



# OPULENCE CAUTIOUS PORTFOLIO

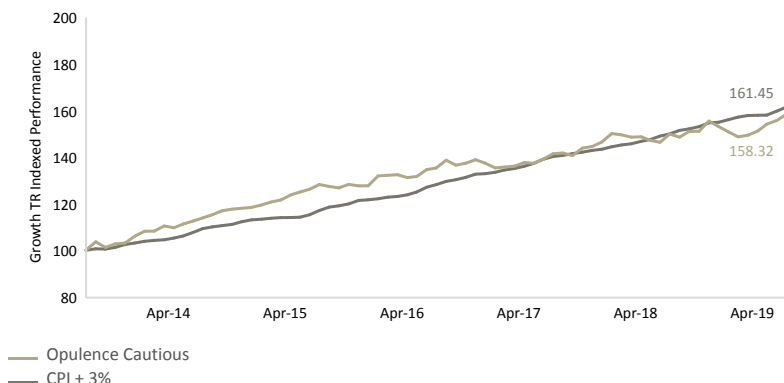
WRAP PORTFOLIO INFORMATION DOCUMENT

30 APRIL 2019

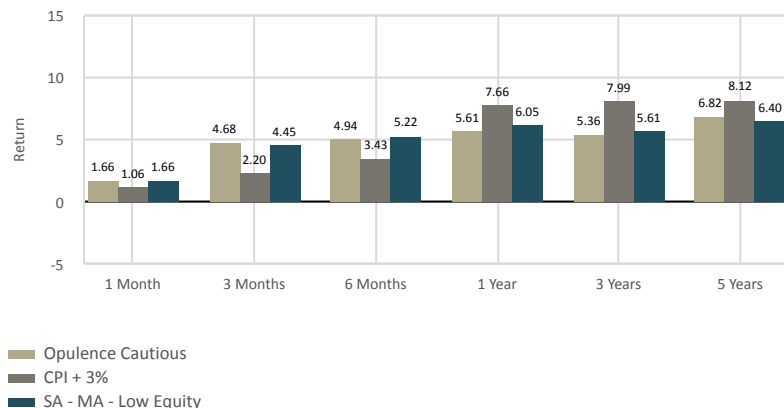
## INVESTMENT OBJECTIVE

The Opulence Cautious Model Portfolio is a specialist multi managed prudential portfolio that seeks to provide investors with income and stable capital growth. The portfolio will be managed in compliance with prudential investment guidelines for retirement funds in South Africa to the extent allowed for by the Act.

## PERFORMANCE (Net of Fees)



## TRAILING RETURNS



Performance numbers before fund start date are back tested.

## HIGHEST AND LOWEST MONTHLY RETURNS PER CALENDAR YEAR

Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
High	2.90	2.49	2.44	3.32	1.46	3.62	2.64	3.26	-	-
Low	-1.52	-0.81	-1.52	-0.62	-0.69	-2.32	0.05	-0.27	-	-

## PORTFOLIO HOLDINGS

Asset Allocation		Top Holdings	
SA Bond	36.44	Coronation Balanced Defensive P	12.82
SA Equity	23.31	Nedgroup Inv Stable A2	12.78
SA Cash	12.85	Allan Gray Stable C	12.69
Offshore Equity	11.78	Sanlam Select Defensive Balanced B3	12.66
SA Property	6.45	Nedgroup Inv Core Guarded B	12.53
Offshore Bond	3.42	BCI Best Blend Cautious C	12.29
SA Other	1.52	Prudential Inflation Plus B	12.15
Offshore Property	1.46	PSG Stable E	12.08
Offshore Cash	1.24		
Offshore Unit Trust	0.89		
Offshore Other	0.59		
SA Unit Trust	0.04		

## FUND INFORMATION

Portfolio Manager: Opulence Asset Management  
 Launch date: 01 May 2015  
 Benchmark: CPI + 3%  
 Regulation 28: This portfolio is managed in accordance with Regulation 28.

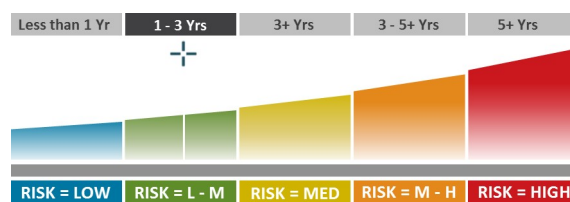
Portfolio management fee: 0.50% (Excl. VAT)

The TER's of the underlying funds may differ from platform to platform and can be obtained from the particular LISP's quote.

## PLATFORM AVAILABILITY

Glacier  
 Momentum Wealth

## RISK PROFILE



### Low | Low - Medium

- This portfolio has low or no equity exposure, resulting in far less volatility than more aggressive mandated portfolios and in turn the probability of a long-term capital loss is much less likely. However, expected potential long term investment returns could be lower over the medium to long term.
- Where the asset allocation contained in this MDD reflect offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to default and interest rate risks.
- Therefore, it is suitable for short to medium term investment horizons.

### Medium | Medium - High

- This portfolio holds more equity exposure than a low risk portfolio but less than a high-risk portfolio. In turn the expected volatility is higher than a low risk portfolio, but less than a high-risk portfolio. The probability of losses is higher than that of a low risk portfolio, but less than a high-risk portfolio and the expected potential long term investment returns could therefore be lower than a high-risk portfolio due to lower equity exposure, but higher than a low risk portfolio.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to equity as well as default and interest rate risks.
- Therefore, it is suitable for medium term investment horizons.

### High

- This portfolio holds more equity exposure than any other risk profiled portfolio and therefore tend to carry higher volatility due to high exposure to equity markets.
- Expected potential long term returns could be higher than other risk profiles and in turn the risk of potential capital losses is higher.
- Where the asset allocation contained in this MDD reflect offshore exposure, the portfolio is exposed to currency risks.
- Therefore, it is suitable for long term investment horizons.

## Opulence Cautious

Risk - 1 Year

Time Period: 01/5/2018 to 30/04/2019

Annualised Return	5.61
Max Draw Down	-4.36
Information Ratio	-0.39
Sharpe Ratio	-0.25
Best Month	05-2013
Worst Month	06-2013
Max Draw Down Recovery	4



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## MARKET COMMENTARY

Global equities extended their 2019 positive rally in April, and returned 3.60% (MSCI World index). This year's rebound has been driven by accommodative central banks and the recovery in Chinese growth. Further support for the markets came from a solid start in the earnings season across the globe. In the USA, the S&P 500 and NASDAQ 100, both registered stellar performance of 4.05% and 5.50% respectively. Furthermore, in April the US Q1 - 2019 GDP growth number was published and it was much higher than expected at 3.2%. This indicates that the US economy is still growing at an above-trend pace, thus fuelling US equities performance. From an equity sector perspective, financials stocks were the best-performing sectors during April. In commodities, oil prices advanced higher, buoyed by the announcement of the planned end to the US administration's waivers on oil sanctions on Iran. Other developed markets, European equities, advanced on the back of good economic data out of China (which represents an important importer of European goods). The MSCI Europe index registered a return of 3.73%, while the EURO STOXX 50 index gained by 5.03%. However, uncertainty remains on Eurozone's growth path and Brexit. The Japanese equity market remained muted thus far this year and ended April 1.7% higher. Emerging markets' equities posted a return of 2.12% (MSCI EM Index), while the MSCI AC Asia Pacific ex-Japan index registered a return of 1.69%. China's economy, a key growth anchor for this region, expanded at a faster-than-expected rate of 6.4% year-on-year in the first quarter. The multi-policy stimulus adopted late 2018 appears to be positively supporting the real economy. South Africa's equities rallied on the hopes of a positive outcome in the month of May's general election and were also supported by the prevailing global risk-on sentiment. The FTSE JSE All Share Index registered a return of 4.23%, with the FTSE/JSE Industrials 25 and FTSE/JSE Financials 15 advancing higher by 6.51% and 7.61% respectively. Within the local fixed-income market, the local listed property was the stand-out performer with a return of 3.17%. Local bonds were up by 0.75% against the backdrop of a weak Rand attributed to a somewhat renewed idiosyncratic risk within an emerging market basket Turkey. (Turkey ongoing policy concerns, including an underwhelming economic reform plan, continued to pressure the lira).

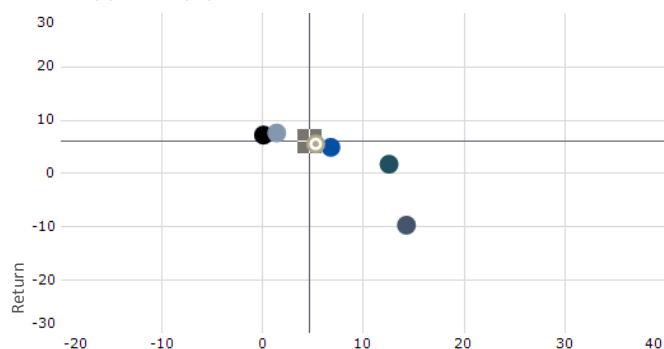
## MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
<b>2019</b>	1.22	1.94	1.01	1.66	-	-	-	-	-	-	-	-	-
<b>2018</b>	0.09	-1.02	-0.58	2.42	-0.90	1.66	0.05	2.90	-1.52	-1.48	-1.42	0.47	0.56
<b>2017</b>	1.13	-0.23	1.28	1.68	0.24	-0.81	2.31	0.49	1.32	2.49	-0.36	-0.66	9.15
<b>2016</b>	-0.95	0.40	2.22	0.54	2.44	-1.52	0.61	1.09	-1.06	-1.48	0.27	0.29	2.79
<b>2015</b>	1.81	0.96	0.99	1.59	-0.62	-0.50	1.18	-0.48	0.01	3.32	0.21	0.19	8.93
<b>2014</b>	-0.69	1.44	1.14	1.19	1.24	1.46	0.60	0.32	0.34	0.84	1.07	0.73	10.11

## RISK REWARD - 1 YEAR

Peer group average: SA - MA - Low Equity

Time Period: 01/5/2018 to 30/04/2019



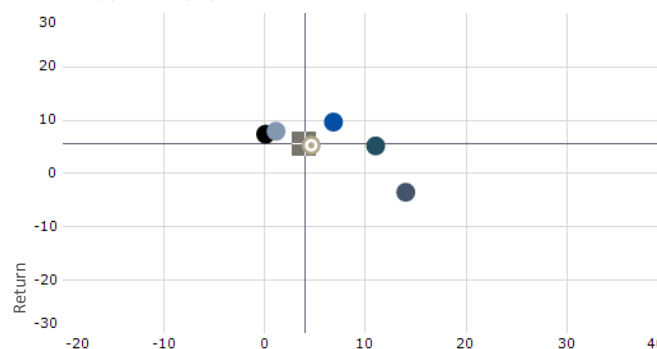
Standard Deviation

- Opulence Cautious
- STeFI Composite ZAR
- FTSE/JSE All Share SWIX TR ZAR
- SA - MA - Low Equity
- Beassa ALBI TR ZAR
- FTSE/JSE SA Listed Property TR ZAR
- CPI + 3%

## RISK REWARD - 3 YEAR

Peer group average: SA - MA - Low Equity

Time Period: 01/5/2016 to 30/04/2019



Standard Deviation

- Opulence Cautious
- STeFI Composite ZAR
- FTSE/JSE All Share SWIX TR ZAR
- SA - MA - Low Equity
- Beassa ALBI TR ZAR
- FTSE/JSE SA Listed Property TR ZAR
- CPI + 3%

## DISCLAIMER

Managed by: Opulence Asset Management. Authorised Financial Service Provider, FSP Number 48738.

The fund allocation (above) indicates the holdings of the model portfolio, also referred to as wrap portfolios. The portfolio holdings are quantitatively and qualitatively assessed on a quarterly basis by the independent investment committee. Where any of the above funds are not available on any particular Linked Investment Service Provider (LISP) platform, an appropriately comparable replacement fund is selected by the investment committee. Due to the possible fund composition variations resulting from such comparable replacements, the actual overall asset allocation, fees and returns may differ across platforms. Periodic portfolio rebalancing is initiated by the investment committee to realign strategic allocations whilst taking specific account of the intended risk and return profiles of the portfolios as well as capital gains tax and cost effects. Past performance is not indicative of future performance and for the historical return purposes above it was assumed that before the launch date of the portfolio, the portfolio's holdings and asset allocation remained static during the entire back tested period. The capital or the return of a portfolio is not guaranteed. A wrap fund is a portfolio consisting of a number of underlying investments wrapped into a single product. Wrap funds are not legal CIS funds of funds as the wrap fund itself is not a collective investment portfolio, but is simply a collection of separate collective investment portfolios and money market accounts. With a wrap fund the investor has direct ownership of the underlying investments. Wrap funds are not regulated by the Collective Investment Schemes Control Act and do not have a separate legal status. They are regulated by the same legislation that applies to Linked Investment Services Providers (LISPs), namely the Stock Exchanges Control Act and the Financial Markets Control Act. Investors should take note that any changes made within a wrap fund can trigger capital gains tax.

The portfolio's performance numbers are based on a master portfolio tracked in the Morningstar Direct system. These performance numbers are net of all underlying managers TER's, but gross of the portfolio management, LISP and advice fees.

## FAIS CONFLICT OF INTEREST DISCLOSURE

Please note that your financial advisor has to disclose any conflict of interest as well as all fees received relating to your investment in writing to you.

