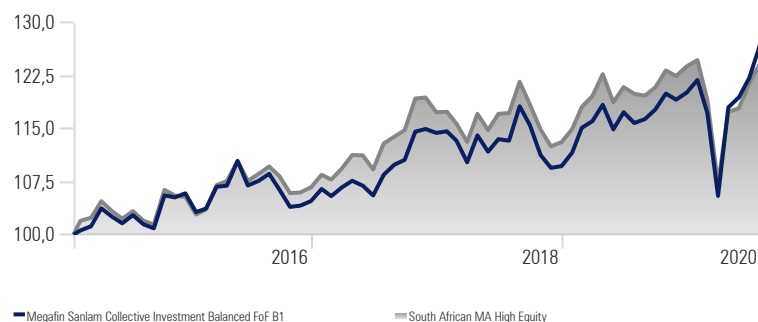


## UNDERLYING FUND MANAGERS

Ninety One Investment Management	Fairtree Capital
Allan Gray	Taquanta (Nedgroup Investments)
CoreShares	PCM Global Core Fund
Aylett & Co	Novare
	Methodical Investment Management

## CUMULATIVE INVESTMENT GROWTH

Time Period: 2015/02/09 to 2020/07/31



## ANNUALISED PERFORMANCE

	1 Year	2 Years	3 Years	5 Years	Since Common Inception
Megafin Sanlam Collective Investment Balanced FoF B1	9,53	5,81	5,35	4,31	4,38
South African MA High Equity	3,53	2,93	3,22	3,75	3,71

As of 2020/07/31

**DISCLAIMER**

All reasonable steps have been taken to ensure the information on this minimum disclosure document is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision. The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The fund may from time to time invest in foreign instruments which could be accompanied by additional risks as well as potential limitations on the availability of market information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments Scheme. Sanlam Collective Investments is responsible for the administration of investments in the portfolio and retains

full legal responsibility for this portfolio. Megafin (Pty) LTD is responsible for the management of the investments held in the Fund. A fund of fund unit trust only invests in other unit trusts, which levy their own charges, which could result in a higher fee structure for these funds. The fund manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Asset allocation may be lagged between 1 – 3 months. This fund is also available via certain LISPS (Linked Investment Services Providers), who levy their own fees.

**FAIS Conflict of Interest Disclosure**

Please note that in most cases where the Financial Services Provider (FSP) is a related party to the portfolio manager, the FSP/distributor may earn additional fees other than those charge by the portfolio manager. It is the FSP's responsibility to disclose such additional fees to the investor.

Daily Price Information: The local newspaper and [www.sanlamunitrusts.co.za](http://www.sanlamunitrusts.co.za)

Obtain a personalised cost estimate before investing by visiting

[www.sanlamunitrustsmdd.co.za](http://www.sanlamunitrustsmdd.co.za) and using our Effective Annual Cost (EAC) calculator.

Alternatively, contact us at 0860 100 266

**GLOSSARY TERMS****Capital preservation**

This is an investment strategy where the primary goal is to preserve (protect) capital and prevent losses in a portfolio. Preserving capital is a priority for retirees and those approaching retirement, since they may be relying on their investments to generate income to cover their living expenses, and have limited time to recoup losses if markets experience a downturn.

**Capital Volatility**

Volatility is a measure of 'risk', and refers to the extent to which the price of an investment or capital value fluctuates over a certain period of time. Funds with a high volatility usually offer the potential for higher returns over the longer term than low volatility funds.

**Fund of Funds**

A "fund of funds" is an investment strategy of holding a portfolio of other investment funds rather than investing directly in stocks, bonds or other securities. This type of investing is often referred to as multi-manager investment. Investing in a fund of funds may achieve greater diversification. The benefit of diversification is that it can reduce volatility and the overall risk in the portfolio, while maintaining returns.

**Regulation 28**

Regulation 28 of the Pension Funds Act sets out prudent investment limits on certain asset classes in investment funds. It applies specifically to investments in Retirement Annuities and Preservation Funds.

The allowed maximum exposures to certain asset classes is:

75% for equities

25% for property

30% for foreign (offshore) assets & 10% African Assets.

**Total Expense Ratio (TER)**

This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Annualised return is the weighted average compound growth rate over the period measured.

Cumulative return is aggregate return of the portfolio for a specified period.

**PORTFOLIO MANAGER**

The management of investments are outsourced to Megafin (Pty) LTD FSP 662 an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

**Ross Reuvers**

Key Individual, Megafin (Pty) LTD  
[ross.reuvers@megafin.co.za](mailto:ross.reuvers@megafin.co.za)

**INVESTMENT CONSULTANT**

The investment consulting is provided by Morningstar Investment Management South Africa (Pty) LTD, FSP 45679, an authorised Financial Services Provider regulated by the Financial Sector Conduct Authority.

**TRUSTEE INFORMATION****Standard Bank of South Africa LTD**

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**MANAGER INFORMATION**

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