

# STANLIB Lesotho Income Fund

Fund information update at 31 December 2019

# STANLIB

## What is the fund's objective?

The objective of this fund is to maximise income while maintaining capital stability.

## What does the fund invest in?

Investors' funds are pooled and used to purchase various fixed-interest instruments within the Common Monetary Area (CMA). The fund is allowed to invest in government issues of the Republic of South Africa, Republic of Namibia, Kingdom of Swaziland, and Kingdom of Lesotho as well as corporate issues of companies domiciled or registered in the CMA.

## What possible risks are associated with this fund?

Risks include interest rate fluctuations, economic risk, inflation, general market conditions, and rates moving in a direction contrary to what was expected.

## 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 is suitable for investors looking for a conservative solution that aims to maximise their income while maintaining capital stability. The fund will also appeal to those who require a relatively liquid investment that provides exposure to fixed-interest instruments across the CMA. It may suffice as a standalone investment solution or form part of a portfolio of investments.

## Income

**Distribution** Net income is calculated and accrued daily and is declared and distributed quarterly.

**Declaration** 31 March, 30 June, 30 September, 31 December

## General fund information

**Manager(s)** Victor Mphaphuli and Sylvester Kobo

**Size (NAV)** M 1.30 billion

**Classification** CMA Fixed Interest

**Benchmark** STeFI Composite Index

	Class A	Class B1
<b>Launch</b>	01 September 2006	01 April 2014
<b>ISIN number</b>	ZAE000084612	ZAE000187688
<b>Alpha code</b>	STLB	SLBB1
<b>Minimum investment requirements -</b>		
Lump sum	M 15,000	M 1 million
Monthly	M 1,000	M 1,000

## What are the costs to invest in this fund?

### Maximum charges

	Class A	Class B1
<b>Initial fee (manager)</b>	0.600%	0.000%
<b>Initial fee (adviser)</b>	0.900%	0.000%
<b>Annual fee (manager)</b>	1.250%	1.000%
<b>Annual fee (adviser)</b>	0.000%	0.000%
<b>Performance fee</b>	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.

The above fees do not incur VAT.

### Cost ratios (annual) including VAT as at 30 September 2019

	Class A	Class B1
<b>Based on period from:</b>	01/10/2016	01/10/2016
<b>Total Expense</b>	1.30%	1.05%
<b>Transaction Costs</b>	0.00%	0.00%
<b>Total Investment Charge</b>	1.30%	1.05%
<b>1 Year Total Expense</b>	1.28%	1.03%

**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.

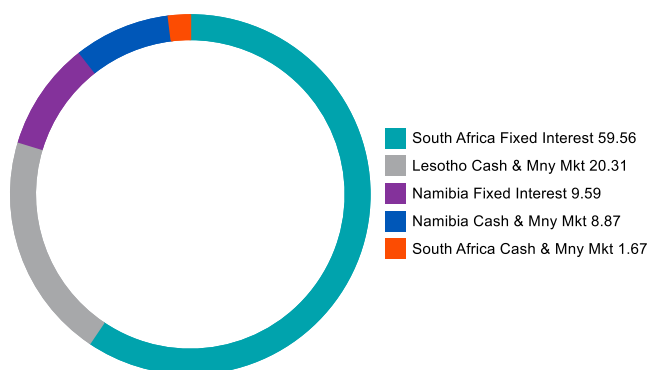
# STANLIB Lesotho Income Fund

Monthly update at 31 December 2019

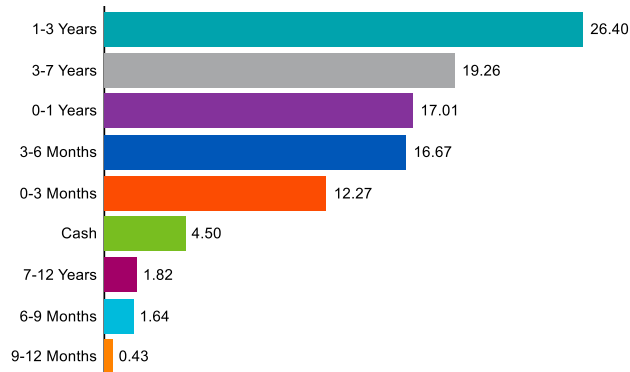
# STANLIB

## Holdings

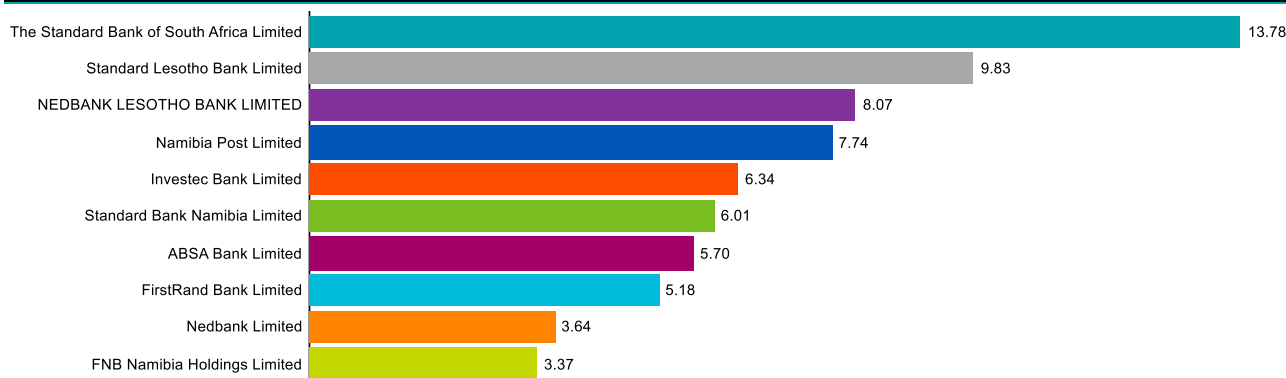
### Asset type allocation (%)



### Sector allocation (look through) (%)



### Fixed Interest Top Ten Issuer exposure (look through) (%)



## Performance and Income

Class A Launch: 01 September 2006

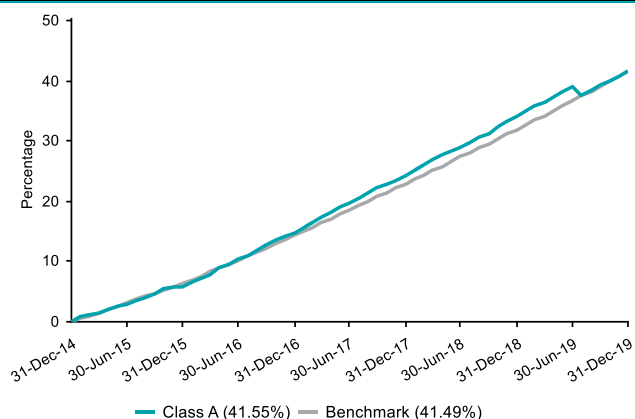
Class B1 Launch: 01 April 2014

Benchmark: STeFI Composite Index

Returns (%)	1yr	3yrs	5yrs	7yrs	10yrs
<b>Class A</b>					
Class	5.54	7.21	7.20	6.81	7.17
Benchmark	7.29	7.36	7.18	6.71	6.52
<b>Class B1</b>					
Class	7.65	8.10	7.83		

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
<b>Class A</b>					
Positive Months	11	35	59	83	118
Max Gain	5.54	23.22	41.55	58.60	99.94
Max Drawdown	-1.08	-1.08	-1.08	-1.08	-2.02
Highest	7.84	8.80	8.80	8.80	10.26
Lowest	5.54	5.54	5.54	5.51	5.22
<b>Class B1</b>					
Highest	8.23	9.07	9.07		
Lowest	7.65	7.65	5.98		

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

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

### Amount declared (sente per unit)

	Class A	Class B1
29 March 2019	1.76	1.82
28 June 2019	1.80	1.82
30 September 2019	1.60	1.81
31 December 2019	1.72	1.82
In last 12 months	6.88	7.27
In 2018	6.93	7.16

## Disclosures

Collective Investment Schemes 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 Lesotho Income Fund is a portfolio of the STANLIB Lesotho Collective Investment Scheme (the Scheme). The Scheme is licenced, regulated and supervised by the Central Bank of Lesotho (the Registrar) under the Central Bank of Lesotho (Collective Investment Schemes) Regulations, 2018.

The asset manager of the Scheme is STANLIB Lesotho (Pty) Ltd (the Asset Manager). The Asset Manager is licensed by the Registrar under the Central Bank of Lesotho (Collective Investment Schemes) Regulations, 2018. An investor has a right to choose an investment option, choosing any particular investment option does not guarantee any particular investment outcome.

The custodian/trustee of the Scheme is Minet Lesotho.

The investments of this portfolio are managed by the Asset Manager.

Prices are calculated and published on each working day, these prices are available on the Asset Manager's website (<http://ww2.stanlib.com/Lesotho>) and in Lesotho 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 is a portfolio that derives its income primarily from interest-bearing instruments. The yield (if shown) is a current effective yield calculated daily.

All performance returns/figures quoted are shown in LSL and are based on data sourced from Morningstar or Statpro and are as at 31 December 2019.

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 all periods of 1 year or longer, where blank 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 Asset Manager and from the Asset Manager's website (<http://ww2.stanlib.com/Lesotho>). The collective investment scheme contract and prospectus may be inspected at the address of the Asset Manager provided in the Contact details section below.

## Contact details

### Asset Manager

STANLIB Lesotho (Pty) Ltd  
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MGC Office Park, Cnr Pope John Paul II & Mpilo Boulevard  
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### Trustee

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