



# Prosperity IP Worldwide Flexible Fund of Funds



Minimum Disclosure Document (MDD)

June 2021

Date of Issue : 26 July 2021

## Fund Objective

The fund is diversified across geographic regions, asset classes and fund managers. Its objective is to provide investors with real medium to long-term capital growth from a portfolio that maintains a moderate risk profile.

## Fund Strategy

The fund is managed conservatively with an emphasis on capital preservation. The strategy is to blend the asset allocation with our macro views while taking advantage of irrational pricing across all markets and to select the best funds to enhance our views.

## Investor Profile

The fund is best suited to investors with a moderate risk profile who require a balanced local and global investment exposure with a conservative bias and capital preservation.

## Manager Commentary

The last quarter, equity markets were volatile and tracked sideways as uncertainties with new COVID 19 variants persisted. Although a global economic recovery is taking place, the time to a full recovery appears to be taking longer than expected. The Rand has been strong as high commodity prices have abnormally elevated SA's trade surplus driving demand for Rands.

With some positive political progress, the outlook for SA local equities remained positive as we increased our overall investment in "SA Inc." to 33%, by adding to the investment in the financial sector. Overall, the fund remains conservatively positioned and has subsequently reduced its low-risk offshore holdings to 42% from 54%. We believe global markets will remain volatile through 2021 as uncertainties with the virus persist and the risk of rising global inflation increases. The volatility should present attractive investment opportunities that the fund is poised to take advantage of with its local and offshore cash holdings.

## Fund Information

Portfolio Manager:	Nick Brummer
Inception Date of Fund:	19-Sept-2014
Inception Date of Class:	19-Sept-2014
Benchmark:	Composite benchmark: 36% JSE All share Index, 24% MSCI World Index , 12% All Bond index, 8% JP Morgan Bond Index , 12% AF Money Market, 8% US Overnight Call rate
Classification:	Worldwide - Multi Asset - Flexible
Regulation 28 compliant:	No
Income distribution:	Semi-Annual
Date of income distributions:	31 March, 30 September
Date of income payment:	15th day of the following month or the next business day if the 15th does not fall on a business
Min. lump sum investment:	R10,000
Min. monthly investment:	R1,000
Risk profile:	Moderate
JSE code:	PIWCA
ISIN Number:	ZAE000195517

## Portfolio Income in Cents Per Unit (cpu)

	September 2020	March 2021
Income Distribution	38.3075	9.4548

## Fund Net Asset Value (NAV) and Units in Issue

Fund NAV	R 248 466 525
<b>Class A</b>	
Units in Issue	18 967 971
Class NAV	R 248 465 713
NAV Price as at Month End	1309.92

## Total Expense Ratio (TER) and Transaction Costs (TC):

Apr 2018 - Mar 2021 (3 Yrs. Rolling %) & Apr 2020 - Mar 2021 (1 Yr. %)

TER and TC Breakdown	Class A - 3 Yrs. Rolling	Class A - 1 Yr. Rolling
Total Expense Ratio (TER)	2.00%	1.28%
Transaction Costs (incl. VAT)	0.12%	0.07%
Total Investment Charge (TIC)	2.12%	1.35%

## Fee Structure

Annual Service Fee	0.85% (excl. VAT)
Performance Fee Benchmark	Composite benchmark: 36% JSE All share Index, 24% MSCI World Index - in Rands, 12% All Bond index, 8% JP Morgan Bond Index - in Rands, 12% Alexander Forbes , Money Market, 8% US Overnight Call rate -in Rands
Base Fees	0.85%
Fee at Benchmark	0.85%
Fee Hurdle	Benchmark
Sharing Ratio	20.00%
Minimum Fee	0.85%
Maximum Fee	2.50%
Fee Example	20% of outperformance against the benchmark on a high watermark basis, which is the highest outperformance point of fees yet charged.

Initial Advice Fee and Ongoing Advisor Fee is negotiable between the Investor and Appointed Financial advisor. This is not part of the normal annual service fee charged by the fund.



# Prosperity IP Worldwide Flexible Fund of Funds

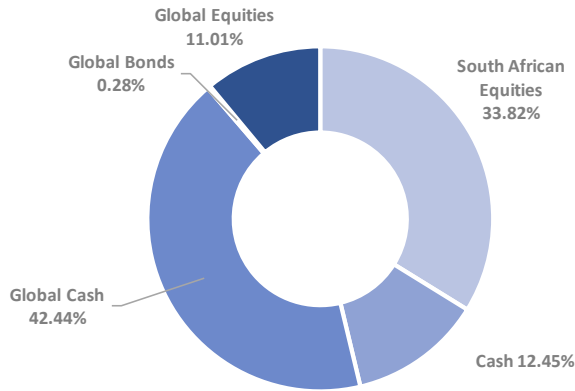


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## Asset Allocation as at 30 June 2021



Data Source : INET/IRESS

## Asset Classes as at 30 June 2021

	Local (%)	Offshore (%)	Total (%)
Equities	33.82%	11.01%	44.83%
Bonds	0.00%	0.28%	0.28%
Cash	12.45%	42.44%	54.89%
Total	46.27%	53.73%	100.00%

## \*Performance - Net of Fees

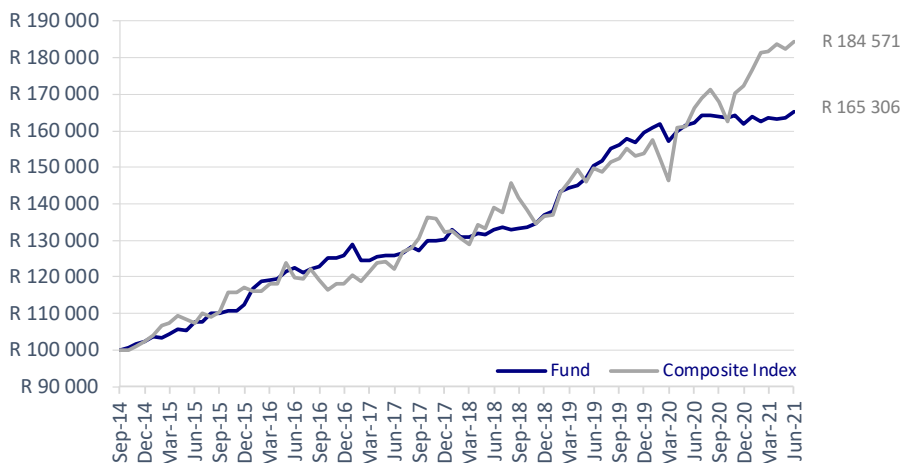
\* Returns History above one year are annualised

Cumulative (%)	1 Month	3 Months	6 Months	YTD	1 Year	2 Years	3 Years	5 Years	Since Inception
Fund	1.11%	1.04%	2.22%	2.22%	1.94%	9.87%	24.31%	35.14%	65.31%
Benchmark	1.19%	1.55%	7.21%	7.21%	11.12%	23.32%	32.86%	54.16%	84.57%

Annualised (%)	1 Year	2 Years	3 Years	5 Years	Since Inception
Fund	1.94%	4.82%	7.52%	6.21%	7.73%
Benchmark	11.12%	11.05%	9.93%	9.04%	9.50%

Monthly Performance	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund	2021	1.42%	-0.87%	0.63%	-0.25%	0.17%	1.11%							2.22%
Benchmark	2021	2.68%	2.53%	0.28%	1.07%	-0.71%	1.19%							7.21%
Fund	2020	0.90%	0.56%	-2.81%	1.70%	0.91%	0.50%	1.20%	-0.02%	-0.14%	-0.24%	0.37%	-1.44%	1.42%
Benchmark	2020	2.47%	-3.28%	-3.86%	9.81%	0.23%	2.98%	1.68%	1.38%	-1.93%	-3.25%	4.81%	1.12%	11.94%
Fund	2019	0.76%	4.00%	0.59%	0.56%	1.30%	2.32%	0.95%	2.07%	0.73%	1.12%	-0.58%	1.57%	16.44%
Benchmark	2019	0.15%	4.42%	2.32%	2.14%	-2.23%	2.52%	-0.58%	1.84%	0.60%	1.67%	-1.13%	0.37%	12.57%

## Growth of a R 100 000 Invested since Inception



## Historical Hi / Lo Annual Return

Highest Annual Return (Oct-2019)	18.31%
Lowest Annual Return (Feb-2021)	0.49%



## Contact Information

Investment manager	Flagship Asset Management Pty Ltd
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Custodian / Trustee	The Standard Bank of South Africa Limited
Management Company	IP Management Company (RF) (Pty) Ltd
Address	1st Floor Mariendahl House, Newlands on Main, Newlands, Cape Town 7700
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## Disclaimer and Disclosures

Collective Investment Schemes are generally medium to long term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the manager. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager retains full legal responsibility for the Fund, regardless of Co-Naming arrangements. Transaction cut off time is 14:30 daily. Each portfolio may be closed for new investments. Valuation time is 15:00 (17h00 at quarter end) and 20:00 for fund of funds and certain funds with significant investments in CIS. Prices are published daily and available newspapers countrywide, as well as on request from the Manager. IP Management Company (RF) Pty Ltd is the authorised Manager of the Scheme – contact 021 673 1340 or clientservices@ipmc.co.za. Standard Bank is the trustee / custodian – contact compliance-IP@standardbank.co.za. Additional information including application forms, the annual report of the Manager and detailed holdings of the portfolio as at the last quarter end are available, free of charge, from clientservices@ipmc.co.za. IP Management Company is a member of ASISA. A statement of changes in the composition of the portfolio during the reporting period is available on request. The performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The fund is invested in portfolios of collective investment schemes that levy their own charges, and which could result in a higher fee structure for the fund of funds.

The portfolio may include foreign investments and the following additional risks may apply: liquidity constraints when selling foreign investments and risk of non-settlement of trades; macroeconomic and political risks associated with the country in which the investment is made; risk of loss on foreign exchange transactions and investment valuation due to fluctuating exchange rates; risk of foreign tax being applicable; potential limitations on availability of market information which could affect the valuation and liquidity of an investment. All of these risks could affect the valuation of an investment in the fund.

The total expense ratio (TER) was incurred as expenses relating to the administration of the financial product. Transaction costs (TC) relate to the buying and selling of the assets underlying the financial product. Total Investment Charge (TIC) is the value of the financial product incurred as costs relating to the investment 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 Costs are a necessary cost in administering the financial product and impacts the financial product returns. It should not be considered in isolation as returns may be impacted by many other factors over time such as market returns, the type of financial product, the investment decisions of the investment manager and the TER.

Annualised returns is the weighted average compound growth rate over the performance period measured. Fund returns shown are based on NAV-NAV unit pricings calculated from INET / IRESS for a lump-sum returns is the weighted average compound growth rate over the performance period measured. Fund returns shown are based on NAV-NAV unit pricings calculated from INET / IRESS for a lump-sum investment with income distribution reinvested (after fees and cost). Performance numbers and graphs are sourced from Global Investment Reporting (Pty) Ltd.

### The Effective Annual Cost (EAC)

The EAC is a standard industry measure which has been introduced to allow you to compare the charges you incur and their impact on the investment returns over specific periods. You can contact clientservices@ipmc.co.za or call us on (021) 673-1340 for an Effective Annual Cost disclosure statement. Please visit <http://www.ipmc.co.za/effective-annual-cost> to address the EAC illustrator.