



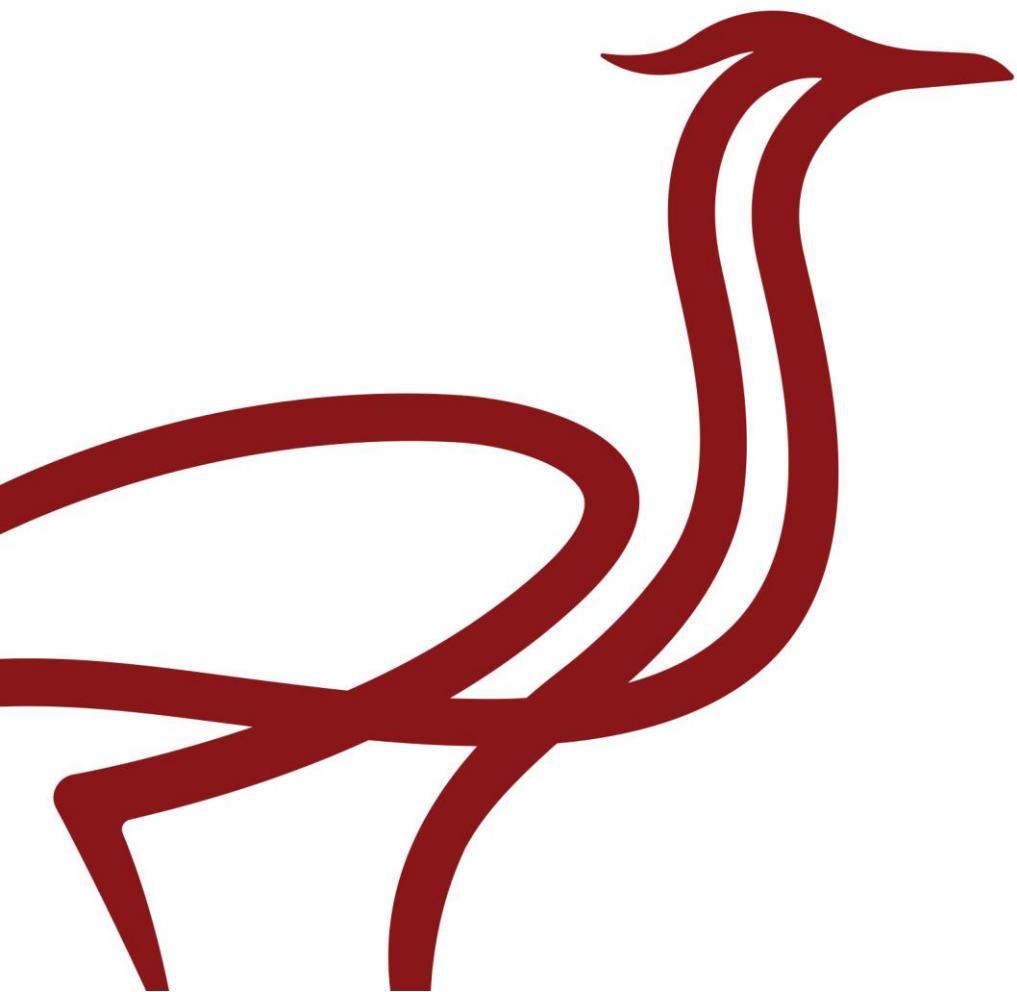
KGORI CAPITAL

INVEST WITH PRIDE

2020, 30 JUNE

**KGORI CAPITAL
GLOBAL BALANCED FUND**

Fund Factsheet





KGORI CAPITAL

INVEST WITH PRIDE

FUND OBJECTIVE

Our Global Balanced Strategy is a moderate risk profiled multi-asset strategy suitable for investors with a medium to long-term investment horizon. The Fund aims to generate equity like returns, or better, at significantly less risk than the equity market. The strategy seeks its total return posture by developing high conviction ideas and dynamically shifting across all global liquid asset classes including equities, fixed income, cash, and alternatives.

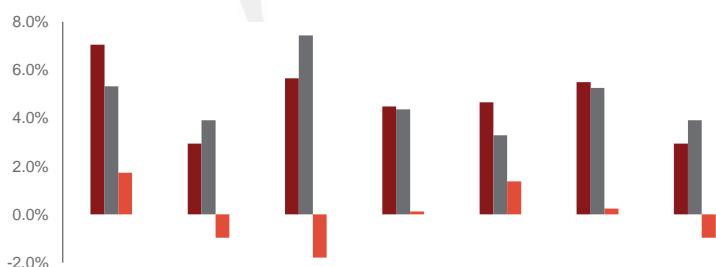
FUND STRATEGY

The fund is intended for long term investors, with a moderate risk profile, who want to access the medium- to long-term opportunities for growth offered in domestic and international markets. The fund actively invests in a diversified range of domestic and international asset classes such as domestic equities, domestic fixed income, domestic property, global equities, global fixed income, global property, and global derivatives.

STRATEGY FEATURES

- Offers diversification across asset classes and geographies in a single investment.
- Long-term capital growth objective.
- Botswana Pension Fund Regulations (PFR2) compliant making it suitable for smaller retirement funds and individuals looking to supplement their retirement savings.

INVESTMENT PERFORMANCE



ABOUT THE FUND

Risk Profile

Low Moderate High



Fund Characteristics

| | |
|--------------------------------|---|
| Portfolio Manager | Alphonse Ndzinge, CFA Tshegofatso Tlhong, CFA |
| Inception Date | 11 April 2019 |
| Fund Size | P31 million |
| Minimum Investment | P1,000 lump sum, or P200 monthly debit order |
| Target Return | Achieve a return of at least 3.0% in excess of CPI gross of fees over rolling 3 year period |
| Initial Fees | None |
| Management Fee (excluding VAT) | 2.0% |
| Income Distribution Dates | Annually |

Manager Contact Details

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Trustee

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Source: Bloomberg

Performance calculated on NAV with income reinvested.

**DCI 29.00%; FABI 12.00%; Botswana 91-day BoBC Rate 5.00%; MSCI ACWI 42.00%; Citigroup World Govt Bond Index 12.00%

*The fund launch date is 11 April 2019. Performance shown for periods to 30 June 2019 is GIPS compliant composite performance for Kgori Capital mandates that are managed under an identical strategy since 1 May 2013.

QUARTERLY COMMENTARY

Global equities surged in the second quarter (MSCI ACWI up 19.4%) as investors welcomed plans for the reopening of economies, and central banks pledged unprecedented stimulus. Global fixed income markets staged a partial recovery over the period as monetary authorities bought securities to ease the flow of credit to businesses and individuals. In government bonds, US and German 10-year yields saw little change in the quarter. Corporate bonds outperformed government bonds as credit markets delivered one of their strongest performances on record in Q2 as actions undertaken by central banks and governments in the form of monetary and fiscal support helped bolster market sentiment.

Domestically, local assets significantly underperformed global markets. Local Bonds (+1.7%) outperformed Local Equities (-2.0%). Fixed income returns were fuelled by the 50bps policy rate cut in April 2020. The Domestic Company Index continued to struggle with negative market sentiment. Our forward-looking prospects for the local economy have declined significantly since the last quarter. For 2020, we are expecting listed local company earnings to fall by at least 20% and Botswana GDP to shrink by more than 10%.

Fiscal policy errors remain the biggest recovery risk. Economic necessity drove the first round of fiscal stimulus in most countries. Now, politics increasingly dominate fiscal decision-making. Additional risks that remain that could derail the recovery include a second wave of infections, a deteriorating US/China relationship over COVID-19 damage claims, and the upcoming US presidential election.

INVEST WITH PRIDE

Collective Investment Undertakings (CIU's) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIU's are traded at the ruling price. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIU may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIU prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue.

The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Investors are referred to full details on risks of investing in the Prospectus of the relevant Fund. The Fund Prospectus may be acquired free of charge, from Kgori Capital (Pty) Ltd.

General Disclaimer

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The manager, Prescient Management Company (Botswana)(Pty) Ltd, and the investment manager, Kgori Capital (Pty) Ltd, are both regulated by the Non-Bank Financial Institutions Regulatory Authority

