PSG Wealth

PSG Wealth Income Fund of Funds D

Minimum Disclosure Document (MDD)
30 June 2024

Investment objective (summary of investment policy)

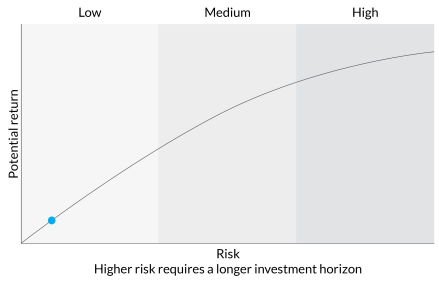
The PSG Wealth Income Fund of Funds' investment objective is to achieve income with some long-term capital appreciation as interest rate cycles allow. Investments, apart from cash and assets in liquid form, mainly consist of listed and unlisted participatory interest in Collective Investment Schemes. The asset allocation will be actively managed to reflect the investment manager's view of the relative attractiveness of cash, fixed interest and property markets. The fund operates within the constraints of Regulation 28 of the Pension Funds Act.

Who should consider investing?

Specific Fund Risks: The fund sits in the lower half of the risk/reward spectrum and investors should expect low fluctuations in markets. The risk of short-term monetary loss is low but not completely eliminated. The portfolio is primarily invested in domestic bonds and cash with a small exposure to equity and property. The portfolio is exposed to default and interest rate risks. Interest rate risk is the risk that the value of fixed income investments tends to decrease when interest rates and/or inflation rises. Default risk is where the issuers of fixed income instruments may not be able to meet interest or capital repayments. Property shares may be included in the portfolio and can carry the same risk as investing directly in real estate which is subject to economic and political conditions, interest rates and tax considerations. Offshore securities expose the portfolio to currency risk and currency movements may adversely affect the value of your investment.

This fund is suitable for investors who:
- want a regular income without consuming capital
- are seeking returns greater than those provided by money market funds or cash and are comfortable with interest rate fluctuation
- have an investment time horizon of at least two years

Risk/reward profile



Fund details

Inception date	01 June 2009
Fund manager	Adriaan Pask
Fund size	R 10 604 395 021
Class units in issue	842 528 485
Class NAV	R 12.47
ASISA sector	South African - Multi Asset - Income
Benchmark	STeFI 12 Month NCD ZAR
Minimum investment	As per the platform minimum
Regulation 28 compliant	Yes
ISIN	ZAE000136131

Distribution history (cents per unit)

Distribution frequency: Quarterly

31 May 2024	24.4000
29 February 2024	27.2200
30 November 2023	26.4300
31 August 2023	25.7900

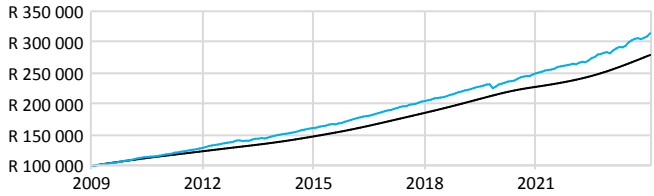
To invest

Speak to your financial adviser

The cut-off time for daily transactions is determined by the platform.

Cumulative long-term performance

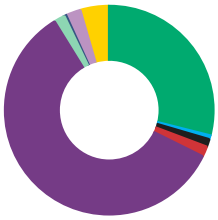
Time period: 01/06/2009 to 30/06/2024



PSG Wealth Income FoF D	R 314 380.8
STeFI 12 Month NCD ZAR	R 279 199.9

Value of notional R100,000 invested on 01/06/2009 with all distributions reinvested on reinvestment date after fees. Investment performance is for illustrative purposes only.

Asset allocation/investment exposure



	%
Domestic Cash	28.9
Domestic Equity	0.6
Domestic Preference Shares	1.2
Domestic Property	1.6
Domestic Bonds	58.8
Offshore Cash	1.7
Offshore Equity	0.3
Offshore Other	2.3
Offshore Bonds	4.5
Total	99.90

There may be slight differences in the totals due to rounding.

Credit rating exposure %

As of date: 30/06/2024

Cash	17.1
AAA	37.5
AA+	14.0
AA	17.6
AA-	4.6
A+	2.5
A	2.8
A-	0.6
BBB+	0.3
BBB	0.1
Other (Excluding Property)	3.0
Property	0.0

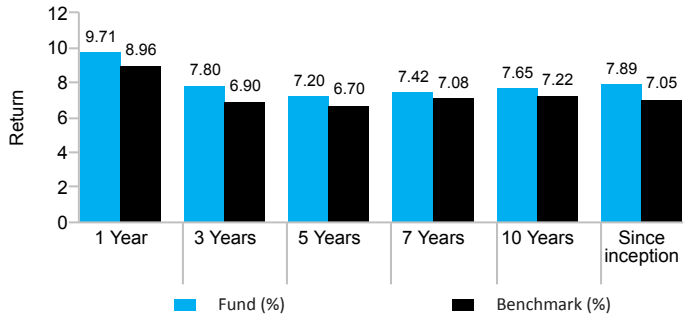
Composition %

As of date: 30/06/2024

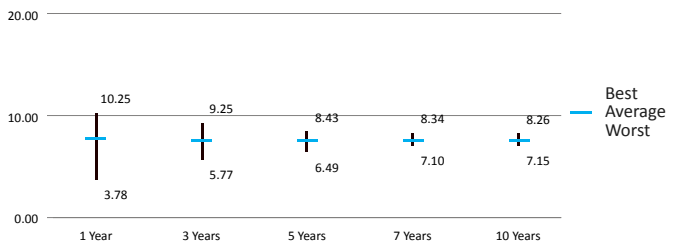
Coronation Strategic Income Fund	25.4
Prescient Income Provider Fund	22.2
PSG Diversified Income Fund	25.3
Ninety One Diversified Income Fund	25.3
Mi-Plan IP Enhanced Income Retention Fund	1.1
Cash	0.7

Annualized return % (after fees)

As of date: 30/06/2024



Rolling returns (%)



The rolling return chart reflects the highest, lowest and average annualised return over the period indicated since the inception of the fund. For example, for the 1 year period the chart reflects the highest, lowest and average 12 month return the fund has experienced since its inception. Rolling returns highlight the magnitude of an investment's stronger and poorer periods of performance.

What is a Total Expense Ratio (TER)?

The Total Expense Ratio (TER) is the annualised percentage of the Fund's average assets under management that has been used to pay the Fund's actual expenses over a one and three year period. This percentage of the average Net Asset Value (NAV) of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. A higher TER ratio does not necessarily imply a poor return, nor does a low TER ratio imply a good return. The current TER cannot be regarded as an indication of future TERs. Part of the Annual Management Fee may be payable to the financial intermediary. The sum of the TER and transaction costs is shown as the Total Investment Charge. Since Fund returns are quoted after the deduction of these expenses, the TER and transaction costs should not be deducted again from published returns.

Total investment charge

Total Investment Charge annualised for the period 01/04/2021 to 31/03/2024

Total expense ratio % (incl. VAT)	**0.81**
Annual management fee % (incl. VAT)	*0.46*
Other costs excluding transaction costs % (incl. VAT)	*0.35*
Transaction costs % (incl. VAT)	**0.01**
Total investment charge % (incl. VAT)	**0.82**

Total investment charge

Total Investment Charge annualised for the period 01/04/2023 to 31/03/2024

Total expense ratio % (incl. VAT)	**0.82**
Annual management fee % (incl. VAT)	*0.46*
Other costs excluding transaction costs % (incl. VAT)	*0.36*
Transaction costs % (incl. VAT)	**0.01**
Total investment charge % (incl. VAT)	**0.83**

Transaction costs

Transaction costs are shown separately and are a necessary cost in administering the Financial Product and impacts Financial Product returns.

Transaction costs should not be considered in isolation as return 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.

Fees

Adviser fees are negotiated between the client and adviser and is distinct from the other fees on this document.

The PSG Wealth FoF range of Solutions (including this fund) do not incur any performance fees at either a Fund of Fund or underlying manager level.

Disclaimer

Collective Investment Schemes (CIS) in securities are generally medium to long-term investments. The value of participatory interests (units) or the investment may go down as well as up and past performance is not a guide to future performance. Fluctuations or movements in the exchange rates may cause the value of underlying international investments to go up or down. CIS are traded at ruling prices and can engage in borrowing and scrip lending. The portfolio may borrow up to 10% of its market value to bridge insufficient liquidity. Where foreign securities are included in a portfolio, the portfolio is exposed to risks such as potential constraints on liquidity and the repatriation of funds, macroeconomic, political, foreign exchange, tax, settlement and potential limitations on the availability of market information. The portfolios may be capped at any time in order for them to be managed in accordance with their mandate. PSG Collective Investments (RF) Limited does not provide any guarantee either with respect to the capital or the return of the portfolio. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.

Fund of Funds

A Fund of Funds portfolio only invests in portfolios of other collective investment schemes, which levy their own charges, which could result in a higher fee structure for Fund of Funds portfolios.

Performance

All performance data for a lump sum, net of fees, includes income and assumes reinvestment of income on a NAV to NAV basis. Annualised performances show longer term performance rescaled over a 12-month period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Performance is calculated for the portfolio and individual investor performance may differ as a result thereof. The portfolio is valued at 15h00 daily. The cut-off time Is determined by the investment platform. Income distributions are net of any applicable taxes. Actual annual figures are available to the investor on request. Prices are published daily and available on the https://www.psg.co.za/psg-multi-managed-funds and in the daily newspapers. Figures quoted are from Morningstar Inc.

Pricing

Forward pricing is used. Unit trust prices are calculated on a net asset value (NAV) basis, which is the market value of all assets in the portfolio including income accruals less permissible deductions divided by the number of units in issue.

Redemptions

The ability of a portfolio to repurchase is dependent upon the liquidity of the securities and cash of the portfolio. To protect investors, a manager may suspend repurchases for a period, subject to regulatory approval, to await liquidity. A suspension ensures that the sale of a large number of units will not force PSG Collective Investments (RF) Limited to sell the underlying investments at a price in the market which could have a negative impact on investors. PSG Collective Investments (RF) Limited will keep all investors informed should a situation arise where such suspension is required.

Fees

A schedule of fees and charges and maximum commissions is available on request from PSG Collective Investments (RF) Limited. Commission and incentives may be paid and, if so, are included in the overall costs. Different classes of Participatory Interest can apply to these portfolios and are subject to different fees, charges and possibly dividend withholding tax and will thus have differing performances.

Company details

PSG Investment Management (Pty) Ltd is the investment advisor to the fund manager, PSG Wealth Financial Planning (Pty) Ltd. Both are registered financial services providers under the Financial Advisory and Intermediary Services Act. PSG Collective Investments (RF) Limited is registered as a CIS Manager with the Financial Sector Conduct Authority, and a member of the Association of Savings and Investments South Africa (ASISA) through its holding company PSG Financial Services Limited. PSG Collective Investments (RF) Ltd retains full responsibility for the third-party named portfolios. PSG Investment Management (Pty) Ltd, PSG Wealth Financial Planning (Pty) Ltd and PSG Collective Investments (RF) Limited are subsidiaries of PSG Financial Services Limited.

Conflict of Interest Disclosure

The portfolio may from time to time invest in a portfolio managed by a related party. PSG Collective Investments (RF) Limited or the fund manager may negotiate a discount in fees charged by the underlying portfolio. All discounts negotiated are reinvested in the portfolio for the benefit of the investors. Neither PSG Collective Investments (RF) Limited nor PSG Investment Management (Pty) Ltd retains any portion of such discount for their own accounts.

Trustee

The Standard Bank of South Africa Limited, 2 Heerengracht Street, Cnr Hertzog Boulevard, Cape Town, 8001. Tel: +27 (21) 401 2443. Email: compliancePSG@standardbank.co.za.

Yield

The yield for the portfolio attributable to fixed income instruments is calculated daily on an annualised basis. The calculation is based on the historical yield of the fixed income instruments. The portfolio is a multi-asset portfolio and the historical returns include returns from property and equity instruments.

Additional information

Additional information is available free of charge on the website www.psg.co.za/psg-multi-managed-funds and may include publications, brochures, forms and annual reports.

This is the Minimum Disclosure Document (MDD) for the PSG Wealth Income Fund of Funds D.