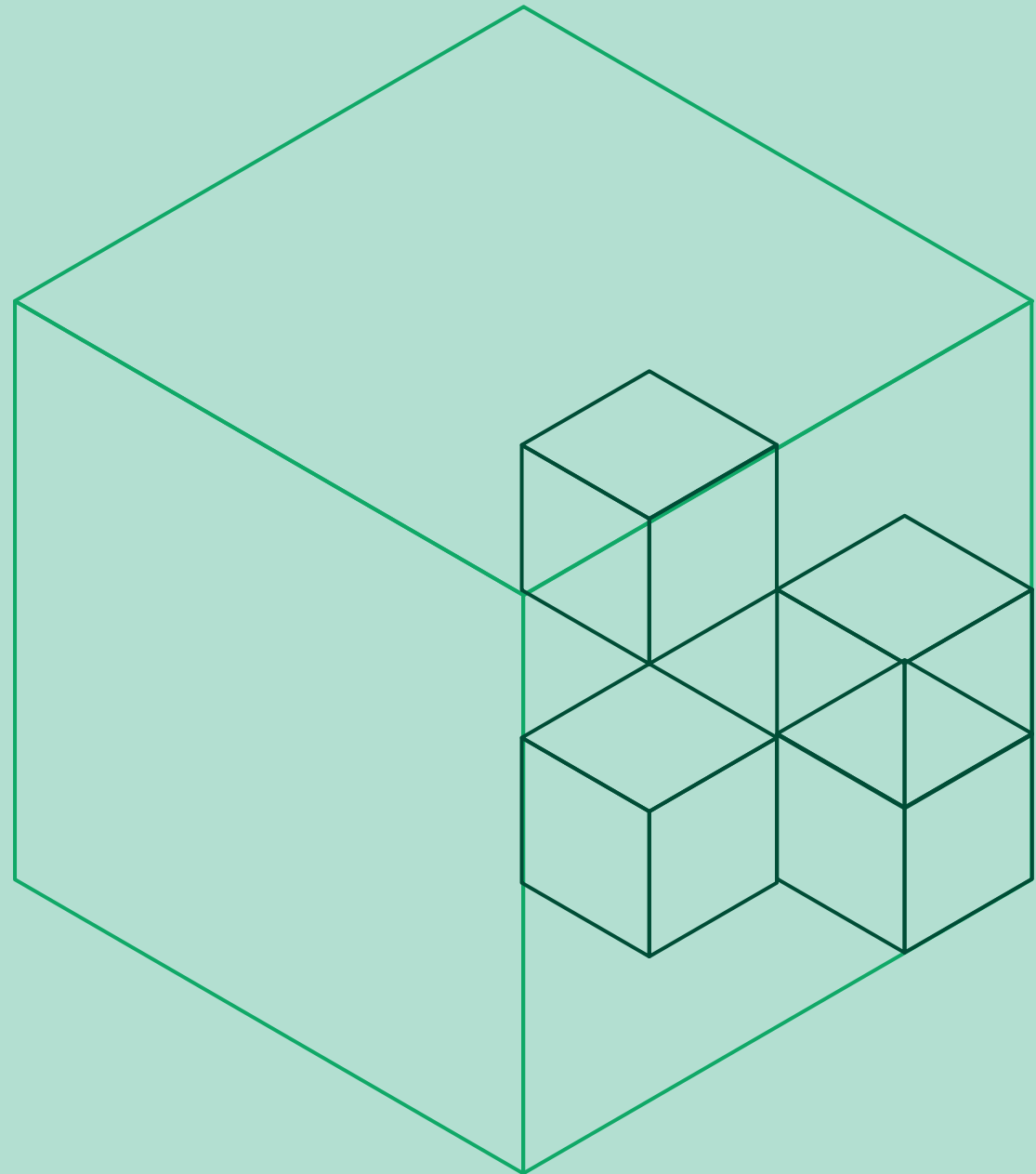


# Nedgroup Investments Multi-Manager

Select Fund of Funds (FoF) range  
Nedgroup Investments Select Income 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	Time frame	Benchmark	Peer group	Regulation 28 status	Risk profile
10%	Min 6 months	110% STeFI Call	SA Multi-Asset Income	Compliant	Low

The Select Income FoF is an equally weighted blend (33.3%) of three funds

Coronation Strategic Income Fund

Nedgroup Investments Flexible Income Fund

Ninety One Diversified Income Fund

CORONATION  
FUND MANAGERS

A3AX  
investments

Ninety  
One

## Fund costs (direct class)

0.73% 0.91%

Management fee\*  
(Excl. Vat)

Total expense ratio

0.01%

Transaction charges

0.92%

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.

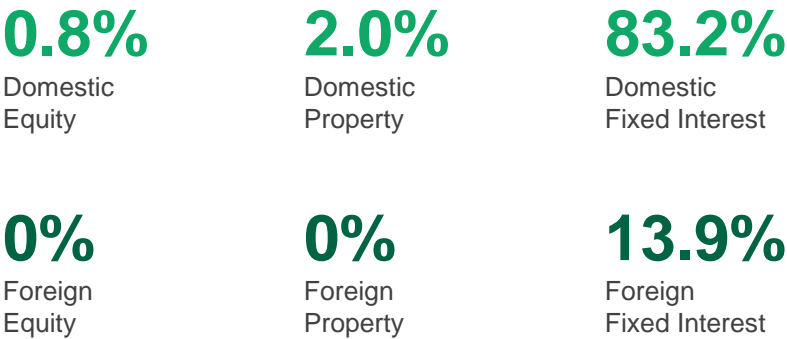


**Ongoing due diligence** performed on managers held and prospective universe monitored.

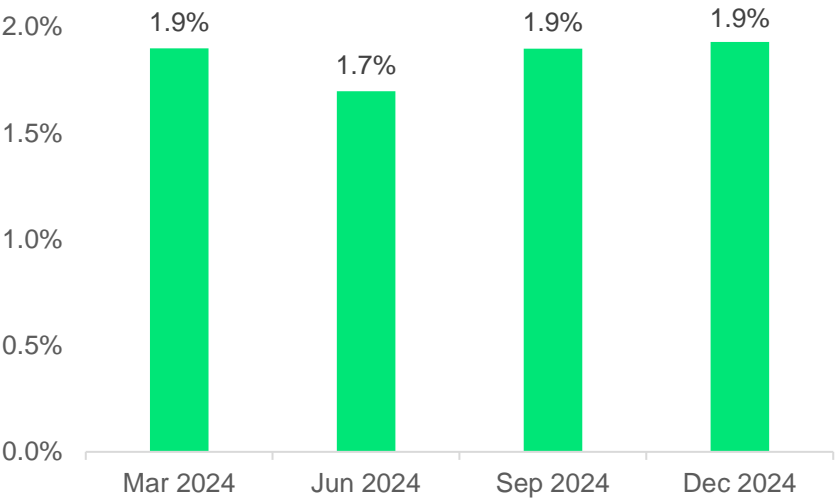
# Fund positioning

## As at 31 December 2024

### Asset Allocation

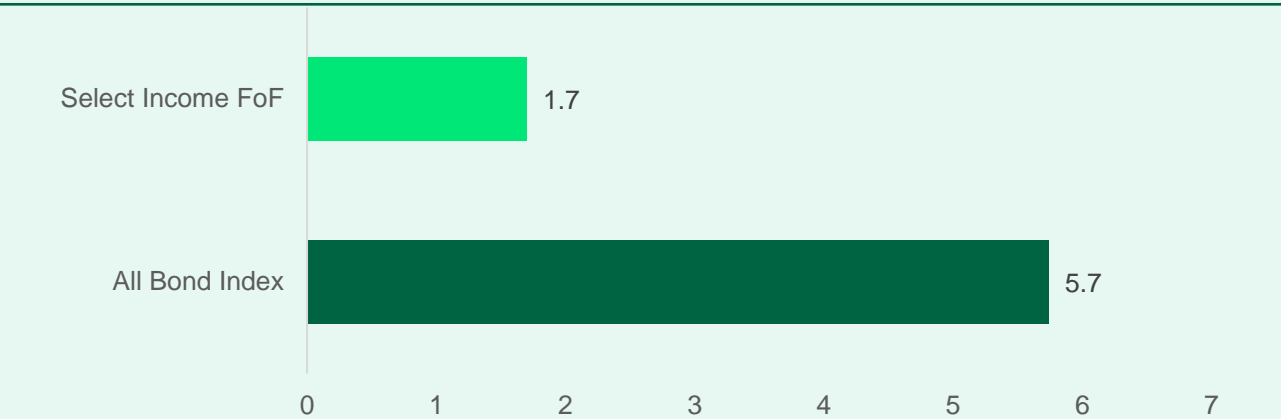


### Quarterly distribution yield (direct class)

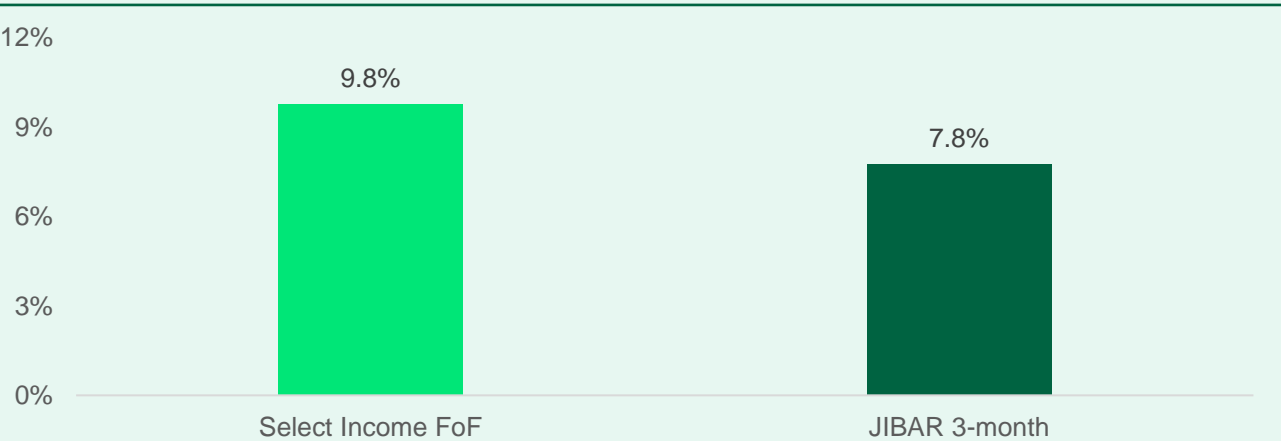


Select Income FoF | Q4 2024 ► Source: Morningstar

### Modified duration (years)



### Gross fund yield (forward-looking)



# Performance

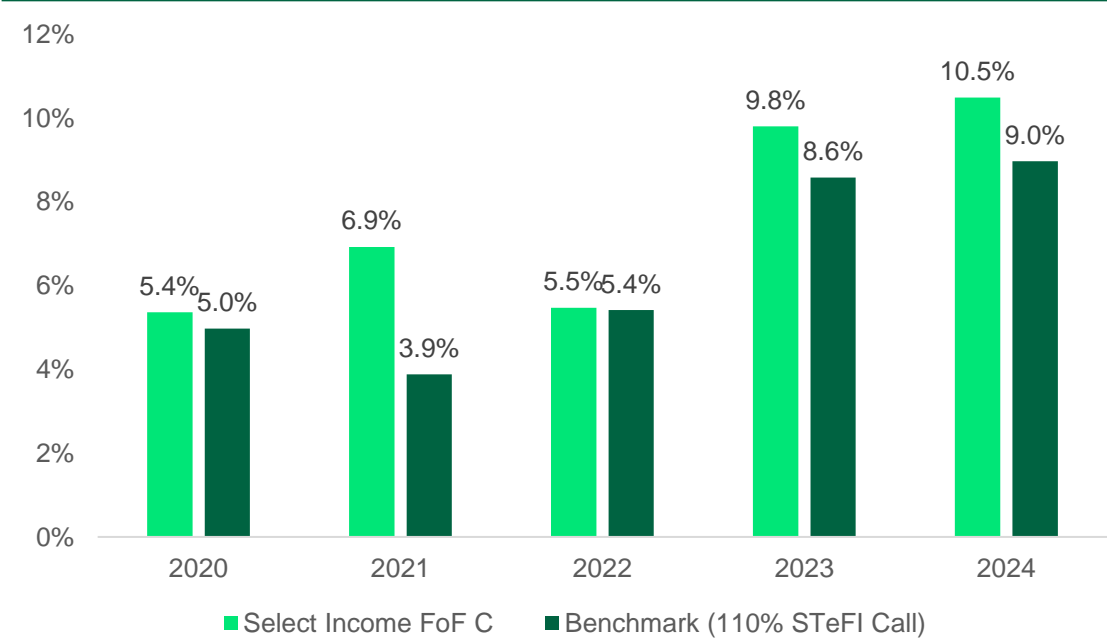
## As at 31 December 2024



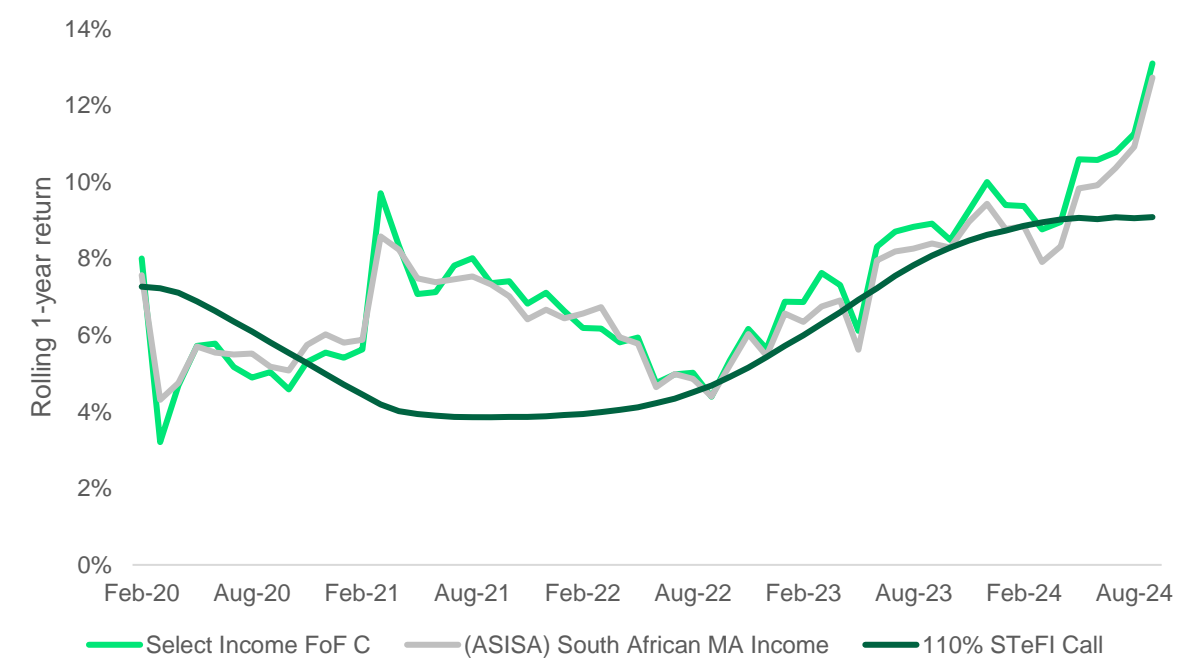
Fund performance (direct class)					
	Q4'24	YTD	1 year	3 years	5 years
Fund	1.8%	10.5%	10.5%	8.6%	7.6%
Peer group	1.5%	10.2%	10.2%	8.3%	7.5%

Risk measures since inception			
	Volatility	Max drawdown	% Positive months
Fund	1.9%	-3.7%	94.6%
All Bond Index	8.1%	-9.8%	65.3%

### Calendar year performance



### Rolling 1-year annualised return hit rate vs benchmark: 80%



# Performance drivers

## As at 31 December 2024

Calendar year performance				
Fund	2021	2022	2023	YTD
Coronation Strategic Income	7.1%	5.3%	10.9%	11.6%
Nedgroup Investments Flexible Income	8.6%	5.8%	9.7%	10.5%
Ninety One Diversified Income	6.2%	5.8%	9.0%	10.5%
Performance ranking key			1 <sup>st</sup>	2 <sup>nd</sup> 3 <sup>rd</sup>

### Key take-outs this quarter

- **Coronation** had a very strong year with their exposure to SA nominal bonds, especially the longer dated exposure, performing very well. In addition, their stock selection within and allocation to SA property did well, as well as their credit instrument selection in the offshore markets. They continue to find value, and good liquidity, in the SA Negotiable Certificate of Deposit (NCD) market and are still avoiding the SA credit market.
- **Abax** has been more conservative on duration, but their SA fixed income assets still delivered strong positive returns across the board. They took part in the strength of the property market, but have opportunistically sold exposure into strength.
- **Ninety One’s** performance was supported by good positioning in SA government bonds, selective exposure to SA listed property, and a cautious approach to inflation-linked bonds and investment-grade credit. They also benefited from the strengthening US dollar as their offshore exposure held in dollars doing well in rand terms.

# Performance and fees

## As at 31 December 2024

### Performance across classes

	C class (direct)	B2 class (lisp)	C1 class (product)	S class (sip)	Peer group	Benchmark
<b>Quarter</b>	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
<b>1 year</b>	10.5%	10.7%	10.3%	10.4%	10.2%	8.2%
<b>3 years</b>	8.6%	8.8%	8.4%	8.5%	8.3%	6.9%
<b>5 years</b>	7.6%	7.8%	7.4%	n/a	7.5%	5.8%

### Costs across classes

	Management fee* (excl. Vat)	Total expense ratio	Transaction Charges	Total investment charges
<b>C class (direct)</b>	0.73%	0.91%	0.01%	0.92%
<b>B2 class (lisp)</b>	0.58%	0.73%	0.01%	0.75%
<b>C1 class (product)</b>	0.88%	1.08%	0.02%	1.09%
<b>S class (sip)</b>	0.78%	0.96%	0.01%	0.98%

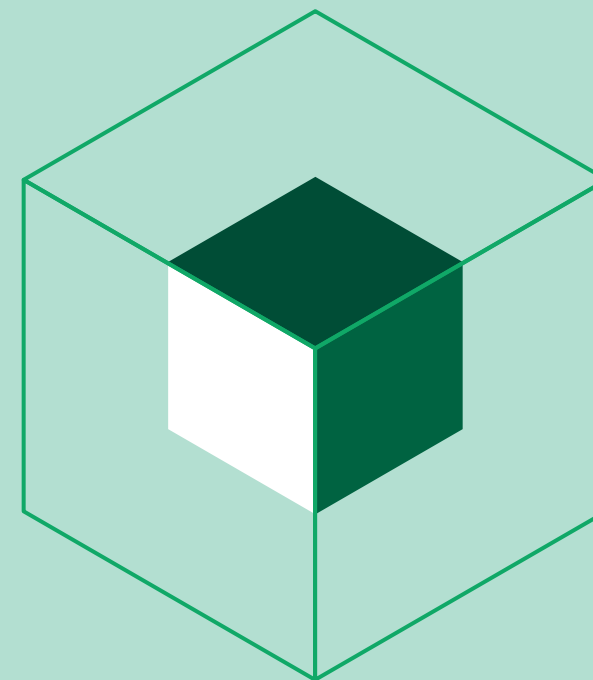


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Date