STANLIB Global Bond Fund

The fund is a class fund of STANLIB Offshore Unit Trusts which invests exclusively in the STANLIB Funds Limited - STANLIB Global Bond 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	Brandywine Global Investment Management
Launch Date	2 May 1997
Fund Size	US$ 7.64 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) Class A	0.90%
Annual Management Charge (AMC) Class B1	0.30%
Annual Management Charge (AMC) Class B2	0.10%
Class A Intermediary Trail Commission (Paid from AMC)	0.25%
ISIN code: Class A	GB00B0662F08
ISIN code: Class B1	JE00BD8RKR07
ISIN code: Class B2	JE00BD8RKV43
Benchmark Index	Barclays Capital Aggregate Bond 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	1.75%	1.69%	0.00%	1.69%
Class B1	1.15%	1.12%	0.00%	1.12%
Class B2	0.96%	0.92%	0.00%	0.92%

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: Class A	7.46%	1.84%	2.76%	2.40%
Portfolio Annualised Growth: Class B1	8.11%	2.46%	0.00%	0.00%
Portfolio Annualised Growth: Class B2	8.32%	2.66%	0.00%	0.00%
Index Annualised Growth	7.85%	4.30%	4.16%	2.79%
Highest Return over 12 rolling months				26.59%
Lowest Return over 12 rolling months				-16.23%

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

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.

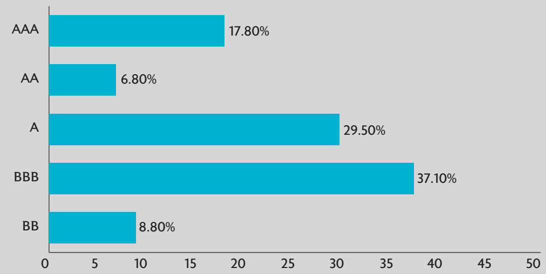
Target Market

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

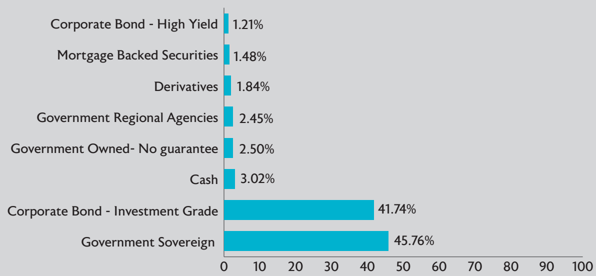
Please contact either your accredited Financial Adviser or our Contact Centre on 011 448 6000 if you have any questions about this product.

The information below relates to the STANLIB Global Bond Fund a Class Fund of STANLIB Funds Limited.

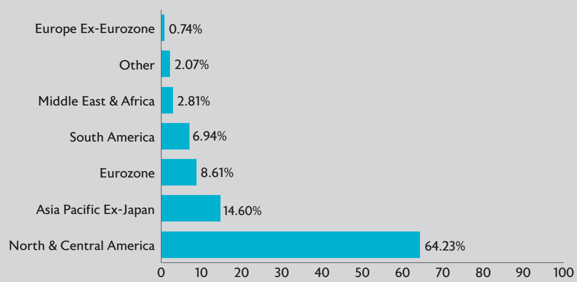
Blended Weighted Average Credit Ratings



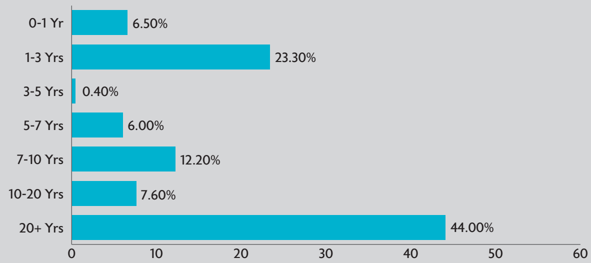
Asset Allocation



Geographic Allocation



Maturity/Duration



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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STANLIB

Fund Approach and Style

Objective

The aim of the bond fund is to provide investors with the possibilities of capital gains. The STANLIB Global Bond Fund is invested in worldwide bond markets to maximise performance, measured in US dollars and invests as a feeder fund into a class fund of STANLIB Funds Limited – STANLIB Global Bond Fund.

Fund Management

STANLIB Global Bond Fund is managed by Brandywine Global, a Philadelphia, USA investment manager with offices in San Francisco, Singapore and London.

Brandywine Global Investment Management is a mid-sized boutique investment firm with USD 68 billion (31.12.2015) under management. The company is an independent subsidiary of Legg Mason and operates as a fully autonomous entity with complete control over investments. The company's mission is to seek value not yet recognized by others.

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

The Stanlib Global bond fund returned 10.98% gross of fees (10.89% net) for the second quarter, significantly outperforming the 3.32% gain for the Bloomberg Barclays Global Aggregate index. Roughly three-quarters of the alpha in the portfolio came from duration, reflecting gains from holdings in select emerging market sovereign bonds as well as domestic investment grade corporate bonds.

Emerging markets rebounded strongly during the quarter. Chinese economic data continued to show signs of improvement while increased demand and the return of some manufacturing helped raw materials to recover, providing a needed lift to the developing world. Furthermore, many emerging markets have been able to implement their own fiscal and monetary remedies, with some even resorting to quantitative easing. Sovereign bond positions in Mexico, Colombia, Indonesia, Brazil, and South Africa benefited performance.

To a lesser extent, currency exposure also added to the alpha for the quarter. The U.S. Dollar Index (DXY) fell less than 2% during the quarter. Despite ending the quarter with approximately a 30% weighting in dollars, currencies delivered over 2% of alpha. These gains came mainly from a selection of emerging market currencies, led by the Indonesian rupiah. After a catastrophic collapse in April, oil prices recovered, fueled by increasing demand, an agreement by oil-producing nations to end the price war and cut production, and a decline in U.S. output, which benefited our position in the Norwegian krone.

The fund underwent an aggressive repositioning toward longer-dated corporate bonds which increased the portfolio's duration by 30%. Currently, overall duration is near benchmark, with a significant overweight in U.S. investment grade corporate credit. The fund currently does not own Treasuries or developed market sovereign debt in general. There is a small allocation to Italian BTPs, driven mainly on spread consideration with core Europe and recent developments that reduce the odds of political disintegration

The portfolio remains underweight the U.S. dollar. The bull market in the dollar is long in the tooth, and our metrics have flagged the dollar as expensive for some time. It may seem surprising to some that the dollar has not fallen more given the massive additions to the Fed's balance sheet this year. In our view, the dollar has remained relatively resilient despite this balance sheet expansion because the Fed has been leaning into an unprecedented surge in the demand for dollar liquidity. The collapse in the global economy earlier this year caused dollar demand to soar as revenues and incomes suddenly dropped off.

Demand for dollars at the Fed's swap facility has retreated in recent weeks. However, the central bank has stated its intent to continue adding to the balance sheet at a rate of $120 billion per month. In addition, there have been extensive internal discussions on the use of yield curve control as a mechanism for controlling rates should the need come. It is clear the central bank wants to keep policy as accommodative as possible.

Additionally, uncertainty will grow surrounding the upcoming U.S. presidential election. Most public opinion polls predict a Biden-Democrat victory if not a sweep. The Biden economic platform includes a reversal of the Trump tax cuts and tariff increases, both of which would be negative to the dollar.

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