



OPULENCE CAUTIOUS PORTFOLIO

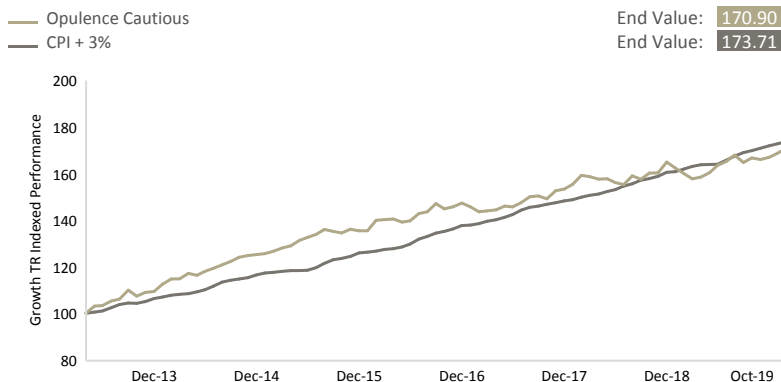
WRAP PORTFOLIO INFORMATION DOCUMENT

31 OCTOBER 2019

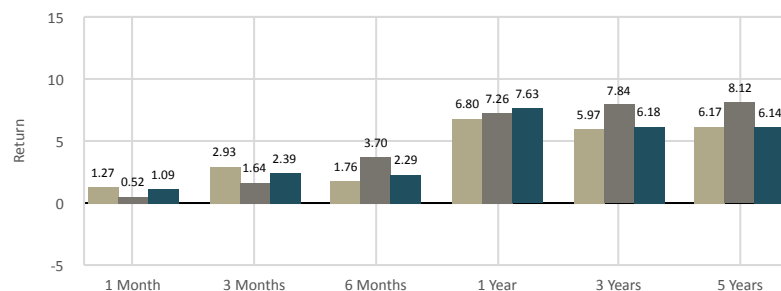
INVESTMENT OBJECTIVE

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



Opulence Cautious
CPI + 3%
SA - MA - Low Equity

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 35.70	Nedgroup Inv Stable A2 13.02
SA Equity 20.65	Coronation Balanced Defensive P 12.92
Offshore Equity 15.10	Sanlam Select Defensive Balanced B3 12.74
SA Cash 13.89	Nedgroup Inv Core Guarded B 12.65
SA Property 5.34	Allan Gray Stable C 12.61
Offshore Bond 5.04	BCI Best Blend Cautious C 12.25
Offshore Property 1.38	Prudential Inflation Plus B 12.07
Offshore Cash 1.31	PSG Stable E 11.75
SA Other 1.09	
Offshore Unit Trust 0.47	
Offshore Other 0.02	

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.

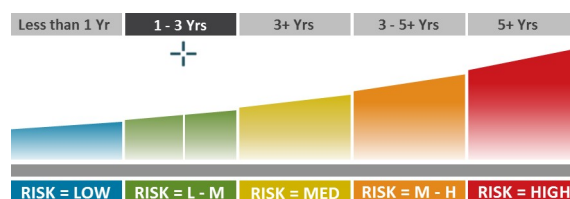
Portfolio management fee: 0.50% (Excl. VAT)

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: 01/11/2018 to 31/10/2019

Annualised Return	6.80
Max Draw Down	-1.89
Information Ratio	-0.10
Sharpe Ratio	-0.07
Best Month	05-2013
Worst Month	06-2013
Max Draw Down Recovery	4



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MARKET COMMENTARY

The month of October saw some relief from the geopolitical risks currently dominating the global investing landscape. In dollar terms, most developed markets globally were strongly up with the MSCI World returning 2.8%, with Japan contributing 3.9%, Europe and the UK contributing 3.2% each, and the USA was in line with the World Index. MSCI Hong Kong returned almost 5%, while MSCI China A-Shares returned 1.7%. MSCI Brazil was up 5.6%, while India was up 3.7%. Economic growth globally continues to slow to trend levels, with the US reporting its latest number as 1.9%. China has also reported a 6% growth figure, affected by the ongoing trade war yet posted improved industrial production and retail sales figures y/y. PMIs globally continue to highlight slowdowns in global manufacturing. Monetary policy globally remains in easing mode with the EU, US and China cutting rates by 10 bps, 25 bps and 50 bps respectively in the past month. China's rate cut is its second in a row and has now injected CNY 900 billion (1% of GDP) into the economy, with a further cut expected. In Europe, Christine Lagarde now inherits a monetary toolkit that is losing efficacy with a -0.5% interest rate and new injections of €20 billion per month starting in November. Her objective is now to convince governments to expand fiscal budgets. Consumer confidence in the US, UK and EU were down in the past month highlighting the lack of monetary policy effectiveness in stimulating demand at the consumer level. In South Africa, the dire state of finances from the medium-term budget saw projections of the SA's debt/GDP rise to an expected 71%, with Moody's revising its outlook for SA's credit rating to 'negative'. South Africa remains under significant pressure to institute reforms quickly to avert an expected ratings downgrade in three months' time, although much of it is now already priced in judging by the recent reaction in the bond and currency market. From a geopolitical risk perspective in the US, Trump's announcement of a "Phase One Trade Deal" moved the sentiment back into a constructive outlook setting. The surprise Brexit deal announced by Boris Johnson alleviated some of the uncertainty that has hampered the UK in the past 3 years, with the departure deadline now set as 31 January 2020. In rand terms, the All Share Index was up 3.1%, with Mid-caps achieving a strong 6.5% primarily on the back of resources, healthcare and consumer services stocks. Small caps were up 1.74%, while the Top 40 was up 3%. The All Bond Index was negative for the month as the longer-duration bonds came under pressure from the Moody's negative credit rating outlook. Listed property was up almost 1.9% while cash returned 0.6% for the month. The rand closed at 15.09 to the dollar, R16.83 to the euro and R19.52 to the sterling.

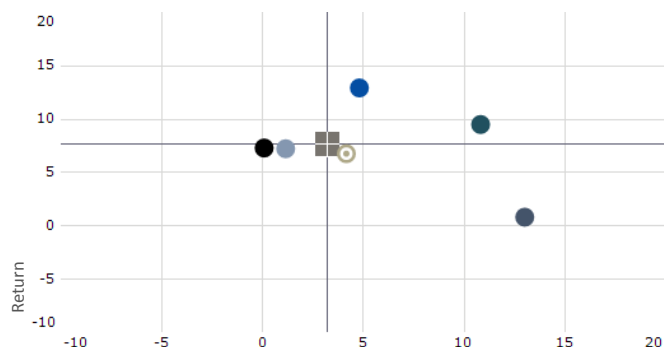
MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD/YEAR
2019	1.22	1.94	1.01	1.66	-1.89	1.19	-0.41	0.58	1.05	1.27	-	-	7.82
2018	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
2017	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
2016	-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
2015	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
2014	-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: 01/11/2018 to 31/10/2019



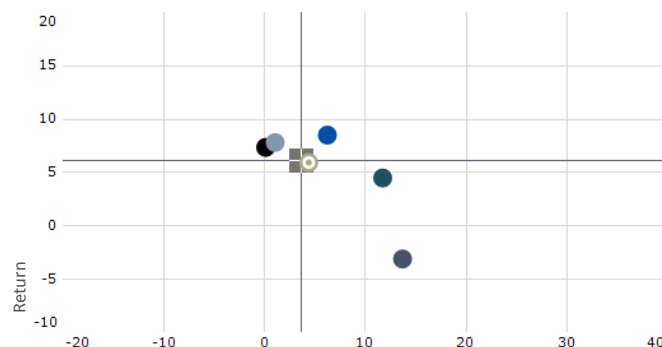
Standard Deviation

- 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: 01/11/2016 to 31/10/2019



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.

