

1invest ALBI (NON TR) Index Tracker Fund



Fund information update at 30 November 2020

What is the fund's objective?

The objective of the 1invest ALBI (non-TR) Index Tracker Fund is to track the performance of the JSE All Bond Index (ALBI) as closely as possible.

What does the fund invest in?

The fund invests in the constituents of the JSE All Bond Index (ALBI) and aims to replicate the index by holding the same weightings of these constituents.

The JSE All Bond Index (ALBI) is a composite bond Index that represents the top 20 vanilla bonds from across a range of maturities in the South African market, ranked by liquidity and market capitalisation.

The fund is rebalanced monthly. The fund may also hold a small portion in cash instruments and listed derivatives to effect efficient portfolio management.

What possible risks are associated with this fund?

Risks include default risk, interest rate risks, inflation risk, market volatility, economic and political risk.

Risk rating

Conservative **Moderately conservative** Moderate Moderately aggressive Aggressive

What is the suggested investment period for this fund?

Minimum period

1 Month 6 Months **1 Year** 3 Years 5 Years 7 Years

Who should consider investing in this fund?

- The fund is a long-term investment aimed at investors with a time horizon of a minimum of three to five years.
- It is suited to conservative investors with a low risk appetite and is fully allocated to domestic bonds.
- This fund is aimed at investors who seek exposure to domestic bonds at reduced cost.
- It is a low-cost alternative to actively managed domestic bond funds.

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) Ann Sebastian and Ryan Basdeo
Size (NAV) R 1.93 billion
Classification South African - Interest Bearing - Variable Term
Regulation 28 Does not apply
Index JSE All Bond Index (ALBI)
Methodology Replication
Rebalancing Monthly

	Class A	Class B1
Launch	11 March 2015	11 March 2015
ISIN number	ZAE000202438	ZAE000202420
JSE code	SIATA	SITB1
Minimum investment requirements -		
Lump sum	R 5,000	N/A
Monthly	R 500	N/A

What are the costs to invest in this fund?

Maximum charges including VAT

	Class A	Class B1
Initial fee (manager)	0.000%	0.000%
Initial fee (adviser)	0.000%	0.000%
Annual fee	0.460%	0.288%
Performance fee	N/A	N/A
Adviser fee	1.150%	1.150%

Annual fee – 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 fund management fee and administration fee. The fee also includes other charges such as audit, custody and index provider fees that are normally additional permissible deductions. Annual fees are calculated and accrued daily and recovered monthly from the income awaiting distribution in the fund.

Adviser fee – this is the maximum annual service fee (% based) an adviser can charge on the value of your portfolio. It is calculated and accrued daily and recovered monthly by means of a redemption of your units. It is not included in the **Annual fee**.

Cost ratios (annual) including VAT as at 30 September 2020

	Class A	Class B1
Based on period from:	01/10/2017	01/10/2017
Total Expense	0.46%	0.29%
Transaction Costs	0.00%	0.00%
Total Investment Charge	0.46%	0.29%
1 Year Total Expense	0.46%	0.29%

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.

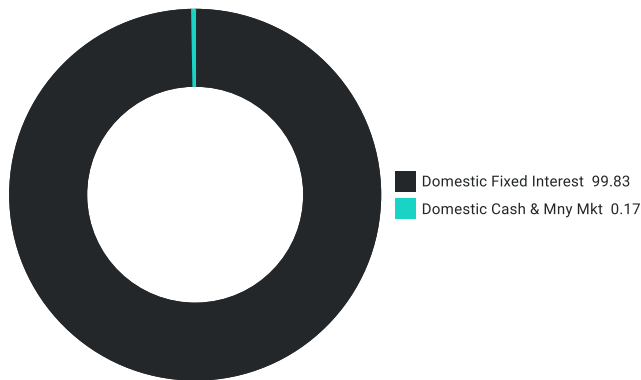
1invest ALBI (NON TR) Index Tracker Fund



Monthly update at 30 November 2020

Holdings

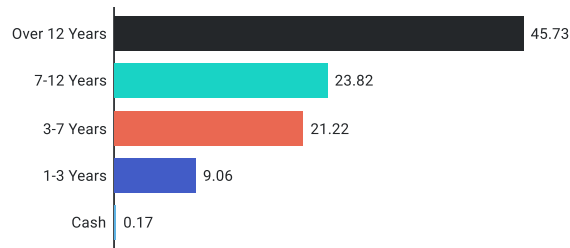
Asset allocation (%)



Top holdings (%)

R186 Republic Of South Africa	10.500%	21/12/2026	18.69
R2030 Republic Of South Africa	8.000%	31/01/2030	11.68
R2048 Republic Of South Africa	8.750%	28/02/2048	11.38
R2032 Republic Of South Africa	8.250%	31/03/2032	7.43
R2037 Republic Of South Africa	8.500%	31/01/2037	7.14
R2023 Republic Of South Africa	7.750%	28/02/2023	7.05
R2035 Republic Of South Africa	8.875%	28/02/2035	7.03
R2044 Republic Of South Africa	8.750%	31/01/2044	6.55
R2040 Republic Of South Africa	9.000%	31/01/2040	4.94
R213 Republic Of South Africa	7.000%	28/02/2031	4.71

Fixed Interest allocation (Industry) (%)



Performance and Income

Class A Launch: 11 March 2015

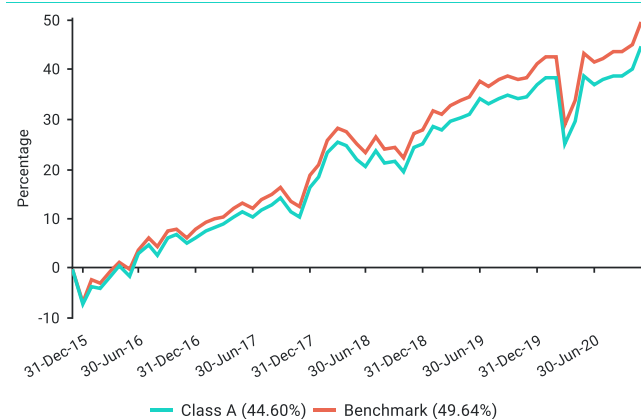
Class B1 Launch: 11 March 2015

Benchmark: JSE All Bond Index (ALBI)

Returns (%)	1yr	2yrs	3yrs	5yrs	Launch
Class A					
Class	7.53	7.88	9.38	7.65	6.60
Rank/Out of	10/33	12/30	9/28	15/23	17/20
Sector Average	6.54	7.23	8.47	7.33	6.82
Benchmark	8.04	8.51	10.00	8.39	7.52
Class B1					
Class	7.71	8.07	9.58	7.85	6.79

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	2yrs	3yrs	5yrs	Launch
Class A					
Positive Months	9	18	25	41	44
Max Gain	15.74	16.39	30.88	56.04	64.47
Max Drawdown	-9.79	-9.79	-9.79	-9.79	-19.31
Highest	9.57	12.25	15.20	15.20	15.20
Lowest	-3.56	-3.56	-3.56	-3.56	-3.56
Class B1					
Highest	9.77	12.46	15.40	15.40	15.40
Lowest	-3.38	-3.38	-3.38	-3.38	-3.38

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 B1
31 December 19	1.96	2.00
31 March 20	1.93	1.97
30 June 20	1.89	1.93
30 September 20	1.85	1.89
In last 12 months	7.63	7.79
In 2019	7.09	7.26

1invest ALBI (NON TR) Index Tracker Fund



Quarterly update at 30 September 2020

Who are the investment managers?

1INVEST Fund Managers (Pty) Ltd, FSP 49955, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002, manage the investments of the fund.

The fund is run by the 1invest team which specialises in the manufacture of index and factor products for individual and institutional investors. Investors who seek a simple, transparent and cost-effective investment solution can invest in index products that meet their financial goals.



Ann Sebastian

BSc (Hons)(Advanced Mathematics of Finance)
Portfolio manager



Ryan Basdeo

MBA (Wits), BCom (Taxation), Registered Securities
Trader
Portfolio manager

Commentary

Fund review

The review of the JSE All Bond Index in the last quarter saw no deletion or addition to the index. The fund performed in line with the Index. The R186 Government bond remained the largest bond in the fund and its yield decreased from 7.68% to 7.20% and its modified duration decreased from 4.78 to 4.57 over the quarter. The fund's yield decreased from 9.58% to 9.54% and its modified duration decreased from 6.46 to 6.36 over the quarter.

Market overview

Global markets continued to rally despite rising fears of a second wave of the COVID-19 pandemic. While the number of infection cases continued to rise, many of the restrictions on businesses and travel were eased, which provided much needed support and confidence to markets. In Q3 2020, MSCI EMEA was up +0.9% but behind MSCI World (+7.5%) and behind MSCI EM (+8.7%). The South African Reserve Bank cut the repo rate by 25bp to 3.5% on 23 July 2020 as further stimulation of the economy but has now paused cuts at 3.5% on 17 September 2020 with the view that the move to level 1 restrictions would provide a boost to the local economy. The Monetary Policy Committee now expects that the domestic economy will shrink by 8.2% in 2020, compared to July's estimate of a 7.3% contraction, before rebounding by 3.9% (previously 3.7%) in 2021 and 2.6% in 2022 (previously 2.8%). Estimates also point to 3.3% inflation in 2020 (vs prior 3.4%), 4% in 2021 (vs prior 4.3%) and 4.4% in 2022 (vs prior 4.3%). Policymakers said that both the risks to the growth outlook and the inflation outlook are assessed to be balanced, adding that monetary policy alone is insufficient to improve the potential growth rate of the economy or reduce fiscal risks. Local indices were up over the quarter with Top 40 (+0.68%), All Share (+0.72%), the Capped SWIX (+1.03%), ALBI (+1.45%), and the STeFI (+1.16%).

Looking ahead

Despite risks of a second wave of COVID-19 infections in European countries, continued trade concerns between the China and the U.S., the protracted BREXIT overhang, and nervousness around the U.S. election presenting us with near term uncertainties; there are still positive sentiments regarding COVID-19 vaccine developments, dovish central bank policy stances and ongoing economic recoveries due to softer restriction levels. Locally, there seems to be deliberate efforts to rejuvenate faith in the ruling party through initiatives directed at rooting out corruption across all pillars of government, which will bode well for sentiment towards investments in the South Africa. However, while political and fiscal reform play out, social and economic reform remain precarious as the effects of COVID-19 pandemic seem to be something we will be recovering from for longer than initially thought. Despite these shaky fundamentals, it seems the JSE is poised to remain range-bound for the rest of 2020, commodities to continue enjoying their rally but at a more subdued trajectory, and for the Rand to remain lacklustre at levels around R16.70. The big caveat to this is, of course, the outcome of the U.S. elections in November 2020 and especially the initial sentiments and outlooks this will pose for risky emerging market as an investment destination while the U.S. adjusts to their political reality for the next 4 years.

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	Q3 2020	Q2 2020	Change
Domestic Cash & Mny Mkt	0.24	0.30	-0.06
Domestic Fixed Interest	99.76	99.70	0.06

The portfolio adhered to its portfolio objective over the quarter.

Fund classes

Class	Type	Price (cpu)	Units	NAV (Rand)
A	Retail	90.68	10,890,717.58	9,875,745.97
B1	Retail	90.71	213,016,501.79	193,237,360.97

All data as at 30 September 2020.

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

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Important information update at 30 November 2020

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 1Invest ALBI (NON TR) Index Tracker 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 1INVEST Fund Managers (Pty) Ltd, an authorised financial services provider (FSP), FSP No. 49955, 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 17h00 (prior to 28/02/18 15h00). Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 15h00.

This portfolio is a third party named, incubator portfolio. The Manager retains full legal responsibility for this portfolio. A third party named, incubator portfolio is a portfolio bearing the name of the financial services provider (FSP), who intends to apply to the Registrar to be approved as a manager within three years after the Registrar has approved the portfolio, and where the FSP, under an agreement with the Manager, undertakes financial services of a discretionary nature, as contemplated in the Financial Advisory and Intermediary Services Act, Act No. 37 of 2002 (FAIS), in relation to the assets of the portfolio. 1INVEST Fund Managers (Pty) Ltd, an authorised FSP, FSP No. 49955, FAIS, is the third party manager of this portfolio.

The FSP is a related party to the Manager, the FSP may earn additional fees other than those charged by the Manager. It is the responsibility of the FSP to disclose additional fees to the investor. This document is not advice, as defined under FAIS. Please be advised that there may be representatives acting under supervision.

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 30 November 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

Manager

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STANLIB

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This is a Minimum Disclosure Document (MDD) and General Investor Report (GIR).