

# Global Conservative Absolute Growth Fund

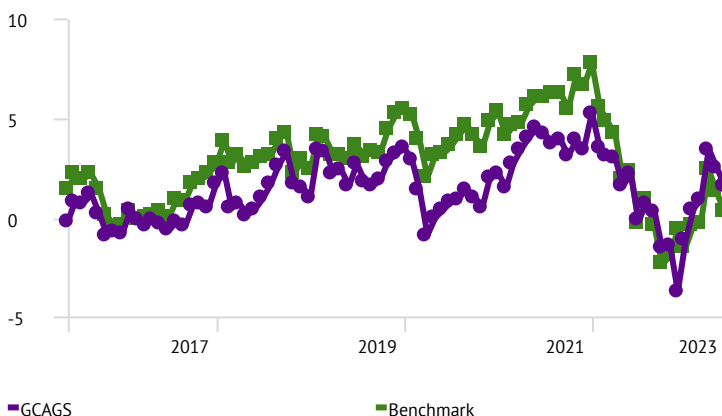


As of 31/05/2023

## Rolling returns (%)

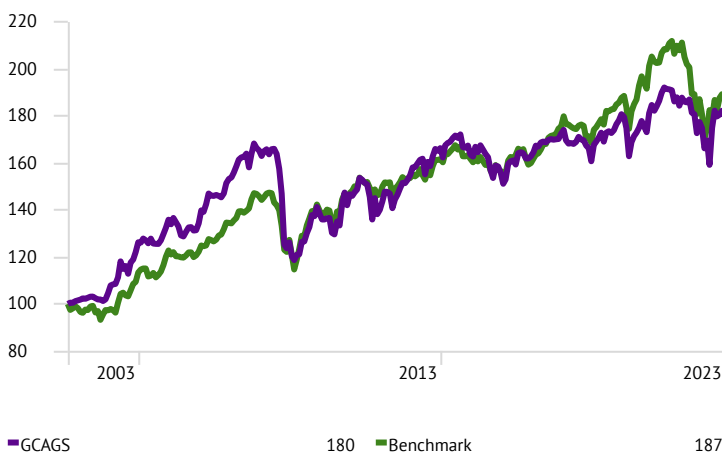
Time Period: 01/06/2013 to 31/05/2023

Rolling Window: 3 Years 1 Month shift



## Cumulative performance since performance (%)

Time Period: 01/09/2001 to 31/05/2023



## Performance (%)

|                   | SI** | 5 Yr* | 3 Yr* | 1 Yr  |
|-------------------|------|-------|-------|-------|
| GCAGS             | 2.75 | 1.41  | 1.69  | -0.27 |
| US CPI + 3% (USD) | 5.56 | 6.92  | 8.75  | 7.94  |
| Benchmark         | 2.92 | 1.35  | 0.34  | -1.27 |

Stated performance if after fees have been deducted

\*Annualised

\*\* Since inception

## Investment mandate and objectives

The USD based international conservative balanced fund comprises diversified asset classes and investment strategies, with a low to medium exposure to equities and absolute return managers. The fund aims to outperform US CPI plus 3% over rolling 3 year periods. The fund is priced in USD.

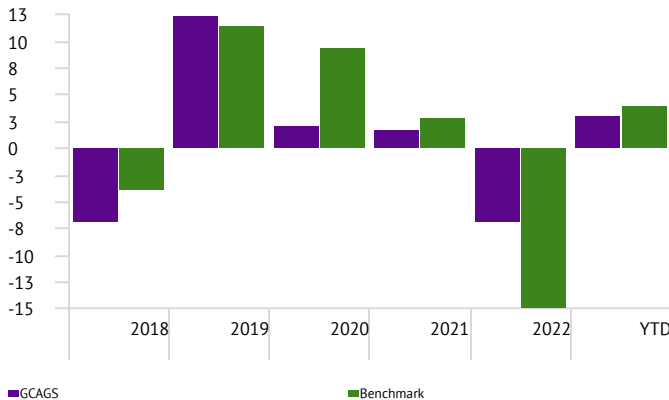
**Features:**  
 USD based international exposure  
 Multiple asset class exposure  
 Diversified investment strategy

## Fund facts:

**Manager:** Coronation  
**Inception date:** September 2001  
**Risk profile:** Moderate risk  
**Benchmark:** Composite Benchmark consists of 35% MSCI World Index [\$], 45% FTSE World Government Bond Index [\$], 20% US T-Bills[\$]  
**Target Return:** US CPI+3% over rolling 3 year periods

## Calendar year returns (%)

As of Date: 31/05/2023



## Risk statistics: 3 years rolling (%)

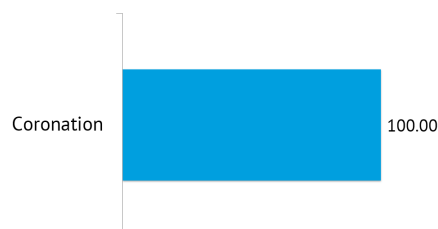
Time Period: 01/06/2020 to 31/05/2023

|           | Return | Std Dev | Sharpe Ratio | Max Drawdown |
|-----------|--------|---------|--------------|--------------|
| GCAGS     | 1.69   | 9.83    | -0.29        | -17.15       |
| Benchmark | 0.34   | 9.19    | -0.45        | -19.46       |

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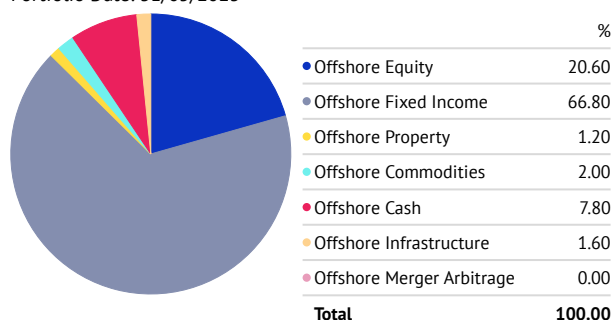


As of 31/05/2023



## Asset allocation

Portfolio Date: 31/05/2023



## Top 10 local equity holdings

## Exposure (%)

|                              |             |
|------------------------------|-------------|
| Heineken Holdings Nv         | 1.00        |
| British American Tobacco     | 0.90        |
| Alphabet Inc                 | 0.80        |
| Canadian Pacific Railway Ltd | 0.70        |
| Canadian National Railway Co | 0.70        |
| Airbus Group Se              | 0.70        |
| Visa Inc                     | 0.70        |
| Microsoft Corp               | 0.70        |
| Noble Corp Plc               | 0.70        |
| Csx Corp                     | 0.60        |
| <b>Total</b>                 | <b>7.50</b> |

Updated quarterly

## Market performance ranking

As of Date: 31/05/2023 Currency: South African Rand

|       | 2018                            | 2019                             | 2020                             | 2021                             | 2022                              | YTD                              |
|-------|---------------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Best  | Global Bonds<br>15.2            | Global Developed Markets<br>24.1 | Global Emerging Markets<br>24.0  | Local Property<br>36.9           | Local Cash<br>5.2                 | Global Developed Markets<br>26.8 |
|       | Local Bonds<br>7.7              | Global Emerging Markets<br>15.1  | Global Developed Markets<br>21.5 | Global Developed Markets<br>32.9 | Local Equity<br>4.4               | Global Bonds<br>18.8             |
|       | Local Cash<br>7.3               | Local Bonds<br>10.3              | Global Bonds<br>15.4             | Local Equity<br>27.1             | Local Bonds<br>4.3                | Global Emerging Markets<br>18.1  |
|       | Global Developed Markets<br>6.1 | Local Cash<br>7.3                | Local Bonds<br>8.6               | Local Bonds<br>8.4               | Local Property<br>0.5             | Local Cash<br>3.0                |
|       | Global Emerging Markets<br>-0.7 | Local Equity<br>6.8              | Local Cash<br>5.5                | Global Emerging Markets<br>6.3   | Global Developed Markets<br>-13.2 | Local Equity<br>-0.2             |
|       | Local Equity<br>-10.9           | Global Bonds<br>2.9              | Local Equity<br>0.6              | Local Cash<br>3.8                | Global Bonds<br>-13.3             | Local Bonds<br>-2.7              |
| Worst | Local Property<br>-25.3         | Local Property<br>1.9            | Local Property<br>-34.5          | Global Bonds<br>2.5              | Global Emerging Markets<br>-15.2  | Local Property<br>-5.3           |



For more detailed commentary please click on the following link: <https://gtc.co.za/gtc-trendline/>

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As of 31/05/2023

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## Quarterly commentary

- International equity markets had a strong quarter with developed markets earning +7.7% and emerging markets +4.0% in US dollar terms. The US dollar strengthened by +4.7% relative to the ZAR which further provided a tailwind for offshore assets' return over the quarter.
- US headline inflation (CPI) came in at 5% for the year ended February 2023 while the European Central Bank (ECB) continue to battle CPI at 9.9%. In response to elevated inflation the US FED hiked interest rates by 0.5% to 5.00% over the 3 months while the ECB increased rates by a total of 1.00 % to 3.50%.
- Overall, investor sentiment improved slightly as the hunt for yield increased over the quarter. Some reprieve was found in the global bond markets which ended the quarter up +3.5% in US dollar terms. However, the quarter's rally was not enough to off-set the deep negative return experienced in the preceding 9 months as the 1-year return remains in the red (-9.6% in dollar terms).
- As market volatility and economic uncertainty continue to be persistently elevated over the month, GTC remains cautious in our portfolio positioning as we navigate through this market cycle.

## Glossary

### Standard deviation

- Is a measure that is used to quantify the amount of variation or dispersion of a set of data values around the mean value. This measure is commonly known as volatility and referenced as an explicit measure of risk.

### Maximum drawdown

- Is the maximum loss from a peak to a trough of a portfolio before a new peak is attained. Maximum Drawdown is an indicator of downside risk over a specified time period.

### Sharpe ratio

- Is a measure for calculating risk-adjusted return, and this ratio has become the industry standard for such calculations. The Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. In other words, it measures how much excess return a portfolio has earned in relation to the level of risk it is exposure to. The higher the ratio the stronger the risk adjusted return.

### Calmar ratio

- Is a measure for calculating risk-adjusted return. It is the average return earned per unit of capital loss risk taken in the form of maximum drawdown over a given period.