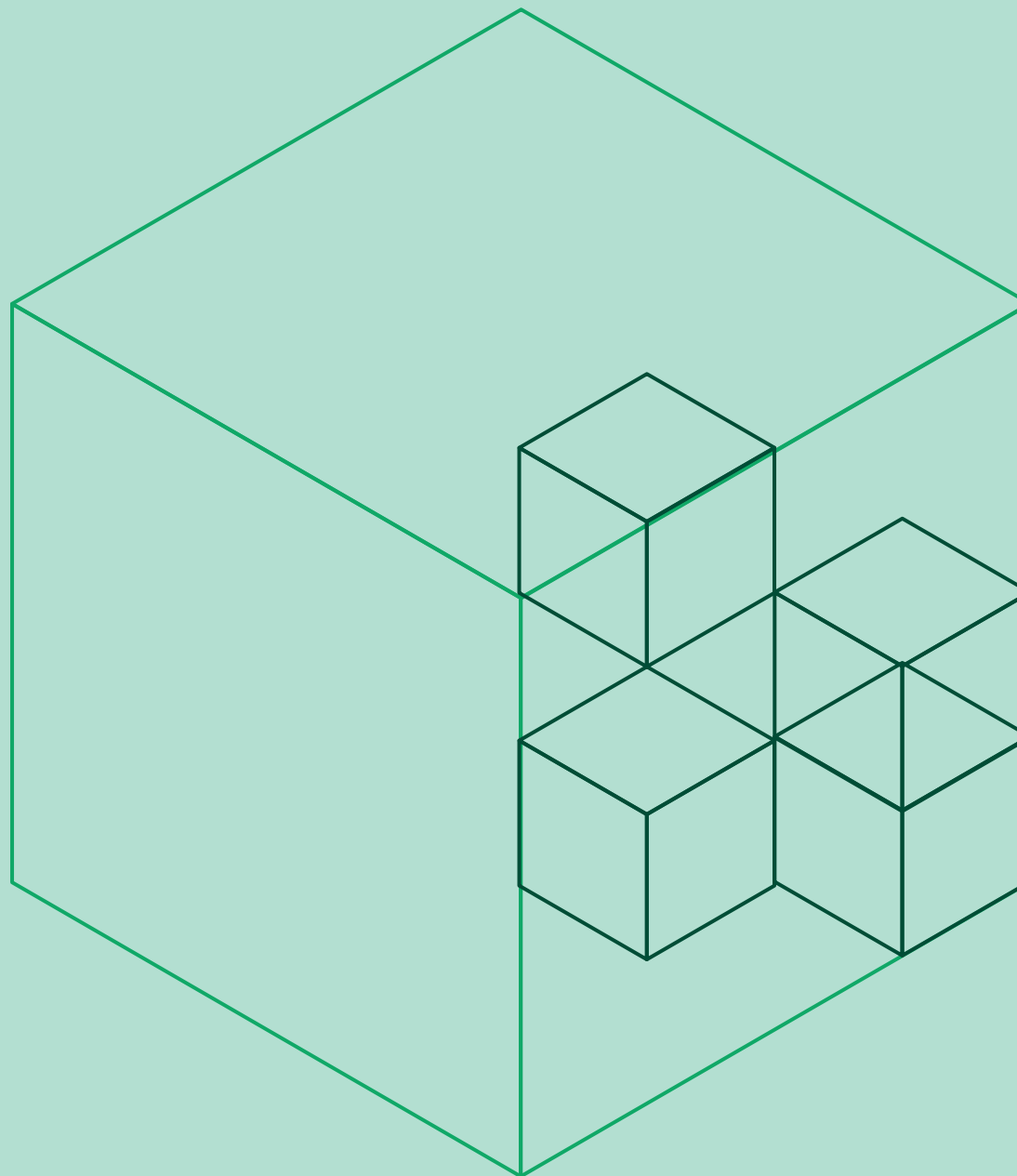




NEDGROUP
INVESTMENTS

Nedgroup Investments **Multi-Manager**

Select Fund of Funds (FoF) range
Nedgroup Investments Select Defensive FoF



see money differently

Q4 2024 | 31 Dec

Market update as at 31 December 2024

Domestic asset class returns (ZAR)				
	SA Equity	SA Property	SA Bond	SA Cash
3 months	-2.1%	-0.4%	0.4%	1.9%
1 year	13.4%	29.7%	17.1%	8.1%
3 years	8.7%	12.1%	10.3%	6.9%
5 years	12.2%	4.7%	9.6%	5.8%
LT Average	12.2%	11.2%	6.9%	5.9%

Global asset class returns (USD)				
	Global Equity	Global Property	Global Bond	US Cash
3 months	-0.9%	-9.5%	-5.1%	1.2%
1 year	18.0%	2.0%	-1.7%	5.4%
3 years	5.9%	-5.1%	-4.5%	4.0%
5 years	10.6%	0.0%	-2.0%	2.5%
LT Average	8.7%	6.2%	4.3%	3.1%

Exchange rates

	US Dollar	British Pound	Euro
Spot rate	R18.87	R23.63	R19.54
Q-o-Q change	▼ 8.7%	▼ 2.2%	▼ 1.6%

Key take-outs this quarter



SA markets showed **mixed performance**, with the All Share Index declining in October and November but recovering slightly in December. The formation of a Government of National Unity and subsequent economic reforms provided some stability, while the rand fluctuated and domestic bonds ended the year with strong gains.



In the fourth quarter, **global markets** experienced **significant volatility** driven by concerns over long-term inflation, political events, and central bank policies. The US Federal Reserve's rate cuts and the Republican party's election win boosted US equities, while emerging markets, including China, faced declines due to a stronger US dollar and potential tariffs.

Fund characteristics

Fund overview

Max equity	Time frame	Benchmark	Peer group	Regulation 28 status	Risk profile
40%	Min 3 years	Inflation +3%	SA Multi-Asset Low Equity	Compliant	Low-Medium

The Select Defensive FoF is an equally weighted blend (20%) of four active funds and one passive fund

Allan Gray Stable Fund
(active)

Coronation Balanced
Defensive Fund (active)

Nedgroup Investments
Stable Fund (active)

M&G Inflation Plus Fund
(active)

Nedgroup Investments Core
Guarded Fund (passive)

ALLAN GRAY

CORONATION
FUND MANAGERS

FOORD

M&G
Investments

Taquanta

Fund costs (direct class)

0.95%

Management fee*
(Excl. Vat)

1.31%

Total expense ratio

0.04%

Transaction charges

1.36%

Total investment charges

The Benefits of the Select range



Simple, cost-efficient.
We negotiate low, fixed fees with our underlying fund managers.



Diversified across a range of asset classes, fund managers, investment strategies.



Passive and active underlying investments used in all solutions.



Rebalanced quarterly to target weights at each calendar quarter-end.



Tax efficient. Changes to the underlying funds do not create a tax event for the end client.













Ongoing due diligence performed on managers held and prospective universe monitored.

Fund positioning

As at 31 December 2024

Top ten equity holdings

	New Gold Issuer Limited	1.8%
	Prosus N.V	1.8%
	British American Tobacco Plc	1.4%
 FirstRand	Firststrand Limited	1.3%
 Standard Bank	Standard Bank Group Limited	1.3%
	Anheuser-Busch InBev SA/NV	1.2%
	Naspers Limited - N	0.9%
	Gold Fields Limited	0.6%
	AngloGold Ashanti Plc	0.6%
	Woolworths Holdings Limited	0.6%
Total as % of Fund		11.9%

Asset Allocation

18.4%

Domestic
Equity

2.6%

Domestic
Property

46.6%

Domestic
Fixed Interest

19.3%

Foreign
Equity

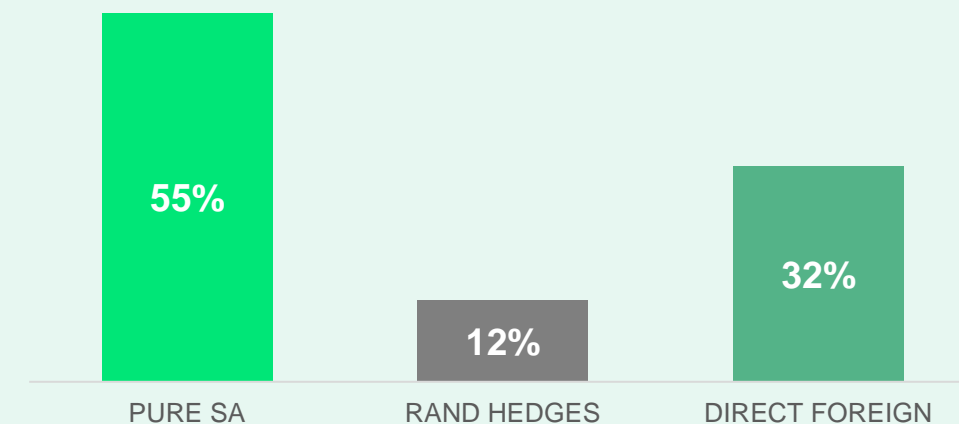
1.0%

Foreign
Property

12.2%

Foreign
Fixed Interest

Regional exposure



Performance

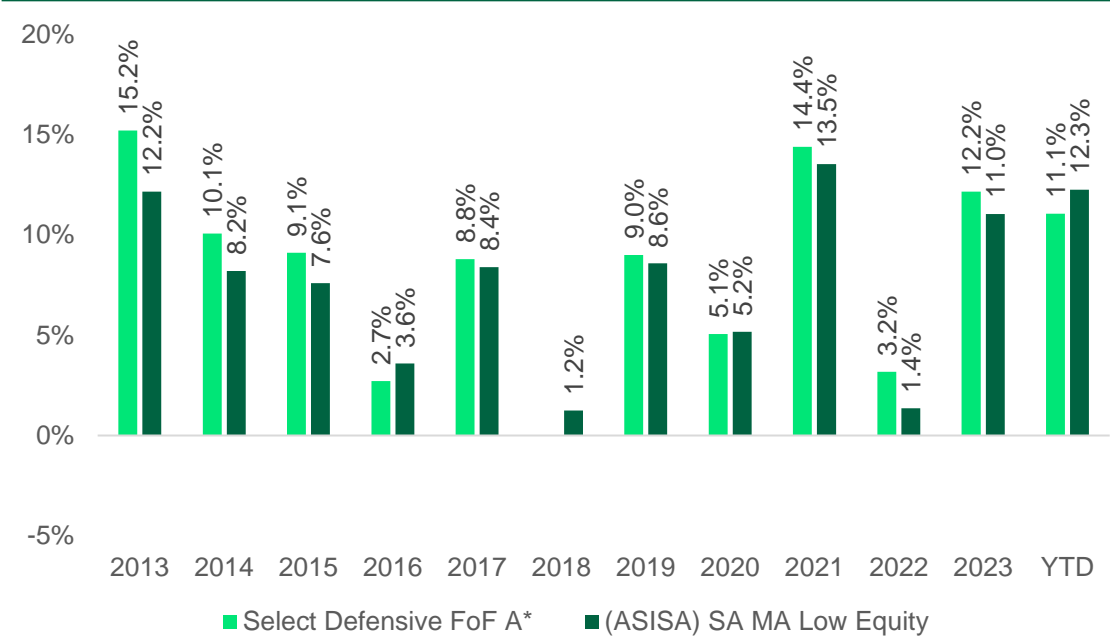
As at 31 December 2024



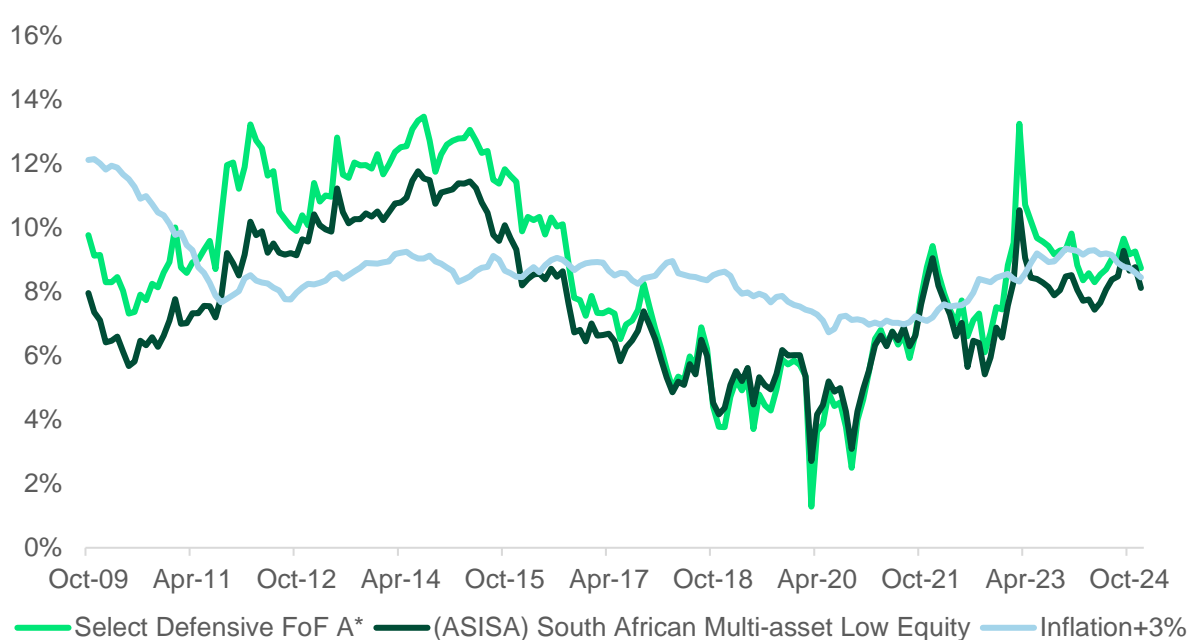
Fund performance (direct class)					
	Q4'24	YTD	1 year	3 years	5 years
Fund	2.0%	11.1%	11.1%	8.7%	9.1%
Peer group	1.7%	12.3%	12.3%	8.1%	8.6%

Risk measures since inception			
	Volatility	Max drawdown	% Positive months
Fund	5.6%	-11.4%	75.3%
All Share Index	15.1%	-40.4%	60.5%

Calendar year performance



Rolling 3-year annualised return hit rate vs peers: 83%



Select Defensive FoF | Q4 2024 ► Source: Morningstar
 *Select Defensive FoF A track record displayed in this report includes the XS Select Guarded FoF C class (merged with NPW Defensive FoF and renamed to Select Defensive on 4 June) track record since inception to 31 December 2020, thereafter actual performance the Select Defensive FoF.

Performance drivers

As at 31 December 2024

Calendar year performance

Fund	2021	2022	2023	YTD
Allan Gray Stable	16.4%	7.8%	12.7%	10.4%
Coronation Balanced Defensive	12.7%	0.8%	14.9%	12.0%
M&G Inflation Plus	20.7%	3.6%	10.4%	11.9%
Nedgroup Investments Stable	8.6%	2.8%	10.6%	9.2%
Nedgroup Investments Core Guarded	16.5%	1.0%	12.6%	12.5%

Performance ranking key



Key take-outs this quarter

- **Allan Gray's** exposure to offshore assets, local cash and bonds contributed to performance. During the quarter, the fund added to its existing position in AB InBev and trimmed its exposure to AVI, Pepkor and the NewGold ETF.
- **Coronation's** overweight offshore position benefitted from rand weakness, as the US dollar rallied post Donald Trump's victory. Their top holding in the SA market, Prosus, added to their outperformance as well as the NewGold exposure. FirstRand was one of the largest detractors.
- **M&G** continue to prefer domestic assets over foreign exposure and SA nominal bonds remain a key holding. This position led to favourable returns in the second half of the year given the post-election rally in local assets.
- **Foord's** global equity return lagged due to lower weight in expensive US stocks that rallied, but an overweight in the energy sector helped returns. They remain cautious about the levels of US market concentration, and steadfast in diversified global portfolios.
- **Passive** multi-asset building block outperformed peers.

Performance and fees

As at 31 December 2024

Performance across classes

	A class (direct)	A1 class (lisp)	A2 class (product)	S class (sip)	Peer group	SA inflation
Quarter	1.9%	2.0%	1.9%	1.9%	1.7%	0.0%
1 year	10.9%	11.1%	10.7%	10.8%	12.3%	2.9%
3 years	8.5%	8.7%	8.5%	8.4%	8.1%	5.3%
5 years	8.2%	8.6%	8.3%	N/A	8.6%	4.9%

Costs across classes

	Management fee* (excl. Vat)	Total expense ratio	Transaction Charges	Total investment charges
A class (direct)	0.95%	1.31%	0.04%	1.36%
A1 class (lisp)	0.80%	1.14%	0.04%	1.18%
A2 class (product)	1.10%	1.48%	0.04%	1.53%
S class (sip)	1.00%	1.37%	0.04%	1.41%



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Date