

# Nedgroup Investments Financials Fund

Class A

August 2020



## EQUITY RANGE

### RISK RATING



### Risk reward profile

Equity investments are volatile by nature and subject to potential capital loss. Due to its specialist nature, the portfolio will typically display higher volatility than a general equity portfolio. The portfolio may be subject to currency fluctuations due to its international exposure

### GENERAL INFORMATION

#### ASISA category

South African Equity Financial

#### Benchmark

ASISA Category Average

#### Investment manager

Denker Capital is an independent asset manager specialising in both local and offshore equities. Denker Capital authorised as a Financial Services Provider under the Financial Advisory and Intermediary Services Act (FSP No 47075).

#### Inception date

03 November 2003

#### Appropriate term

Minimum 5 - 7 years

#### Market value

R 227 Million

#### Income distributions

Frequency: Annually

December 2019: 510.66 cpu

Previous 12 months: 510.66 cpu

#### Fees and charges (excluding VAT)

Initial fees 0.00%  
Annual management fee 1.50%

Total expense ratio 2.01%  
Transaction costs 0.20%  
**Total investment charges<sup>2</sup> 2.21%**

#### Please Note:

Differences may exist due to rounding

### CONTACT

Client Services Centre

Tel: 0860 123 263

Website: [www.nedgroupinvestments.co.za](http://www.nedgroupinvestments.co.za)

Email [info@nedgroupinvestments.co.za](mailto:info@nedgroupinvestments.co.za)

### Portfolio profile

The portfolio is suitable for investors who require specific exposure to financial sector shares as part of their overall investment strategy, with maximum capital appreciation as their primary goal over the long term.

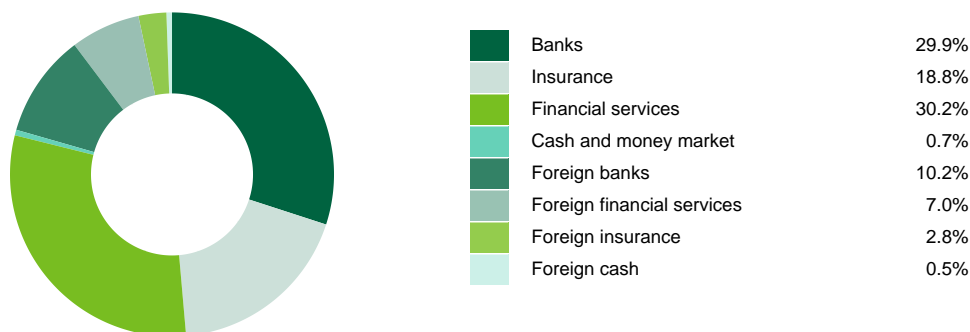
### Performance<sup>1</sup>

Period	Portfolio	Benchmark
1 year pa	-24.3%	-27.7%
3 Years pa	-8.1%	-10.6%
5 Years pa	-2.5%	-6.3%
7 Years pa	4.6%	1.2%
10 Years pa	9.1%	5.7%
Lowest 1 year return	-34.1%	
Highest 1 year return	39.2%	

### Risk

Period	Portfolio	ALSI
Volatility [5 years]	17.7%	14.7%

### Portfolio structure



### Top 10 holdings

Share	Percentage
FirstRand Ltd	14.5
Sanlam Ltd	12.8
JSE Ltd	7.9
PSG Group Ltd	5.0
Standard Bank Group Ltd	4.8
Nedbank Group Ltd	4.0
Investec Plc	3.9
Santam Ltd	3.7
Coronation Fund Managers Ltd	3.6
Capitec Bank Holdings Ltd	3.6
<b>Total</b>	<b>64.0</b>

1) The annualized total return is the average return earned by an investment each year over a given time period. Performance is calculated for the portfolio and individual investment performance may differ as a result of initial fees, the actual investment, the actual investment date, the date of reinvestment and dividend withholding tax. Due to the delayed release of inflation data, relevant benchmarks will lag by one month. Data source: © Morningstar Inc. All rights reserved.

2) Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact fund returns. It should not be considered in isolation as returns may be impacted by other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund. Both the TER and TC of the Fund are calculated on an annualised basis, beginning 01/07/2017 and ending 30/06/2020.



## PORTFOLIO ATTRIBUTES

- This is a specialist equity fund, invested primarily in financial shares.
- The fund seeks capital growth, investing in shares listed both domestically and internationally.
- The fund has the ability to tap into a much broader universe of global financial stocks.
- The fund is highly selective regarding individual ideas with a disciplined process in place.



## INVESTMENT MANAGEMENT

- Denker Capital is an independent asset manager specialising local and offshore financial equities.
- The company has a long-term track record of outperformance in comparison to their peers.
- The company maintains long-term succession planning.
- Denker Capital develops and acquires strong talent ensuring improved value proposition for clients.
- The manager has a strong culture of ownership.



## INVESTMENT PHILOSOPHY

- Valuation is a key consideration, especially when understanding downside risk potential.
- The fund manager carefully considers the allocation of each investment.
- They consider the potential returns, level of conviction, liquidity, and potential loss of capital.
- They employ an unconstrained value approach.
- Patience is key to unlocking underlying value.

### Who we are

Nedgroup Collective Investments (RF) Proprietary Limited, is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investments unit trust funds. It is a member of the Association of Savings & Investment South Africa (ASISA).

### Our Trustee

The Standard Bank of South Africa Limited is the registered trustee. Contact details: Standard Bank, Po Box 54, Cape Town 8000.  
Email: [Trustee-compliance@standardbank.co.za](mailto:Trustee-compliance@standardbank.co.za), Tel 021 401 2002.

### Performance

Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital.

### Pricing

Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

### Fees

A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments.

### Disclaimer

Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. For further additional information on the fund, including but not limited to, brochures, application forms and the annual report please contact Nedgroup Investments.

### Nedgroup Investments contact details

Tel: 0860 123 263 (RSA only)  
Tel: +27 21 416 6011 (Outside RSA)  
Email: [info@nedgroupinvestments.co.za](mailto:info@nedgroupinvestments.co.za)  
For further information on the fund please visit: [www.nedgroupinvestments.co.za](http://www.nedgroupinvestments.co.za)

### Our offices are located at

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### Write to us

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