STANLIB Global Balanced Fund

The fund is a class fund of STANLIB Offshore Unit Trusts which invests exclusively in the STANLIB Funds Limited - STANLIB Global Balanced Fund.

STANLIB

Minimum Disclosure Document as at 31 December 2019

STANLIB Collective Investments (RF) Pty. Limited. Registration number 1969/003468/07

Portfolio Facts

Investment Manager	STANLIB Asset Management Pty Limited
Underlying Investment Manager	Columbia-Threadneedle Asset Management
Launch Date	1 October 1999
Fund Size	US$ 85.67 million
Denominated in	US Dollars
Min. Investment Amount	US$2.500
Min. Subsequent Investment	US$1,000
Upfront Charge (Maximum)	3.00%
Annual Management Charge (AMC) Class A	1.10%
Annual Management Charge (AMC) Class B1	0.50%
Class A Intermediary Trail Commission (Paid from AMC)	0.50%
ISIN Code: Class A	GB00B0663245
ISIN Code: Class B1	JE00BD8RJH36
Benchmark Index	(60%) MSCI AC World NTR Index (20%) Barclays Capital Aggregate Bond Index (10%) FTSE EPRA/NAREIT Developed Rental Index Net Total Return 5.0% 1m EUR LIBID 2.5 1m US LIBID 2.5% 1m GBP LIBID
Manager and Administrator	STANLIB Fund Managers Jersey Limited
Trustee	Apex Financial Services (Corporate) Limited

Class Funds are valued on a daily basis using 23:59 (UK Time) prices. Transaction requests received before 1 4h30 (UK Time) will receive the following day unit price. This is an accumulation portfolio and does not distribute income. Please refer to Statutory Disclosure and General Terms and Conditions.

Total Expense Ratio, Transaction Costs & Total Investment Charge

Total Expense Ratio (TER): This 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 a rolling three years (where applicable) 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 cannot be regarded as an indication of future TERs.

Transaction Costs (TC): The percentage of the value of the fund as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs 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): The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expenses, these costs (the TER & TC) should not be deducted from the fund returns. It is the sum of the TC & TER.

TER and Transactional Cost Breakdown (12 and 36 months rolling)

FUND CLASS	TER (12 months rolling)	TER (36 months rolling)	TC (36 months rolling)	TIC (36 months rolling)
Class A	1.88%	1.90%	0.05%	1.95%
Class B1	1.28%	1.29%	0.05%	1.34%

TER + TC = TIC

Where a transaction cost is not readily available, a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market and FX Costs (where applicable).

Performance

Performance in Class Funds Currency

	1 year 01/01/19-31/12/19	3 years 01/01/17-31/12/19	5 years 01/12/15-31/12/19	10 years 01/12/10-31/12/19
Portfolio Annualised Performance: Class A	23.24%	10.55%	5.94%	5.23%
Portfolio Annualised Performance: Class B1	23.98%	11.21%	0.00%	0.00%
Index Annualised Performance	20.17%	9.85%	6.47%	6.46%
Highest Return over 12 rolling months				39.44%
Lowest Return over 12 rolling months				-35.65%

The reported performance of the fund is net of fees, while the performance of the benchmark is gross of fees.

Fund Performance: Morningstar
Benchmark: Bloomberg

*Annualized Return: is the weighted average compound growth rate over the performance period measured. The performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax.

Risk Profile

Conservative | | Moderate | | Aggressive

Risk Rating Explanation

The risk rating seen above is designed to give an indication of the level of risk, measured by volatility, associated with this specific portfolio.

In order to arrive at the specific risk rating of the portfolio in question, STANLIB measures the volatility of the fund, in the form of standard deviation, over a three year rolling period, and compares the result to internal risk parameters. Please note that these risk ratings are designed as guide only.

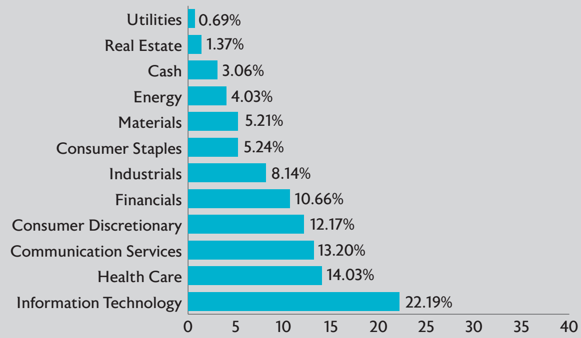
Target Market

STANLIB promotes using the services of an accredited Financial Adviser when making investment decisions.

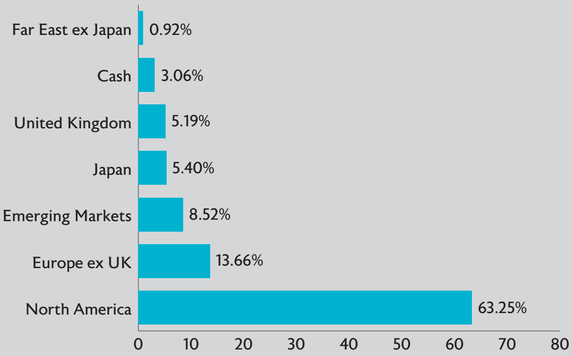
Please contact either your accredited Financial Adviser or our Contact Centre on 011 448 6000 if you have any questions about this product.

The information below relates to the STANLIB Global Balanced Cautious Fund a Class Fund of STANLIB Funds Limited.

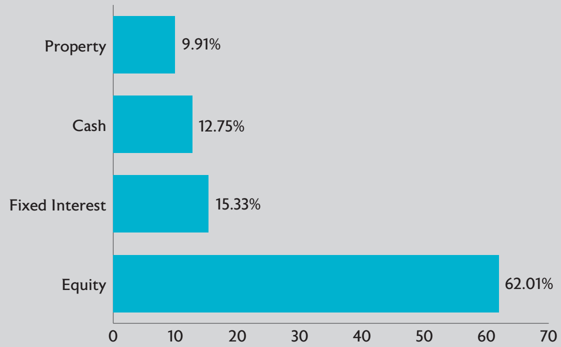
Industry Breakdown



Geographic Allocation



Asset Allocation



NOTE:

Please refer to page 2 for more details regarding this Class Funds as well as other important information for consideration.

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Fund Approach and Style

Objective

The STANLIB Global Balanced Fund invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Global Balanced Fund, which seeks to achieve its investment objective by investing in a balanced and well-diversified portfolio of international equities, fixed interest securities including government and corporate bonds. Investments may also be made in regulated collective investment schemes, money market instruments, cash deposits and real property to provide further diversification. It will also seek to limit downside risk, through a prudent asset allocation strategy.

Fund Management

STANLIB Global Balanced Fund is managed by Columbia-Threadneedle Asset Management, a London based management firm wholly owned by Ameriprise Financial - a publicly quoted company listed on the NYSE.

Founded in 1994, Threadneedle Investments is fully-owned by Ameriprise Financial (NYSE: AMP), a publicly quoted investment company that is listed on the NYSE. With origins in the U.K. insurance industry, they have continued to innovate and now manage assets on behalf of clients across Europe, Asia and the US, including pension schemes, insurance companies, private investors, corporations, mutual funds and affiliate companies.

Risk

Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, tax risks, settlement risks and potential limitations on the availability of market information.

Additional information

Additional information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge and from the website www.stanlib.com.

The prices of unit trust funds are calculated and published on each working day. These prices are available on the Manager's website (www.stanlib.com) and in the South African printed news media.

Statutory Disclosure and General Terms & Conditions

Collective investment schemes in securities are generally medium to long-term investments. The value of participatory interests may go down as well as up and investors may get back less cash than originally invested. Past performance is not necessarily a guide to future performance. An investment in the participations of a collective investment scheme in securities is not the same as a deposit with a banking institution. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Participatory interest prices are calculated on a net asset value basis, which is the total value of all assets less liabilities in the Class Funds including any provisions made for any purchase, fiscal or other charges that would have been incurred had all the assets of the relevant class fund been bought or sold at that time, divided by the number of participatory interests in issue. Please refer to the prospectus for more details on the charges and expenses that may be recovered from the Class Funds. Participatory interests are priced daily using the forward pricing method. The Class Funds may borrow up to 10% of the market value of the Class Funds to bridge insufficient liquidity as a result of the redemption of participatory interests. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending.

A schedule of fees and charges and maximum commissions is available on request from STANLIB Fund Managers Jersey Limited, ("the Manager"). The Class Funds of the STANLIB Offshore Unit Trusts scheme, are Feeder Funds which only invest in the participatory interests of a single Class Fund of a collective investment scheme. In addition to the annual management charge, other fees are incurred by the trust (trustee, custodian and general expenses). There is no sales tax applicable in Jersey. Commission and incentives may be paid and if so, are included in the overall costs. The Class Funds of STANLIB Offshore Unit Trusts scheme are accumulation Class Funds and do not distribute income. Please refer to the prospectus of this scheme for more details, a copy of which is available on request from STANLIB Collective Investments (RF) Pty. Limited, ("STANLIB"), the address of which is 17 Melrose Boulevard, Melrose Arch, 2196, South Africa. The registered office of the Manager is Standard Bank House, 47-49 La Motte Street, St Helier, Jersey, Channel Islands. The Trustee is Apex Financial Services (Corporate) Limited, 12 Castle Street, St. Helier, Jersey, Channel Islands.

A representative agreement exists between STANLIB Collective Investment (RF) Pty. Limited and STANLIB Fund Managers Jersey Limited.

The Manager and trustee are regulated by the Jersey Financial Services Commission to conduct Fund services business.

The Trust is regulated as a Collective Investment Fund by the Jersey Financial Services Commission.

Figures quoted are from Morningstar for the period ending 31/12/2019 for a lump sum investment using NAV-NAV prices. Liberty is a member of the Association of Savings and Investment of South Africa.

The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

Fund Commentary: 4th Quarter

Market Background

As measured by the MSCI ACWI, global equities returned 9.1% for the quarter. Factors driving sentiment included brighter US economic data, better-than-expected corporate results, receding Brexit fears, and easing monetary policy, including another rate cut by the Federal Reserve. Perhaps the main catalyst, however, was perceived progress towards a US-China trade deal. In December, the two sides reached a phase-one agreement in principle, avoiding tariffs that were due to kick in. Bonds underperformed equities. The Bloomberg Barclays Global Aggregate index returned 0.5% in dollars. Yields on 10-year US, German and UK government bonds rose 25 basis points (bps), 39 bps and 33 bps, respectively, though the impact of this on corporate bonds was offset by tighter credit spreads as risk appetite improved. All the main equity regions posted strong gains in dollar terms. Emerging markets (EM) fared best by far, aided by rising risk appetite, a slew of EM interest rate cuts, and a weaker US dollar. The UK was next. Dollar returns were inflated by a stronger pound as the UK prime minister negotiated a new Brexit deal with the EU and then won a decisive general election victory. US equities performed in line with the MSCI ACWI, as investors focused on the developments outlined above and largely ignored the impeachment proceedings against President Trump. The Japanese government unveiled a huge fiscal stimulus package but the MSCI Japan nevertheless trailed global averages in dollar terms: a weaker yen buoyed the market in local terms but eroded returns in dollars. The MSCI Europe ex UK was another laggard, held back by ongoing worries about the eurozone economy. Developed Asia ex-Japan equities brought up the rear, with regional heavyweight Australia pressured by ongoing weakness in its scandal-hit financial sector.

Performance

The portfolio outperformed its composite benchmark. Asset-allocation had a positive impact overall, adding to the relative return. This was mainly due to the overweight exposure to equities and the underweight in bonds. Being overweight in cash detracted marginally. A strongly positive contribution from equities outweighed negative contributions from the other portfolios, especially the property portfolio.

Outlook

The cycle is clearly mature but we do not believe the end is imminent – rather it is being extended and redefined by a combination of structural factors leading to low interest rates, low inflation and ongoing moderate growth. In early 2019 we became less constructive on equities, given ongoing trade tensions, increasingly patchy economic data, and falling earnings expectations. In recent weeks, however, the outlook has brightened. The downturn in macro-data is no longer accelerating, leading indicators are stabilising, and uncertainties around Brexit and trade feel less profound than they were. Within fixed income, we have become more positive on corporate bonds: slow but positive global economic growth, gentle inflation and dovish central-bank policy tend to provide a sweet spot for credit investing. From a sector perspective, we prefer defensive, non-cyclical or regulated sectors where visibility of earnings is good. These include defensive consumer sectors like food and beverage, regulated infrastructure and utilities. Within the banking sector, which accounts for over a quarter of the investment grade credit market, we currently favour senior preferred bonds. Sitting at the top of the capital structure, these represent the safest part of a bank balance sheet.

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