

STANLIB Global Equity Feeder Fund

STANLIB

Fund information update at 31 January 2020

What is the fund's objective?

The fund aims to maximise long-term total returns.

What does the fund invest in?

The fund invests in shares of the STANLIB High Alpha Global Equity Fund, which in turn invests in a combination of liquid global stocks across sectors and geographies. The fund will have maximum foreign exposure of 100%.

What possible risks are associated with this fund?

This fund is a feeder fund that invests in an underlying roll-up fund. A roll-up fund does not regularly distribute dividends or interest because income is used to buy additional shares. The possible risks associated with this fund include general market and economic risks such as exchange-rate fluctuations and geographical risk because it includes funds held globally. Where foreign investments are included in the fund, there may be additional risks such as potential constraints on liquidity and the return of funds to South Africa, macroeconomic risks, tax risks, settlement risks, and possible limitations on the availability of market information.

Risk rating

Conservative	Moderately conservative	Moderate	Moderately aggressive	Aggressive
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What is the suggested investment period for this fund?

Minimum period

1 Month	6 Months	1 Year	3 Years	5 Years	7 Years
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Who should consider investing in this fund?

This fund will suit investors who do not require income and can afford to have the capital invested over the long term to achieve capital growth.

Income

Distribution Net income is calculated and accrued daily and is declared and distributed semi-annually.

Due to the nature of this portfolio it is unlikely that any net income will be available for distribution.

Declaration 30 June, 31 December

General fund information

Investment managers -

Feeder STANLIB Asset Management (Pty) Ltd

Underlying Columbia Threadneedle Investments

Size (NAV) R 3.95 billion

Classification Global - Equity - General

Benchmark MSCI World Index (US\$) 95%
STeFI Call Deposit Rate Index 5%

Regulation 28 Does not apply

	Class A	Class R
Launch	03 July 2000	01 March 2004

ISIN number	ZAE000033197	ZAE000051579
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JSE code	SBAQ	SEFF
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Minimum investment requirements -

Lump sum	R 5,000	R 5,000
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Monthly	R 500	R 500
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What are the costs to invest in this fund?

Maximum charges including VAT

	Class A	Class R
Initial fee (manager)	0.000%	0.000%
Initial fee (adviser)	3.450%	3.450%
Annual fee (manager)	1.265%	0.690%
Annual fee (adviser)	0.575%	0.000%
Performance fee	N/A	N/A

Annual fee (manager) – this is a service charge (% based) applicable to each class of a fund, that is levied on the value of your portfolio and includes the **Annual fee (adviser)** fee (where applicable). Annual fees are calculated and accrued daily and recovered monthly from the income awaiting distribution in the fund.

Cost ratios (annual) including VAT as at 31 December 2019

	Class A	Class R
Based on period from:	01/01/2017	01/10/2016
Total Expense	2.00%	1.51%
Transaction Costs	0.09%	0.09%
Total Investment Charge	2.09%	1.60%
1 Year Total Expense	2.01%	1.35%

Total Expense (TER): This ratio shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over the period shown and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

Transaction Costs (TC): This ratio shows the percentage of the value of the fund incurred as costs relating to the buying and selling of the fund's underlying assets. TC are a necessary cost in administering the fund and impacts fund 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 fund, investment decisions of the investment manager and the TER.

Total Investment Charges (TIC): This ratio is simply the sum of the TER and TC, showing the percentage of the value of the fund incurred as costs relating to the investment of the fund. It should be noted that performance figures account for all costs included in the TIC ratio, so you should not deduct the TIC from performance figures, the performance is already net of the TIC.

STANLIB Global Equity Feeder Fund

STANLIB

Monthly update at 31 January 2020

Holdings

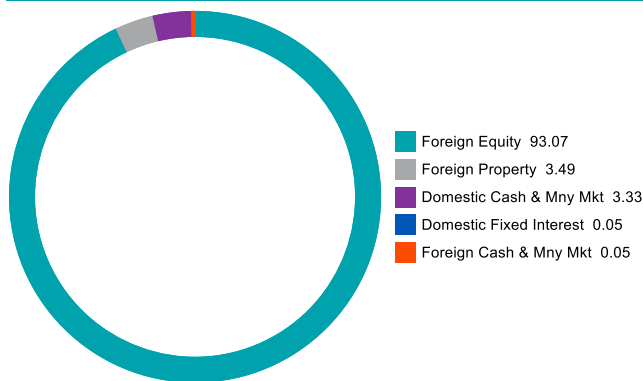
Holdings (%)

SFL - STANLIB High Alpha Global Equity Fund B	96.56
STANLIB Institutional Money Market Fund B4	1.47
Domestic Cash	1.92
Foreign Cash	0.05

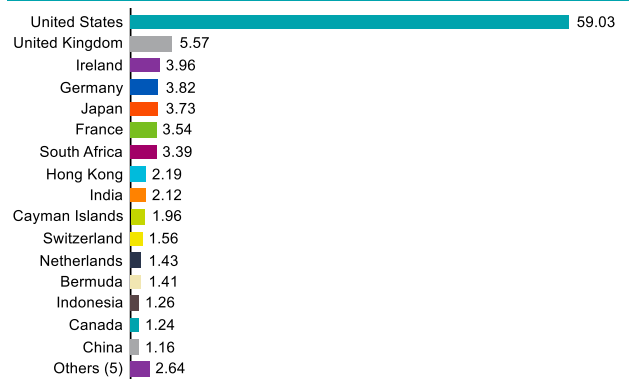
Top Equity holdings (look through) (%)

Alphabet Inc A	4.51
Microsoft Corp	3.71
Amazon.com Inc	2.86
Mastercard Inc	2.68
Visa Inc	2.46
JPMorgan Chase & Co	2.32
Equinix Inc Usd0.001	2.18
HDFC Bank Limited SpADR	2.12
Union Pacific Corp	2.10
Facebook Inc A	2.08

Asset allocation (look through) (%)



Country allocation (look through) (%)



Performance and Income

Class A Launch: 03 July 2000

Class R Launch: 01 March 2004

Benchmark: MSCI World (95%); STeFI Call (5%)

Returns (%)	1yr	3yrs	5yrs	7yrs	10yrs
Class A					
Class	39.00	18.02	15.25	17.30	15.99
Rank/Out of	6/61	6/49	4/33	4/23	5/19
Sector Average	29.54	12.58	11.66	14.64	14.62
Benchmark	29.76	14.67	13.79	16.67	16.37
Class R					
Class	39.92	18.67	15.79	17.85	16.53

Returns (%) shown are cumulative for all periods shorter than or equal to 1 year and annualised for all periods greater than 1 year.

Cumulative performance (%) over 5 Years



Statistics (%)	1yr	3yrs	5yrs	7yrs	10yrs
Class A					
Positive Months	9	22	34	51	74
Max Gain	39.00	65.58	103.33	205.63	361.68
Max Drawdown	-1.63	-17.60	-17.60	-17.60	-17.60
Highest	39.00	39.00	39.00	56.71	56.71
Lowest	6.59	-5.93	-12.33	-12.33	-12.33
Class R					
Highest	39.92	39.92	39.92	57.39	57.39
Lowest	7.31	-5.68	-12.06	-12.06	-12.06

Highest – this reflects the highest 12 month return during the period.

Lowest - this reflects the lowest 12 month return during the period.

Amount declared (cents per unit)

	Class A	Class R
28 June 2019	0.00	0.00
31 December 2019	0.00	0.00
In last 12 months	0.00	0.00
In 2019	0.00	0.00

Who are the investment managers?

Feeder - STANLIB Asset Management (Pty) Ltd, FSP 719, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002, manages the investments of the fund.

Underlying - Columbia Threadneedle Investments were appointed by the investment manager (STANLIB Asset Management Limited) as the sub-investment manager of the STANLIB High Alpha Global Equity Fund, a sub-fund of STANLIB Funds Limited, with Neil Robson being the portfolio manager of this sub-fund. Columbia Threadneedle Investments is a leading global asset management group that provides a broad range of actively managed investment strategies and solutions for individual, institutional and corporate clients around the world. Columbia Threadneedle Investments is the global asset management group of Ameriprise Financial, Inc. (NYSE: AMP), a leading US-based financial services provider. As a part of Ameriprise Columbia Threadneedle Investments are supported by a large and well capitalised diversified financial services firm.

Fund review

The STANLIB Global Equity Feeder Fund returned +1.9% for the quarter compared with +0.8% from the composite benchmark. Sector allocation was positive over the quarter, driven by the overweight to technology and underweight to utilities. Stock selection also helped, particularly our holdings within consumer discretionary and communication services. Managed-care enterprise Centene led returns after winning a contract in Texas and announcing healthy quarterly results. These showed robust membership and revenue growth. More nuanced pronouncements by Democratic presidential contenders around Medicare for All improved sentiment further. NVIDIA, a leader in artificial-intelligence computing, fared well on an improving outlook for demand in its industry, and as it announced a partnership with Tencent to bring cloud gaming to China. This boosts its addressable market. We retain conviction in NVIDIA's technological edges and installed user base. Consumer goods business Unilever detracted on concerns around its organic sales growth. Proposals to reignite this include a greater focus on marketing, digitalisation and the disposal of lower-growth businesses. We reduced our position to reflect the time that a step-up in growth may take to materialise.

Market overview

Global equity markets rallied in the final quarter of 2019, with the MSCI ACWI index climbing 7.8% in local terms. Optimism surrounding US-China trade talks, central bank rhetoric and receding Brexit fears helped to drive risk appetite. North American stocks were buoyed by trade-related hopes and healthy economic data, with all the major indices touching record highs. Europe ex UK trailed the wider index on worries about regional growth. The landslide victory of the Conservatives in the UK general election was greeted by markets, but the stronger sterling dragged on some large index constituents. Emerging markets led returns, aided by the improving trade backdrop, weaker US dollar and encouraging Chinese economic data. Japanese stocks also benefited from receding trade tensions, as well as hopes for more domestic stimulus. Technology and healthcare were the best-performing sectors over the quarter. The former was buoyed by strong results from key players and bullish sentiment related to the global 5G rollout, while the latter gained on healthy earnings and fading political concerns in the US. Utilities and consumer staples lagged, with defensive sectors generally struggling to keep pace in the risk-on environment.

Looking ahead

Global equity markets have been providing evidence of the value to be found in secular winners that can sustainably outgrow their peers. With scope for these businesses to positively re-rate and expectations that volatility will remain somewhat elevated, we believe the backdrop is ideal for investors with the ability to identify undervalued, long-term opportunities. While factors such as technological regulation and trade may remain in focus in the short term, we feel that structural factors driving a world which is 'lower for longer' will shape markets further into the future. We therefore retain our focus on companies with durable competitive advantages, as we believe these are best placed to sustain high returns on capital and earnings growth through the market cycle.

The commentary gives the views of the portfolio manager at the time of writing. Any forecasts or commentary included in this document are not guaranteed to occur.

Change in allocation of the fund over the quarter

Asset type (look through)	Q4 2019	Q3 2019	Change
Domestic Cash & Mny Mkt	2.82	2.26	0.56
Domestic Fixed Interest	0.06	0.04	0.02
Foreign Cash & Mny Mkt	0.05	0.06	-0.01
Foreign Equity	93.26	93.81	-0.55
Foreign Other	0.34	0.34	0.00
Foreign Property	3.46	3.48	-0.02

The portfolio adhered to its portfolio objective over the quarter.

Fund classes

Class	Type	Price (cpu)	Units	NAV (Rand)
A	Retail	340.70	176,589,508.15	601,636,411.37
B1	Retail	348.16	165,335,522.54	575,635,517.92
R	Retail	365.52	479,412,720.82	1,752,336,569.32

All data as at 31 December 2019.

Units – amount of participatory interests (units) in issue in relevant class.

Disclosures

Collective Investment Schemes in Securities (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. CIS are traded at ruling prices and can engage in borrowing and scrip lending.

The STANLIB Global Equity Feeder Fund is a portfolio of the STANLIB Collective Investment Scheme (the Scheme).

The manager of the Scheme is STANLIB Collective Investments (RF) (Pty) Limited (the Manager). The Manager is authorised in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. Liberty is a full member of the Association for Savings and Investments of South Africa (ASISA). The Manager is a member of the Liberty Group of Companies. The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. A schedule of fees and charges and maximum commissions is available on request from the Manager.

The trustee of the Scheme is Standard Chartered Bank.

The investments of this portfolio are managed, on behalf of the Manager, by STANLIB Asset Management (Pty) Ltd, an authorised financial services provider (FSP), FSP No. 719, under the Financial Advisory and Intermediary Services Act (FAIS), Act No. 37 of 2002.

Prices are calculated and published on each working day, these prices are available on the Manager's website (www.stanlib.com) and in South African printed news media. This portfolio is valued at 15h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 15h00.

This portfolio is permitted to invest in foreign securities. Should the portfolio include any foreign securities these could expose the portfolio to any of the following risks: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information.

This portfolio is a Feeder Fund portfolio. A Feeder Fund portfolio is a portfolio that invests in a single portfolio of a collective investment scheme, that levies its own charges, which could result in a higher fee structure for the Feeder Fund.

All performance returns and ranking figures quoted are shown in ZAR and are based on data sourced from Morningstar or Statpro and are as at 31 January 2020.

Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager.

Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Statistics - Positive Months: the number of individual 1 month periods during the specified time period where the return was not negative; Max Gain: the maximum gain in a trough-to-peak incline before a new trough is attained, quoted as the percentage between the trough and the peak. It is an indicator of upside risk over a specified time period (quoted for all periods of 1 year or longer); Max Drawdown: the maximum loss in a peak-to-trough decline before a new peak is attained, quoted as the percentage between the peak and the trough. It is an indicator of downside risk over a specified time period (quoted for periods of 1 year or longer, where no value is shown no loss was experienced); Highest and Lowest: the highest and the lowest 1 year return (%) that occurred during the specified time period (quoted for all relevant classes launched 1 year or more prior to current month end date).

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Manager and from the Manager's website (www.stanlib.com).

Contact details

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