STANLIB Offshore America Fund

The fund is a class fund of STANLIB Offshore Unit Trusts which invests exclusively in the corresponding Fidelity Funds America Fund.

STANLIB

Minimum Disclosure Document as at 31 July 2020

STANLIB Collective Investments (RF) Pty. Limited. Registration number 1969/003468/07

Portfolio Facts

Investment Manager	STANLIB Asset Management Pty Limited
Underlying Investment Manager	Fidelity International
Launch Date	2 May 1997
Fund Size	US$ 10.19 million
Denominated in	US Dollars
Min. Investment Amount	US$2,500
Min. Subsequent Investment	US$1,000
Upfront Charge (Maximum)	3.00%
Annual Management Charge (AMC)	1.35%
Class A Intermediary Trail Commission (Paid from AMC)	0.50%
ISIN code	GB00B0660126
Benchmark Index	S&P 500 Index
Manager and Administrator	STANLIB Fund Managers Jersey Limited
Trustee	Apex Financial Services (Corporate) 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. Please refer to Statutory Disclosure and General Terms and Conditions.

Total Expense Ratio, Transaction Costs & Total Investment Charge

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.

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 expenses, these costs (the TER & TC) should not be deducted from the fund returns. It is the sum of the TC & TER.

TER and Transactional Cost Breakdown (12 and 36 months rolling)

FUND CLASS	TER (12 months rolling)	TER (36 months rolling)	TC (36 months rolling)	TIC (36 months rolling)
Class A	2.66%	2.67%	0.00%	2.67%

TER + TC = TIC

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).

Performance

	1 year 01/08/19-31/07/20	3 years 01/08/17-31/07/20	5 years 01/08/15-31/07/20	10 years 01/08/10-31/07/20
Portfolio Annualised Growth	-11.95%	-1.86%	0.51%	7.49%
Benchmark Annualised Growth	11.30%	11.30%	10.80%	13.10%
Highest Return over 12 rolling months				54.06%
Lowest Return over 12 rolling months				-37.25%

The reported performance of the fund is net of fees, while the performance of the benchmark is gross of fees.

Fund Performance: Morningstar
Benchmark: Bloomberg

*Annualized Return: is the weighted average compound growth rate over the performance period measured. 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.

Risk Profile

Conservative		Moderate		**Aggressive**

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.

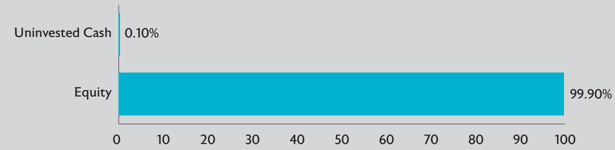
Target Market

Targeted at Investors as part of an international diversified Class Funds.

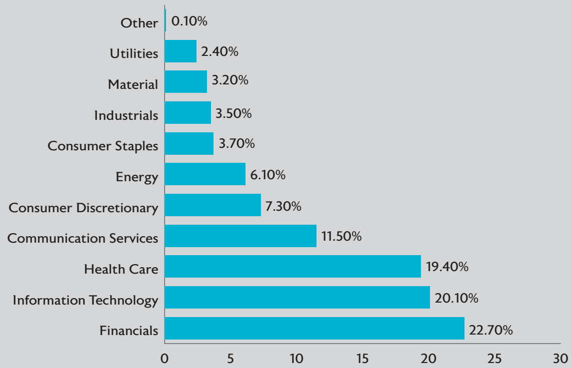
Please contact either your accredited Financial Adviser or our Contact Centre on 011 448 6000 if you have any questions about this product.

The information below relates to the Fidelity Funds International America Fund.

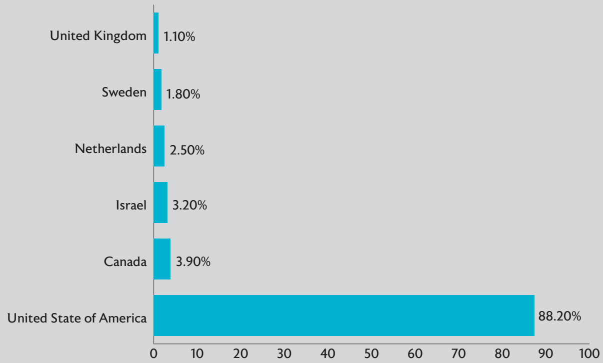
Asset Allocation



Industry Breakdown



Geographic Breakdown



Largest Holdings

Berkshire Hathaway Inc Del	**5.90%**
Oracle Corp	**4.70%**
Pfizer	**4.70%**
T-Mobile Us Inc	**4.60%**
Willis Towers Watson Plc	**4.60%**
Amerisourcebergen Corp	**3.30%**
Wells Fargo & Co	**3.20%**
Liberty Global Plc	**3.20%**
Check point Software Techs Ltd	**3.20%**
Mckesson Corp	**2.90%**

NOTE:
Please refer to page 2 for more details regarding this Class Funds as well as other important information for consideration.

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Fund Approach and Style

The aim is to provide investors with long term capital growth from a diverse and actively managed range of Class Funds of securities selected from global stock markets. The equity funds provide the opportunity to invest in equities in the markets reflected in the title of each individual class fund and in companies established outside those markets but which derive a significant proportion of their earnings from those markets. The fund aims to achieve capital appreciation through investment in a diversified portfolio of US securities.

Fund Management

The investment management of the underlying fund is managed by Fidelity International.

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.

Additional information

Additional information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge and from the website 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) and in the South African printed news media.

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.

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 the period ending 31/07/2020 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.

The commentary gives the view of the manager at the time of writing. Any forecasts or commentary included in this document are not guarantee to occur

Fund Commentary: 2nd Quarter

Fund Review

The underlying fund is managed by Angel Agudo of Fidelity and looks to invest in companies that are undervalued, either because they are out of favour or little value is given to their recovery potential. When investing, the potential downside risk of a company is considered, with a strong balance sheet or resilient business model resulting in stronger conviction and a higher weighting. It is a relatively concentrated portfolio with a low level of turnover and some value characteristics.

Fund Performance

The fund returned 12.5%, while the index returned 20.4% over the quarter. The fund's performance was hampered by investment style headwinds, its relatively defensive positioning and weak stock selection within the financials and information technology sectors.

Key detractors

Not owning mega-cap technology stocks Apple, Amazon and Microsoft was a strong headwind to relative performance. Valuations for these high growth stocks appear stretched but despite this, sentiment continues to be positive. Key holdings within financials were a major source of weakness. The broader sector has been impacted by higher reserve builds by banks for potential losses in their loan portfolio; and a 'lower for longer' interest rate scenario. While the fund owns more defensive and countercyclical stocks with lower rate sensitivities, some of the broader weakness has impacted the performance of holdings within the sector. The positions in Wells Fargo and Berkshire Hathaway declined.

Stock-specific contributors

Shares in online food marketplace Grubhub rose on acquisition news. Amsterdam-based Just Eat's offer lucratively values the company at approximately USD 7 billion. The holding in automotive lubricants and chemicals company Valvoline rose after better-than-expected quarterly earnings, backed by stable cash flows. Its dividend pay-out was maintained. Independent refiner Marathon Petroleum recovered from oversold levels after reporting operating earnings that were ahead of estimates, supported by strong performance from its refining division. Despite the current challenging conditions for oil companies, its balance sheet and liquidity are not a concern.

Fund positioning

Positioning charts still show that investors are concentrated in the Growth and Quality parts of the market and expectations for them to continue to outperform are high. Relative safe havens have been long-term, secular growth stories such as mega cap technology and 'work from home' stocks, which have generated exceptional momentum. Value is now statistically very cheap vs. Growth on every valuation metric and the opportunity to outperform in the short to medium term is high. A longer structural shift to Value will however

depend on economic growth, inflation and interest rates which is more difficult to gauge at this point. As a result, we are focussing on buying companies with a low enough multiple with some certainty in earnings over the longer term.

Core value bias

We prefer owning lower growth businesses with earnings certainty and reasonable valuations over high growth and high valuation businesses. We continue to feel comfortable with our financials and energy holdings, where we own very strong companies that we feel very confident will survive this downturn. These are largely undervalued businesses that mirror our core idea of being able to capture upside potential without taking too much downside risk.

Key transactions

We initiated positions in Pearson and Centene, the former being the largest global education provider, offering courseware, assessment and other services. Tailwinds in favour of the business include increasing usage of online learning programs. Centene is a Medicaid focused managed care company, well positioned for accelerating enrolment growth in the current environment.

Market environment

US equities outperformed global and regional indices, staging a record bounce back from the Covid-19 led crash. Market sentiment improved as record levels of stimulus were deployed and a resilient technology sector continued to outperform. This was despite significant civil unrest leading to massive public demonstrations, the shifting narrative between re-openings, and concerns of a resurgence in Covid-19 cases. Advances in potential treatments and vaccines for the coronavirus, and monetary and fiscal support held up the market whilst the Federal Reserve (Fed) Chairman, Jerome Powell's grim outlook on the pace of the economic recovery contributed to sustained higher levels of market volatility. Nonetheless, the S&P 500 Index recorded its best quarterly performance in over 20 years. Even with mounting tensions between the US and China, the market has looked through these risks to discount a recovery in economic growth. A surprising 2.5 million jobs were added in May, supported by the Paycheck Protection Program. Directionally, consumer spending continued to improve; retail sales ticked higher as states relaxed lockdowns. Auto sales and mortgage applications suggest a recovery is underway. A range of timely 'big data' measures continued to show an uptick in business activity - although still at exceptionally low levels, foot traffic in key retail industries showed significant improvement. The Fed has essentially committed itself to unconventional policies like 'helicopter money' and 'quantitative easing infinitum' in order to monetize debt. The Fed has indicated it plans to keep rates at near zero levels until at least 2022. Exceptional measures from the US government mean the fiscal taps have also been opened like never before. In general, a meaningful rotation of market leadership is yet to be seen - we have seen short-lived Value rotations, but Growth and Quality continue to hold firm. Technology stocks now represent 27% of the index, the highest since the dot-com bubble. Cyclical sectors outperformed defensives.

Looking Ahead

Early signs for the economy are promising but the outlook is largely unclear. Investors weighing the outlook for US markets are grappling with two diametrically opposed forces: the recession brought on by the Covid-19 outbreak and the presidential election cycle. A second wave of coronavirus cases is undoubtedly a prominent risk factor but there are however, other headwinds, including the growing probability of a Democratic sweep and a potential raise in the corporate tax rate and regulation. Both are particularly important because they could hinder capital expenditure and have an undesirable effect on today's outstandingly high unemployment rate. Corporate earnings, meanwhile, are expected to decline sharply in the second quarter. In the months to come, investors will watch for companies to offer guidance about their future performance. The Fed's commentary on bank buybacks and dividends was largely expected. US banks cannot make pay-outs that are greater than their average quarterly profit from the four most recent quarters. Positioning charts still show that investors are concentrated in the Growth and Quality parts of the market and expectations for them to continue to outperform are high. Relative safe havens have been long-term, secular growth stories such as mega cap technology and 'work from home' stocks, which have generated exceptional momentum. Value is now statistically very cheap vs. Growth on every valuation metric and the opportunity to outperform in the short to medium term is high. A longer structural shift to Value will however depend on economic growth, inflation and interest rates which is more difficult to gauge at this point.

17 Melrose Boulevard, Melrose Arch, 2196
PO Box 203, Melrose Arch, 2076

Tel 0860 123 003
www stanlib.com

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