

# Counterpoint SCI\* Enhanced Income Fund

## Minimum Disclosure Document

As of 30/06/2021



MDD Issue Date: 23/07/2021

### Fund Objective

The investment objective of the portfolio is to provide investors with a high level of income. As a secondary objective the portfolio aims to achieve low to moderate levels of capital growth over the long term.

### Fund Strategy

Investments to be included in the portfolio will, apart from assets in liquid form, consist of non-equity securities, fixed interest instruments (including, but not limited to, bonds, cash deposits and money market instruments), preference shares of an income nature and listed property securities as well as any other income enhancing securities which are considered consistent with the portfolio's primary objective and that the Act or Registrar may allow from time to time. In order to achieve the portfolio objective, the portfolio's asset allocation and instrument selection will be actively managed and will continually reflect the portfolio manager's view of the relative attractiveness of the property shares, property related securities, loan stock listed on exchanges, non-equity securities, bonds, money market instruments and preference share markets. Apart from achieving the primary objective of generating high income, the portfolio will actively invest in bonds and/or property securities in order to achieve the secondary objective of long term capital growth. The portfolio's property exposure could be aligned with that of the Asisa South African Multi Asset Income portfolios category. The portfolio may also invest in listed and unlisted financial instruments in accordance with the Act as well as in offshore investments as permitted by legislation. The Manager may also include participatory interests and other forms of participation of local and global collective investment schemes, or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the Manager and Trustee of a sufficient standard to provide investor protection at least equivalent to that in South Africa and which is consistent with the portfolio's primary objective. However, the fund will purposefully only invest in South African securities to allow investors the option of a clean asset allocation between their domestic and foreign exposure.

### Fund Information

Ticker	MEIA
ISIN	ZAE000163440
Portfolio Manager	Daniel King
ASISA Fund Classification	South African - Multi Asset - Income
Risk Profile	Cautious
Benchmark	STeFI
Fund Size	R 654,855,895
Portfolio Launch Date*	03/12/2012
Fee Class Launch Date*	03/12/2012
Minimum Lump Sum Investment	R 10,000
Minimum Monthly Investment	R 500
Income Declaration Date	Monthly
Income Payment Date	1st business day of the following month
Portfolio Valuation Time	15:00
Transaction Cut Off Time	15:00
Daily Price Information	Local media & www.sanlamunitrusts.co.za
Repurchase Period	2-3 business days

### Fees (Incl. VAT)

	A1-Class (%)
Maximum Initial Advice Fee	3.45
Maximum Annual Advice Fee	—
Manager Annual Fee	0.63
Total Expense Ratio	0.66
Transaction Cost	0.02
Total Investment Charges	0.68
Performance Fee	—
TER Measurement Period	01 April 2018 - 31 March 2021

Total Expense Ratio (TER) is the percentage value of the Financial Product that was incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's.

Transaction Cost (TC) is the percentage value of the Financial Product that was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product 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 Financial Product, the investment decisions of the investment manager and the TER.

Total Investment Charges (TER + TC) is the total percentage value of the Financial Product that was incurred as costs relating to the investment of the Financial Product.

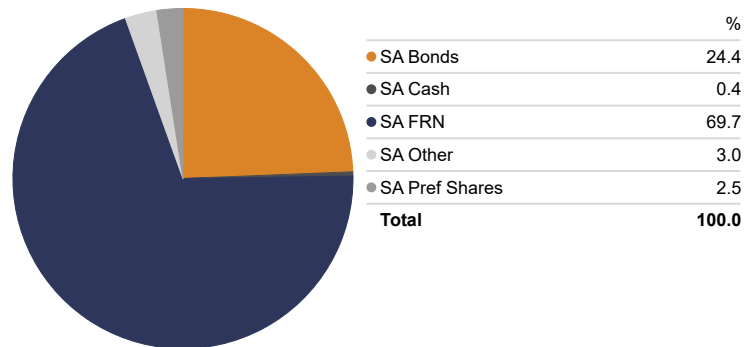
\*The Counterpoint Sanlam Collective Investments Enhanced Income Fund transitioned to Sanlam Collective Investments (RF) (Pty) Ltd on 2 December 2017.

### Top Ten Holdings

	(%)
R186 12/26 10.5	10.1
Sasol Financing Limited F/R 12082022	3.7
FirstRand F/R 14022024	3.6
Nedbank F/R 15032022	2.6
Republic of South Africa 8.00% 31012030	2.3
Momentum Metropolitan Life Limited F/R 10122026	2.3
Redefine Property F/R 220324	2.0
Accelerate Property Fund Ltd F/R 26072021	1.9
BNP Paribas Personal Finance F/R 19112024	1.8
Momentum 8.9% 180924	1.8

### Asset Allocation

Portfolio Date: 30/06/2021



### Annualised Performance (%)

	Fund	Benchmark
1 Year	6.3	4.0
3 Years	6.9	6.0
5 Years	7.7	6.6
Since Inception	6.9	6.3

### Cumulative Performance (%)

	Fund	Benchmark
1 Year	6.3	4.0
3 Years	22.3	19.3
5 Years	45.1	37.8
Since Inception	88.3	78.6

### Highest and Lowest Annual Returns

Time Period: Since Inception to 31/12/2020

Highest Annual %	9.5
Lowest Annual %	4.5

### Risk Statistics (3 Year Rolling)

Standard Deviation	1.3
Sharpe Ratio	0.6
Information Ratio	0.6
Maximum Drawdown	-1.4

### Distribution History (Cents Per Unit)

30/06/2021	0.45 cpu	31/03/2021	0.53 cpu	30/11/2020	0.50 cpu
04/06/2021	0.03 cpu	28/02/2021	0.43 cpu	31/10/2020	0.47 cpu
31/05/2021	0.51 cpu	31/01/2021	0.47 cpu	30/09/2020	0.52 cpu
30/04/2021	0.50 cpu	31/12/2020	0.48 cpu	31/08/2020	0.67 cpu

Administered by



### Glossary Terms

#### Annualised Returns

Annualised return is the weighted average compound growth rate over the period measured.

#### Asset Allocation

Asset allocation is the percentage holding in different asset classes (i.e. equities, bonds, property, etc.). It is used to determine the level of diversification in a portfolio.

#### Distributions

The income that is generated from an investment and given to investors through monthly, quarterly, bi-annual or annual distribution pay-outs.

#### Derivatives

Derivatives are instruments generally used as an instrument to protect against risk (capital losses), but can also be used for speculative purposes. Examples are futures, options and swaps.

#### Liquidity

The ability to easily turn assets or investments into cash.

#### Information Ratio

The Information Ratio measures the market risk-adjusted performance of an investment or portfolio. The greater a portfolio's Information Ratio, the better its risk-adjusted performance has been compared to the market in general.

#### LISP (Linked Investment Service Provider)

A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

#### Maximum Drawdown

The maximum drawdown measures the highest peak to trough loss experienced by the fund.

#### Money Market Instruments

A money market instrument is a low risk, highly liquid, short-term (one year or less) debt instrument, issued by financial institutions or governments, that tend to have lower returns than high-risk investments.

#### Participatory Interests

When you buy a unit trust, your money is pooled with that of many other investors. The total value of the pool of invested money in a unit trust fund is split into equal portions called participatory interests or units. When you invest your money in a unit trust, you buy a portion of the participatory interests in the total unit trust portfolio. Participatory interests are therefore the number of units that you have in a particular unit trust portfolio.

#### Regulation 28

Regulation 28 of the Pension Funds Act sets out prudent investment limits on certain asset classes in investment funds. It applies specifically to investments in Retirement Annuities and Preservation Funds. The allowed maximum exposures to certain asset classes is: 75% for equities, 25% for property, 30% for foreign (offshore) assets and 10% African assets.

#### Risk-adjusted returns

Risk-adjusted return refines an investment's return by measuring how much risk is involved in producing that return, which is generally expressed as a number or rating.

#### Sharpe Ratio

The Sharpe Ratio measures total risk-adjusted performance of an investment or portfolio. It measures the amount of risk associated with the returns generated by the portfolio and indicates whether a portfolio's returns are due to excessive risk or not. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

#### Standard Deviation

Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the volatility expected of an investment.

### Additional Information

All reasonable steps have been taken to ensure the information on this MDD is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision. The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available on request from the Manager. Sanlam Collective Investments (RF) Pty Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained on request from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in participatory interests of other unit trust portfolios. These underlying funds levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The Manager may borrow up to 10% the market value of the portfolio to bridge insufficient liquidity. The fund may from time to time invest in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information. The fund may invest in financial instruments (derivatives) for efficient portfolio management purposes. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. Management of the portfolio is outsourced to Sanlam Investment Managers (Pty) Ltd, (FSP) Licence No. 579, an Authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002. Sanlam Collective Investments (RF) (Pty) Ltd retains full legal responsibility for the co-named portfolio. Standard Bank of South Africa Ltd is the appointed trustee of the Sanlam Collective Investments scheme. Sources of Performance and Risk Data: Morningstar Direct, INET BFA and Bloomberg. The risk free asset assumed for the calculation of Sharpe ratios: STEFI Composite Index. The highest and lowest 12-month returns are based on a calendar year period over 10 years or since inception where the performance history does not exist for 10 years. Obtain a personalised cost estimate before investing by visiting [www.sanlamunittrustsmdd.co.za](http://www.sanlamunittrustsmdd.co.za) and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at 0860 100 266.

#### Investment Manager Information

Counterpoint Boutique (Pty) Ltd  
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Tel: +27 (21) 943 4480  
Email: [Nicolel@cpam.co.za](mailto:Nicolel@cpam.co.za)  
Website: [www.cpam.co.za](http://www.cpam.co.za)

#### Manager Information

Sanlam Collective Investments (RF) (Pty) Ltd  
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Email: [service@sanlaminvestments.com](mailto:service@sanlaminvestments.com)  
Website: [www.sanlamunittrusts.co.za](http://www.sanlamunittrusts.co.za)

#### Trustee Information

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