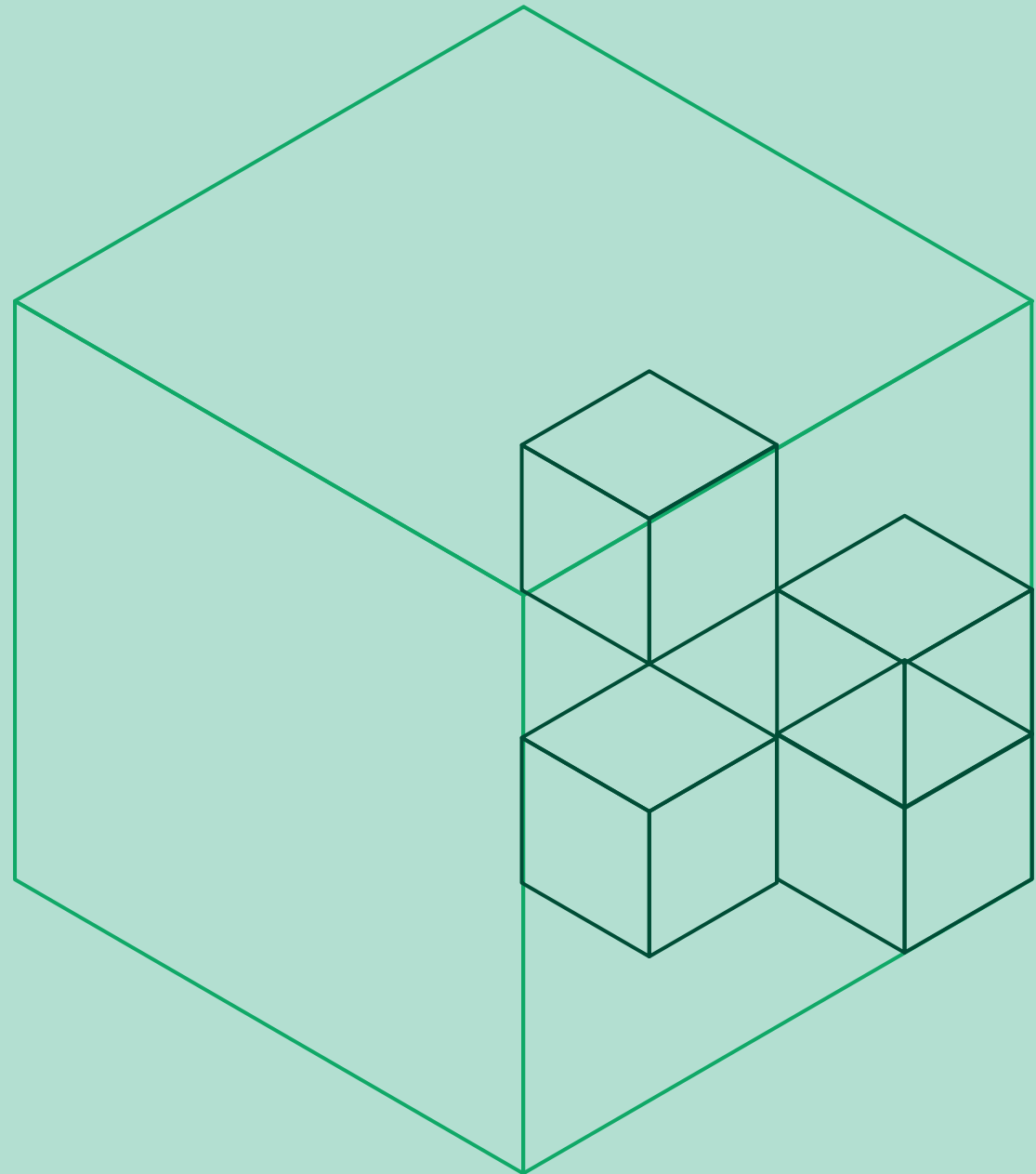


Nedgroup Investments **Multi-Manager**

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

see money differently



NEDGROUP
INVESTMENTS

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 75%	Time frame Min 5 years	Benchmark Inflation +5%	Peer group SA Multi-Asset High Equity	Regulation 28 status Compliant	Risk profile Medium
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The Select Growth FoF is an equally weighted blend (20%) of four active funds and one passive fund

Allan Gray Balanced Fund (active)	Coronation Balanced Plus Fund (active)	Nedgroup Investments Balanced Fund (active)	M&G Balanced Fund (active)	Nedgroup Investments Core Diversified Fund (passive)
				

Fund costs (direct class)

1.03%	1.33%
Management fee* (Excl. Vat)	Total expense ratio
0.22%	1.55%
Transaction charges	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

	NASPERS	Naspers Limited	3.8%
	Standard Bank	Standard Bank Group Limited	2.7%
	FirstRand	FirstRand Limited	2.5%
	BRITISH AMERICAN TOBACCO	British American Tobacco Plc	2.2%
	prosus	Prosus N.V	2.0%
	ABInBev	Anheuser-Busch InBev	1.8%
	AngloAmerican	Anglo American Plc	1.5%
	CAPITEC BANK	Capitec Bank Holdings Limited	1.4%
	(absa)	Absa Group Limited	1.3%
	RICHEMONT	Compagnie Fin Richemont SA	1.2%
Total as % of Fund			20.5%

Asset Allocation

43.9%

Domestic
Equity

3.0%

Domestic
Property

19.0%

Domestic
Fixed Interest

25.9%

Foreign
Equity

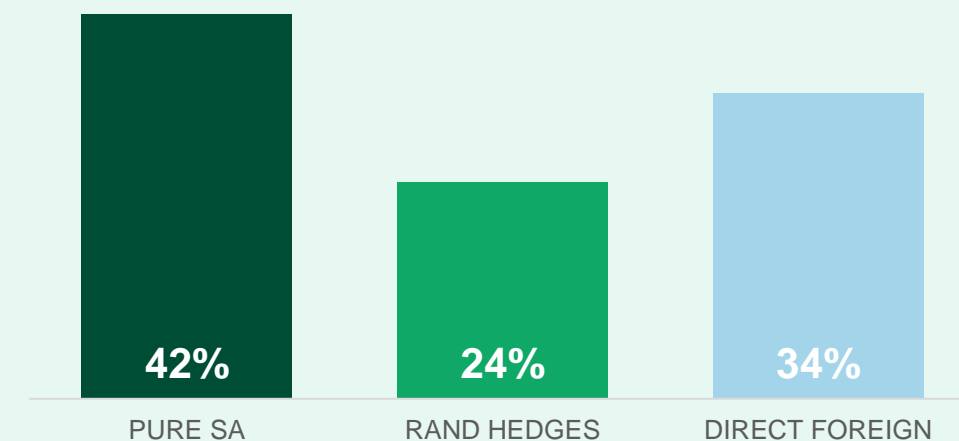
0.5%

Foreign
Property

7.6%

Foreign
Fixed Interest

Regional exposure



Performance

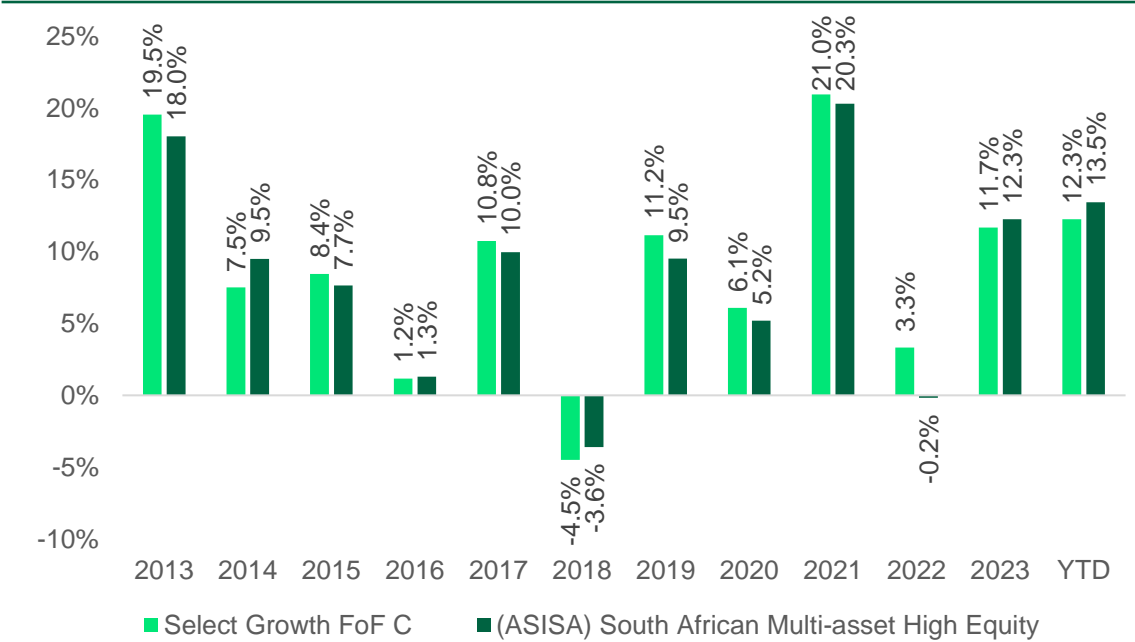
As at 31 December 2024



Fund performance (direct class)					
	Q4'24	YTD	1 year	3 years	5 years
Fund	1.6%	12.3%	12.3%	9.0%	10.7%
Peer group	1.5%	13.5%	13.5%	8.3%	10.0%

Risk measures since inception			
	Volatility	Max drawdown	% Positive months
Fund	8.8%	-17.2%	69.3%
All Share Index	15.2%	-40.4%	60.5%

Calendar year performance



Rolling 5-year annualised return hit rate vs peers: 90%



Performance drivers

As at 31 December 2024

Calendar year performance				
Fund	2021	2022	2023	YTD
Allan Gray Balanced	20.3%	8.1%	12.9%	10.4%
Coronation Balanced Plus	22.0%	-1.5%	15.5%	15.6%
M&G Balanced	26.0%	3.2%	12.0%	12.9%
Nedgroup Investments Balanced	17.1%	7.7%	5.3%	11.0%
Nedgroup Investments Core Diversified	23.5%	-1.1%	14.7%	13.8%

Performance ranking key



Key take-outs this quarter

- ▶ **Allan Gray’s** underweight high-performing SA Inc. stocks and overweight underperforming multinationals detracted this quarter. They continue to have more than 35% directly offshore and, on a look-through basis, more than 50% outside of SA, while Orbis is underweight US.
- ▶ **Coronation’s** excellent global and domestic stock selection drove strong returns, alongside their elevated exposure to equities as falling inflation and easier monetary policy contributed to higher ratings for stock markets in 2024.
- ▶ **M&G** benefitted from strong returns from SA equities and government bonds. They continued to increase their exposure to SA property back towards neutral, while tilting away from cash due to the rate cutting cycle.
- ▶ **Truffle’s** overweight equity position, especially SA equity, was out of favour this quarter, while its exposure to SA bonds and cash served as a buffer. Lower inflation, improved political stability, and ongoing economic reforms, which should support GDP growth is driving SA optimism.
- ▶ **Passive** multi-asset building block outperformed peers. 6

Performance and fees

As at 31 December 2024

Performance across classes

	C class (direct)	B2 class (lisp)	C class (product)	S class (sip)	Peer group	SA inflation
Quarter	1.6%	1.6%	1.5%	1.6%	1.5%	0.0%
1 year	12.3%	12.4%	12.1%	12.2%	13.5%	2.9%
3 years	9.0%	9.2%	8.8%	9.0%	8.3%	5.3%
5 years	10.7%	10.9%	10.5%	N/A	10.0%	4.9%

Costs across classes

	Management fee* (excl. Vat)	Total expense ratio	Transaction Charges	Total investment charges
C class (direct)	1.03%	1.33%	0.22%	1.55%
B2 class (lisp)	0.88%	1.16%	0.22%	1.38%
C class (product)	1.18%	1.51%	0.22%	1.73%
S class (sip)	1.08%	1.39%	0.22%	1.61%



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Date