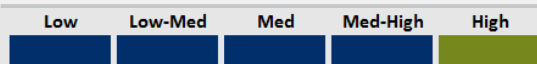


# PCP OPPORTUNITIES PORTFOLIO

**31 OCT 2019**

## RISK PROFILE



## PORTFOLIO INFORMATION

Inception Date	1 July 2009
Benchmark	JSE Capped SWIX Index ( TRI )
Portfolio Managers	Grant Alexander
Investment Manager	Private Client Portfolios
Stockbrokers	Avior, Investec, SPI Standard Bank, FNB
Min. Lump Sum	R 1 000 000 ( Negotiable )

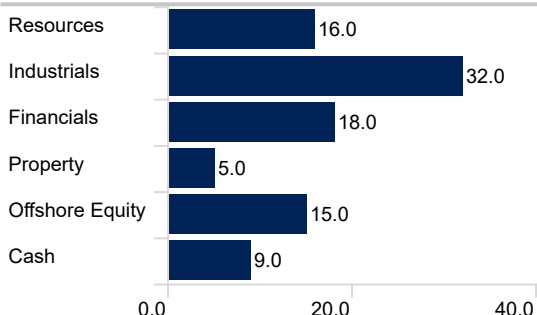
## FEES ( INC VAT IF APL )

<b>Initial Fee</b>	Negotiable
<b>Annual Fees</b>	
Portfolio Management Fee	1.03%
Adviser Fee	1.15% ( Maximum )
Performance Fee	Negotiable

## TOP 10 HOLDINGS %

STeFI Composite ZAR	11.8
Prosus NV Ordinary Shares - Class N	11.1
NEPI Rockcastle PLC	5.7
Sygnia Itrix MSCI World ETF	5.4
Sygnia Itrix Euro Stoxx 50 ETF	5.4
Satrix MSCI Emerging Markets ETF	5.4
Anglo American PLC	5.4
Zeder Investments Ltd	5.3
Investec Ltd Pref Share	5.2
BHP Group PLC	4.7

## SECTOR ALLOCATION



## INVESTMENT OBJECTIVE

The objective of the PCP OPPORTUNITIES PORTFOLIO is to provide above average total returns (capital plus income) by investing in quality ordinary shares listed on the JSE. To achieve this a somewhat more aggressive management approach will be required, as compared to our Core Equity Portfolio, in terms of both the frequency of changes and the weightings of sectors and shares. The portfolio aims to outperform the All Share Index over the medium term, assuming an above average level of risk in the short term. Within the 'Opportunities' space we feel that, locally, the biggest opportunities over the next 5-20 years will center around agriculture, natural resources, development and infrastructure spend in Africa, energy and e-commerce. We've aligned this portfolio to benefit from these trends, where possible, in the most risk effective manner.

## PORTFOLIO COMMENTARY

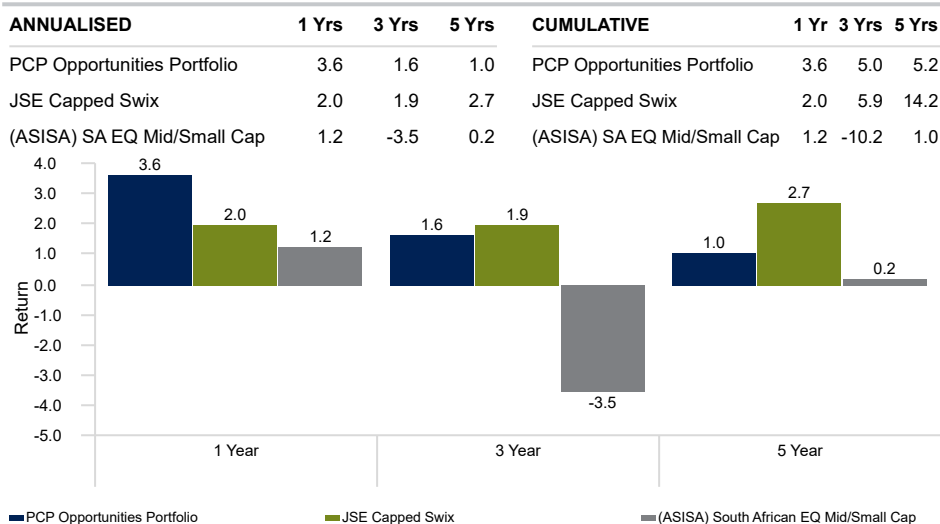
South Africa's 23rd Medium Term Budget Policy Statement (MTBPS) did not inspire any confidence. Finance Minister Tito Mboweni did not mince his words when he delivered his speech, highlighting that the status quo is unsustainable. Chronically poor economic growth and ailing SOE's are putting excessive demands on the fiscus, with the nation's debt standing at R3 trillion. He noted that if no policy changes were made, it is expected to grow by 50% to R4.5 trillion over the next three years.

The budget deficit is expected to deteriorate materially over the medium-term, reaching an average of -6.2% over the next three years, with the debt-to-GDP ratio surging to 71.3% in 2022/23.

No tax increases were announcements; however, given the severity of revenue under-collection, Treasury might still consider additional tax measures in next year's February budget.

Eskom remains the biggest single risk to the economy and the fiscus. The combination of slow growth and the mounting debt burden have put the government and the country between a rock and hard place. As expected, Moody's moved their outlook on SA's credit rating to negative from stable soon after the MTBPS but kept its rating unchanged at one notch above junk status.

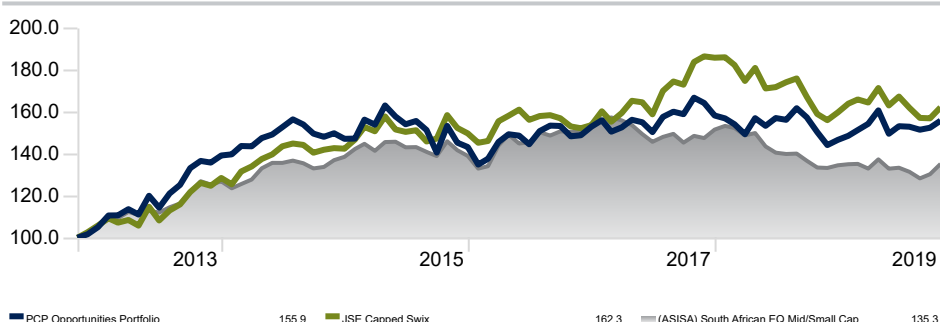
## PERFORMANCE % ( NET OF PORTFOLIO MANAGEMENT FEES )



## RISK STATISTICS OVER THE PAST 5 YEARS

	Max Drawdown	Std Dev	Sortino Ratio	Sharpe Ratio
PCP Opportunities Portfolio	-17.3	11.8	-0.6	-0.4
JSE Capped Swix	-16.3	11.0	-0.5	-0.3
(ASISA) South African EQ Mid/Small Cap	-18.5	8.2	-1.0	-0.8

## GROWTH CHART OVER THE PAST 5 YEARS



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