

# STANLIB Global Balanced Cautious Fund

# STANLIB

## Minimum Disclosure Document as of 31 May 2024

Risk profile: ●●●●● **Moderate**

The fund is a class fund of STANLIB Offshore Unit Trusts which invests exclusively in the STANLIB Funds Limited - STANLIB Global Balanced Cautious Fund.

### Objectives

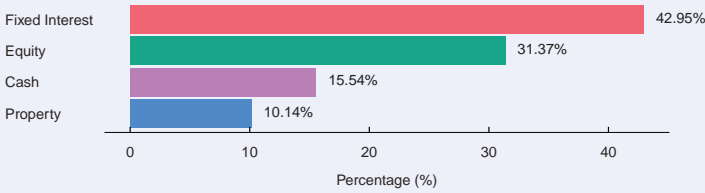
The STANLIB Global Balanced Cautious Fund invests as a feeder fund into a class fund of STANLIB Funds Limited - STANLIB Global Balanced Cautious Fund, which seeks to achieve its investment objective by investing in a conservatively balanced and well-diversified portfolio of international equities, fixed interest securities including government and corporate bonds. Investments may also be made in regulated collective investment schemes, money market instruments, cash deposits and real property to provide further diversification. It also seeks to limit downside risk, through a prudent asset allocation strategy.

### Performance

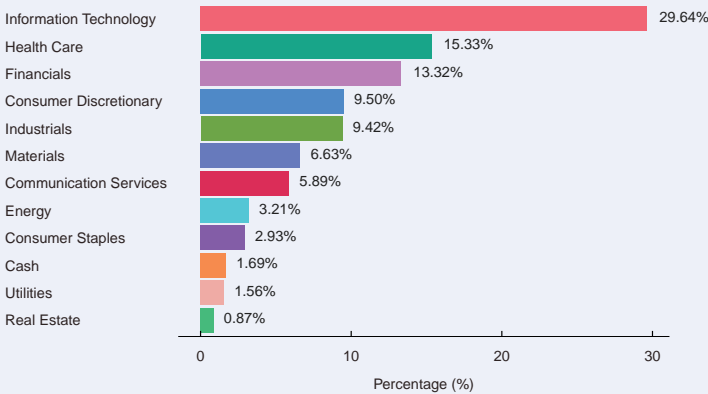
Statistics	1 Year	3 Years	5 Years	10 Years
Fund Annualised Return: Class A	7.77%	-3.46%	1.60%	1.07%
Fund Annualised Return: Class B1	8.42%	-2.88%	2.21%	-
Index Annualised Return	9.24%	-0.67%	3.63%	2.77%
Highest Return over 12 rolling months	39.44%			
Lowest Return over 12 rolling months	-31.65%			

No performance is currently included as performance data may not be shown for portfolios/classes that have less than a 6 month track record.

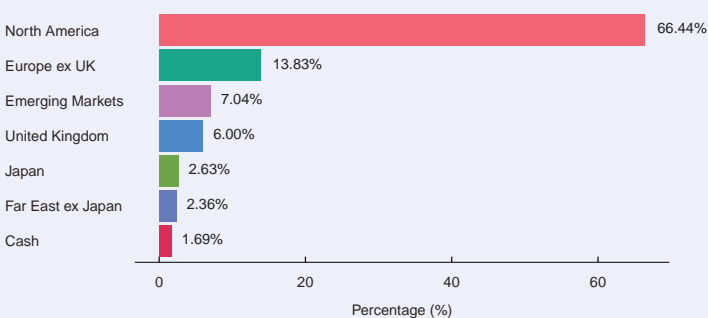
### Asset allocation



### Sector allocation



### Geographic allocation



### Portfolio facts

<b>Investment manager</b>	STANLIB Asset Management Pty Limited
<b>Underlying investment manager</b>	Columbia-Threadneedle Investment Manager
<b>Launch date</b>	01 October 1999
<b>Denominated in</b>	US Dollar
<b>Fund size</b>	US \$ 40.20 million
<b>Min. investment amount</b>	US\$2,500
<b>Min. subsequent investment</b>	US\$1,000
<b>Upfront charge (maximum)</b>	3.00%
<b>Annual management charge (AMC): Class A</b>	1.10%
<b>Annual management charge (AMC): Class B1</b>	0.50%
<b>Class A intermediary trail commission (Paid from AMC)</b>	0.50%
<b>ISIN code (Class A)</b>	GB00B0663468
<b>ISIN code (Class B1)</b>	JE00BD8RJL71
<b>Benchmark index</b>	30% MSCI AC World NTR Index; 40% Barclays Capital Aggregate Bond Index; 10% FTSE EPRA/NAREIT Developed Rental NTR Index; 5% SONIA 1 month; 10% SOFR 1 month; 5% ESTR 1 month
<b>Manager and administrator</b>	STANLIB Fund Managers Jersey Limited
<b>Trustee</b>	Apex Financial Services (Corporate) Limited

### Portfolio costs (TER, TC and TIC)

Fund Class	TER (12 m)	TER (36 m)	TC (36 m)	TIC (36 m)
Class A	2.05%	1.99%	0.06%	2.05%
Class B1	1.45%	1.39%	0.06%	1.45%

**Total Expense Ratio (TER):** This shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over a rolling three years (where applicable) and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

**Transaction Costs (TC):** The percentage of the value of the fund as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER. Where a transaction cost is not readily available a reasonable best estimate has been used. Estimated transaction costs may include Bond, Money Market and FX Costs (where applicable).

**Total Investment Charges (TIC):** The percentage of the value of the Fund incurred as costs, relating to the investment of the Fund. As fund returns are reported after deducting all fees and expense, these costs (the TER & TC) should not be deducted from the fund returns. It is the sum of the TC & TER.

### Top holdings

Microsoft Corporation	6.46%
NVIDIA Corporation	5.17%
Amazon.com, Inc.	4.06%
Alphabet Inc.	3.54%
Mastercard Incorporated Class A	3.25%
Taiwan Semiconductor Manufacturing Co., Ltd.	2.61%
Apple Inc.	2.33%
Eli Lilly and Company	2.06%
T-Mobile US, Inc.	2.03%
Micron Technology, Inc.	2.02%

### Market Background

Broadly speaking, perceived safe havens and risk assets moved in opposite directions over the first quarter (Q1) of 2024. In the former camp, core government bonds weakened amid fading optimism about the timing and scale of monetary loosening this year. By contrast, global equities extended their rally, hitting record highs along the way, while credit spreads ground tighter. Commodity indices rose modestly, helped by strength in oil and precious metals.

The rise in bond yields chiefly occurred in the first two months of the year, and was mainly driven by events in the US. Strong GDP and jobs data, combined with hotter-than-expected inflation and some hawkish commentary from the Federal Reserve, saw market bets for the first US interest-rate cut pushed out from March to June. The number of quarter-point cuts priced in for this year was also slashed from six to three. Despite the relative weakness of their respective economies, the European Central Bank and Bank of England echoed the Fed's call for patience, citing concerns about services inflation and wage growth.

In March, core bonds recouped some losses, partly in response to policy meetings at the abovementioned central banks. All three kept rates on hold, as expected. Although the Fed's rate-setting committee raised its median growth and core inflation forecasts for 2024, investors appeared relieved that it was still projecting three cuts this year. The ECB downgraded its 2024 eurozone growth and inflation forecasts, in contrast to the Fed, and ECB President Lagarde strongly hinted that its first rate cut could come in June. In the UK, markets welcomed a surprise fall in inflation and, a day later, news that the last two hawks on the BoE's Monetary Policy Committee had dropped their call for a rate hike.

Even an outlier, the Bank of Japan finally started to tighten its ultraloose stance in March. The BoJ scrapped its yield-curve control policy and raised its key rate from -0.1% to 0%-0.1%. Nevertheless, with the difference versus US rates still so high, and the BoJ signalling no further hikes for some time, the yen continued to fall against the dollar.

As the quarter progressed, sentiment towards risk assets was boosted by continued strength in the US economy and improving purchasing managers indices in Europe and the UK. Forecast-beating Q4 corporate results and related excitement around AI provided further impetus. Credit also benefited from favourable supply-demand dynamics: blowout levels of new issuance were easily absorbed as investors sought to lock in elevated yields ahead of expected rate cuts this year. In this environment, the Bloomberg Global Aggregate bond index returned -2.1% in dollar terms for the quarter, while the MSCI All Country World index (ACWI) returned 8.3% on the same basis, led by growth stocks.

### Performance

Gross of fees, the portfolio outperformed its benchmark in Q1. As calculated using 'look-through' attribution, selection effects drove the outperformance. The cash portfolio underperformed its benchmark, but the impact of this was more than offset by positive selection effects from the equity and fixed income portfolios – especially the former, which continued to benefit from its quality/growth bias. Asset-allocation effects hindered performance as the overweight in bonds proved unfavourable in the conditions described above.

### Outlook

The US economy looks likely to achieve the 'soft landing' predicted by the Fed. The UK looks set to return to growth in Q1, and while the eurozone could still slip into recession, we think any such downturn should be similarly mild. In any case, large, listed companies are well insulated from strains on the economy. Companies still have pricing power – as seen in the example last year of streaming giants ramping up subscription fees – and their debt profiles have generally locked in the low rates of 2021 and earlier. Nevertheless, we maintain a slight degree of caution about the outlook for equities. For the reasons outlined above, this is not due to risks around earnings; rather, it is because global equity valuations (on a price-to-earnings basis) look historically high, both in absolute terms and relative to other asset classes.

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### Statutory disclosure and general terms & conditions

Collective investment schemes in securities are generally medium to long-term investments. The value of participatory interests may go down as well as up and investors may get back less cash than originally invested. Past performance is not necessarily a guide to future performance. An investment in the participations of a collective investment scheme in securities is not the same as a deposit with a banking institution. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Participatory interest prices are calculated on a net asset value basis, which is the total value of all assets less liabilities in the Class Funds including any provisions made for any purchase, fiscal or other charges that would have been incurred had all the assets of the relevant class fund been bought or sold at that time, divided by the number of participatory interests in issue. Please refer to the prospectus for more details on the charges and expenses that may be recovered from the Class Funds. Participatory interests are priced daily using the forward pricing method. The Class Funds may borrow up to 10% of the market value of the Class Funds to bridge insufficient liquidity as a result of the redemption of participatory interests. 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 STANLIB Fund Managers Jersey Limited, ('the Manager'). The Class Funds of the STANLIB Offshore Unit Trusts scheme, are Feeder Funds which only invest in the participatory interests of a single Class Fund of a collective investment scheme. In addition to the annual management charge, other fees are incurred by the trust (trustee, custodian and general expenses). There is no sales tax applicable in Jersey. Commission and incentives may be paid and if so, are included in the overall costs. The Class Funds of STANLIB Offshore Unit Trusts scheme are accumulation Class Funds and do not distribute income. Please refer to the prospectus of this scheme for more details, a copy of which is available on request from STANLIB Collective Investments (RF) Pty. Limited, ('STANLIB'), the address of which is 17 Melrose Boulevard, Melrose Arch, 2196, South Africa. The registered office of the Manager is Standard Bank House, 47-49 La Motte Street, St Helier, Jersey, Channel Islands. The Trustee is Apex Financial Services (Corporate) Limited, 12 Castle Street, St. Helier, Jersey, Channel Islands.

A representative agreement exists between STANLIB Collective Investment (RF) Pty. Limited and STANLIB Fund Managers Jersey Limited.

Class Funds are valued on a daily basis using 23:59 (UK Time) prices. Transaction requests received before 14h30 (UK Time) will receive the following day unit price. This is an accumulation portfolio and does not distribute income.

The Manager and trustee are regulated by the Jersey Financial Services Commission to conduct Fund services business.

The Trust is regulated as a Collective Investment Fund by the Jersey Financial Services Commission.

Figures quoted are from Morningstar for a lump sum investment using NAV-NAV prices.

Liberty is a member of the Association of Savings and Investment of South Africa.

The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

### Additional information

Additional information about this product, including brochures and application forms can be obtained from the Manager, free of charge and from the website [www.stanlib.com](http://www.stanlib.com).

The prices of unit trust funds are calculated and published on each working day. These prices are available on the Manager's website ([www.stanlib.com](http://www.stanlib.com)) and in the South African printed news media.

### Target market

STANLIB promotes using the services of an accredited Financial Adviser when making investment decisions.

Please contact either your accredited Financial Adviser or our Contact Centre on 011 448 6000 if you have any questions about this product.

### Risk rating explanation

The risk rating seen above is designed to give an indication of the level of risk, measured by volatility, associated with this specific portfolio.

In order to arrive at the specific risk rating of the portfolio in question, STANLIB measures the volatility of the fund, in the form of standard deviation, over a three year rolling period, and compares the result to internal risk parameters. Please note that these risk ratings are designed as guide only.

### Fund management

The investment management of the underlying fund is managed by Columbia Threadneedle, a London based management firm wholly owned by Ameriprise Financial - a publicly quoted company listed on the NYSE. Founded in 1994, Threadneedle Investments is fully-owned by Ameriprise Financial (NYSE: AMP), a publicly quoted investment company that is listed on the NYSE. With origins in the UK insurance industry, they have continued to innovate and now manage assets on behalf of clients across Europe, Asia and the US, including pension schemes, insurance companies, private investors, corporations, mutual funds and affiliate companies.

### Risk

Where foreign securities are included in the portfolio there may be additional risks, such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, tax risks, settlement risks and potential limitations on the availability of market information.

#### Contact details

##### STANLIB Asset Management (Pty) Limited

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