

# STANLIB Global Select Fund

A fundamental research-driven approach to active management

# STANLIB



STANLIB has partnered with **J.P. Morgan Asset Management (JPMAM)** to create an offshore equity fund that offers SA investors a best ideas, diversified “all weather” equity portfolio managed by **JPMAM’s world-class equity team.**

## Why choose this fund?

The STANLIB Global Select Fund invests in the high conviction ideas globally from JPMAM’s world-class team of career research analysts following an investment discipline that has been in place for more than three decades. Their focus on proprietary long-term earnings and cash flow forecasts makes this process better placed to capture the opportunities arising from structural as well as cyclical changes taking place across industries today.



### JPMAM Expertise

Managed by two highly experienced portfolio managers drawing on the capabilities of a team of more than 80 career research analysts, with on average 19 years’ industry experience, located around the world.



### Portfolio

A core, broadly sector-neutral, “all weather” portfolio able to perform in a variety of market environments, focusing on JPMAM’s analysts’ strongest stock recommendations, globally, in each sector.



### Results

Successful investment process where undervalued stocks identified by JPMAM’s fundamental research have outperformed on average, and overvalued stocks have underperformed, since 1997.

## Who should invest in this fund?

Investors seeking long-term capital growth and diversification from exposure to global equities.

## Risk Profile

RISK RATING				
Conservative	Moderately Conservative	Moderate	Moderately Aggressive	<b>Aggressive</b>

## JPMAM Global Equity Research : Bringing together regional insights across the globe

<b>17</b> Sector teams driving insight	<b>~2500</b> Companies under coverage	<b>&gt;5000</b> Company contacts per year	<b>\$150m</b> Global research budget
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Source: J.P. Morgan Asset Management. Data at June 2023. \*Average years industry experience/Years firm experience as at June 2023. There can be no assurance the professionals currently employed by J.P. Morgan Asset Management will continue to be employed by JPMAM, or that the past performance or success of any such professional serves as an indicator of such professional’s future performance or success. Investments involve risks, not all investment ideas are suitable for all investors.

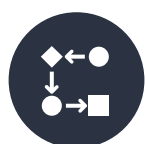
## A common valuation framework

The proprietary research of JPMAM’s career analysts is fed into a proprietary valuation model, enabling the team to compare long-term earnings for companies with their current share prices to calculate a long-term expected rate of return, globally, by sector on a like-for-like basis. Companies are then ranked within their global sectors by their real expected rate of return.

## A common investment philosophy

JPMAM’s focus on long-term earnings and making differentiated forecasts is critical to the success of the fund’s investment approach. Many forecasts in the marketplace are based solely on cyclical change. In a world where business models are increasingly disrupted by globalisation or technology, it is also critical to account for structural change.

## Industry frameworks capture structural change



JPMAM’s analysts build comprehensive global industry frameworks to determine the likely long-term winners and losers within each industry. They look at several structural factors, including the degree of competitive intensity within sectors, and the concentration and pricing power of suppliers or customers. Analysts combine their local knowledge and expertise with a truly global perspective, actively engaging in discussions around future developments within industries, including consolidation, disintermediation and substitution by an alternative business model.

## Long-term forecasts provide information advantage

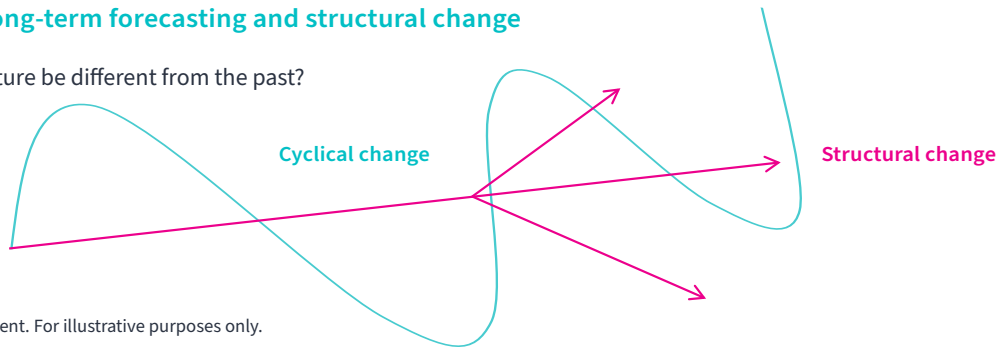


JPMAM's team of over 80 dedicated career analysts undertake proprietary research into more than 2 500 companies worldwide, focusing on producing long-term company earnings and cash flow forecasts. Their global industry frameworks allow comparison of these long-term forecasts on a consistent basis. A focus on long-term earnings forecasts also gives the team an information advantage since very few analysts consider earnings beyond the next two years, despite the focus of company management on the longer term.

## Research focuses on long-term forecasting and structural change



Will the future be different from the past?

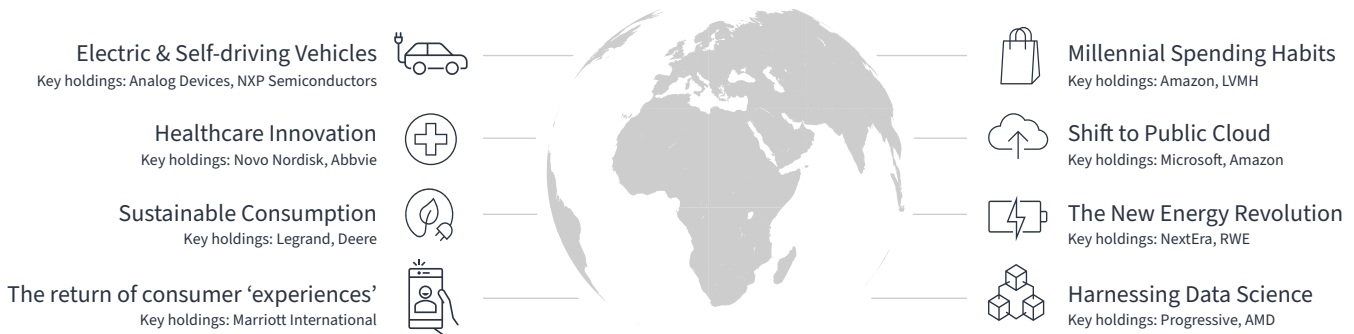


Source: J.P.Morgan Asset Management. For illustrative purposes only.

## Differentiated insights

JPMAM's differentiated forecasts capture the individual insights of its analysts. Their ability to filter these local insights through the lens of their global industry frameworks provides a key competitive advantage, allowing them to identify the key drivers of profitability across sectors, analyse the likely impact of future trends, and factor in the threats and opportunities that may derive from disruptive changes.

### Structural themes



Source: J.P. Morgan Asset Management. Data at June 2023, Factsheet. The fund is actively managed. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the Investment Manager without notice. The securities above are shown for illustrative purposes only. Their inclusion should not be interpreted as a recommendation to buy or sell.

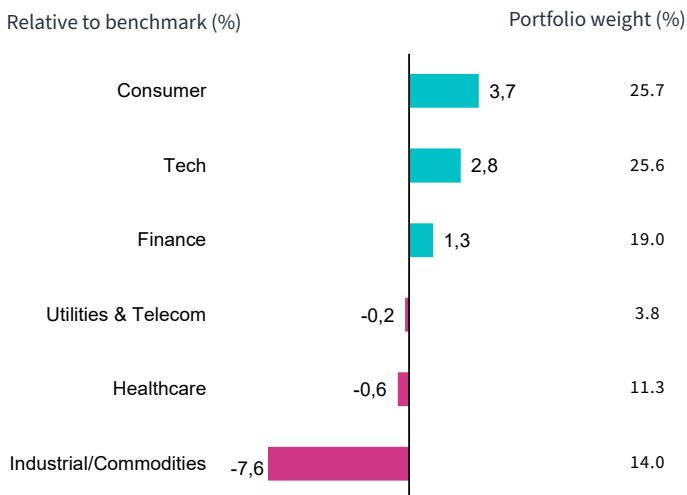
## Fund positioning

### Stock selection drives positioning, resulting in modest super-sector positions

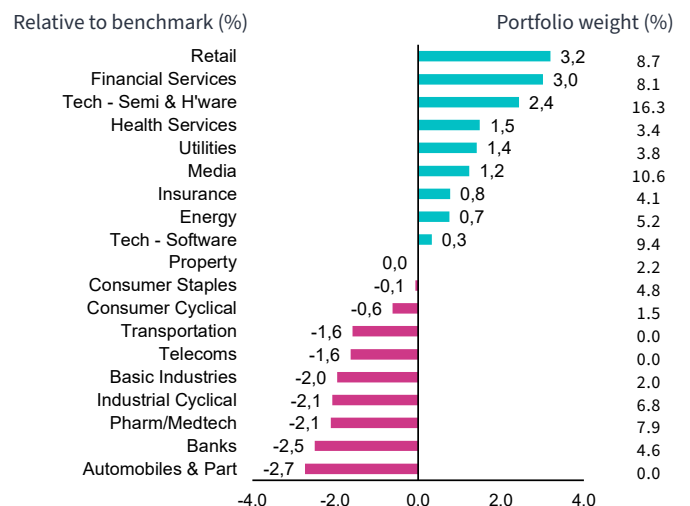
Benchmark MSCI World Index

As at 31 March 2024

#### Absolute/Active super-sector positions



#### Absolute/Active sector positions



Source: J.P. Morgan Asset Management, Factset. The fund characteristics are shown for illustrative purposes only and are subject to change without notice. Holdings, sector weights, allocations and leverage, as applicable, are subject to change at the discretion of the investment manager without notice.

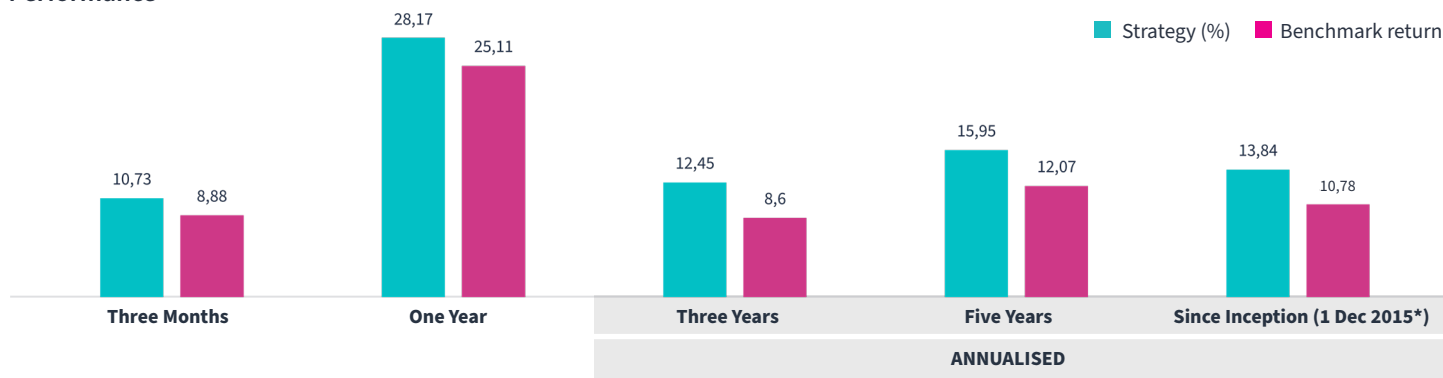
## Illustrative performance (%) (Underlying strategy)

Global select equity strategy as at 31 March 2024

### Market value

JPM Global Select Strategy<sup>1</sup> USD 18.6bn

### Performance



Source: J.P. Morgan Asset Management. Performance for periods greater than one year are annualised. \*Strategy inception date: 30 November 2015. Performance results are for JPMorgan Global Select Strategy composite shown in USD, gross of investment management fees. Performance results shown above are preliminary and subject to change. The performance quoted is past performance and is not a guarantee of future results. Performance includes the reinvestment of income.

### Total investment costs: Dollar fund

AMC	TER	IC	TIC
1.10%	1.84%	0.06%	1.90%

### Total investment costs: ZAR feeder fund

AMC	TER	IC	TIC
0.69% (Incl. VAT)	1.42%	0.02%	1.44%

### Notes

- The STANLIB Global Select Fund is a dollar-based class fund of STANLIB Offshore Unit Trusts (STOUT) which invests exclusively in the STANLIB Funds Limited (SFL) - STANLIB Global Select Fund in Jersey.
- STANLIB appoints the underlying sub-investment manager.
- STANLIB has mandated J.P. Morgan Asset Management to manage the portfolio according to its Global Select Equity Strategy, detailed in this document.
- Performance history reflects the outcomes from this J.P. Morgan Asset Management strategy benchmarked to the MSCI World Index, and not the performance history of the STANLIB Global Select Fund, which is new. The Fund's benchmark changed from the MSCI All Countries World Index to the MSCI World Index in March 2024.
- The STANLIB Global Select Fund is also available as a ZAR feeder.

For more information on the **STANLIB Global Select Fund**, please visit [www.stanlib.com](http://www.stanlib.com)

### Fees

**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.

### Disclaimer

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up. Past performance, forecasts or commentary is not necessarily a guide to future performance. CIS 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 to the Manager. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. Forward pricing is used. The Manager has a right to close certain portfolios to new investors in order to manage it more efficiently. Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted so all returns quoted are after these costs have been accounted for. STANLIB is an authorised Financial Services Provider and a registered representative Manager in terms of CISA. JP Morgan Asset Management (UK) Limited is authorised by the UK's Financial Conduct Authority and is an offshore strategic partner to STANLIB Asset Management (Pty) Ltd. Performance returns indicated are historical returns of the underlying portfolios and are for illustrative purposes only. Compliance no.: HX3789