

# GTC Passive Market Plus

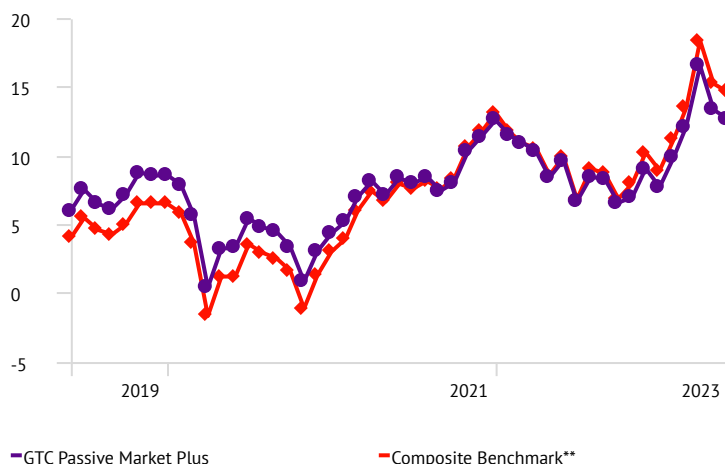


As of 31/05/2023

## Rolling returns (%)

Time Period: 01/06/2016 to 31/05/2023

Rolling Window: 3 Years 1 Month shift



## Investment mandate and objectives

The portfolio employs a rule based (passive) investment strategy. The objective of this portfolio is to outperform a full risk composite benchmark over a rolling 10-year period. This portfolio has been designed for maximum capital growth through a combination of local and offshore asset exposure. The portfolio's offshore exposure provides diversification, higher return potential and protects against local currency depreciation.

**Features:**

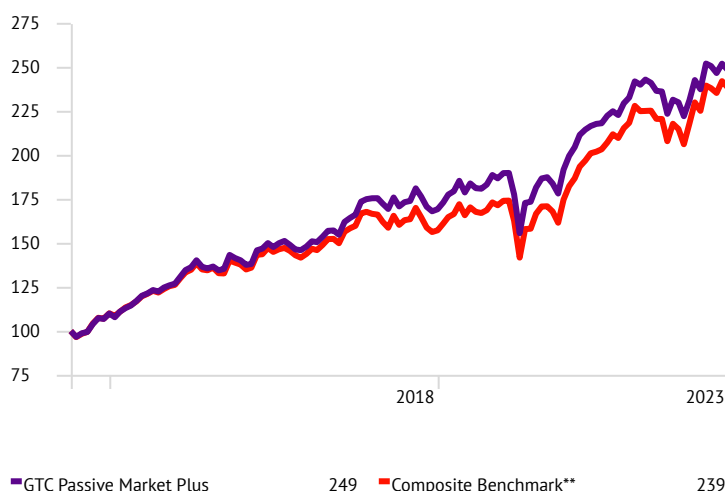
- Regulation 28 compliant
- Full equity exposure
- Local and international exposure
- Capital growth

## Fund facts:

**Multi manager:** GTC  
**Benchmark:** Composite Benchmark\*\*  
**Risk profile:** High Risk

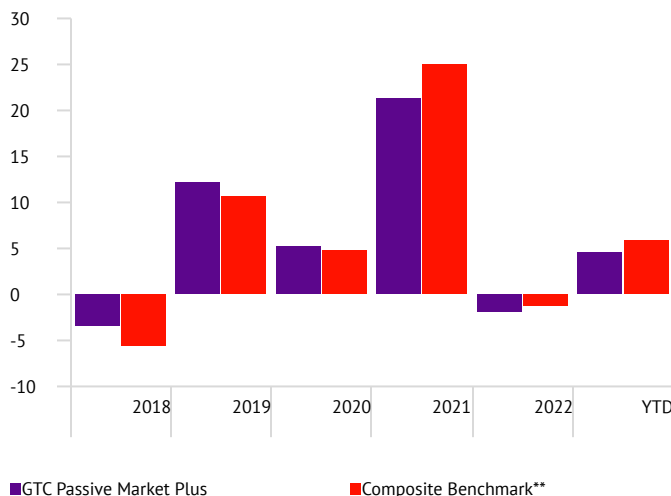
## 10 Year cumulative performance history (%)

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



## Calendar year returns (%)

As of Date: 31/05/2023



## Performance (%)

|                         | 10 Yr* | 7 Yr* | 5 Yr* | 3 Yr* | 1 Yr |
|-------------------------|--------|-------|-------|-------|------|
| GTC Passive Market Plus | 9.55   | 7.49  | 7.79  | 12.74 | 5.23 |
| Composite Benchmark**   | 9.10   | 7.15  | 8.28  | 14.70 | 8.18 |

\*Annualised

\*\*Composite Benchmark: 45% Capped SWIX, 5% Cash, 15% Bonds, 5% Property, 21% MSCI World and 9% MSCI Emerging Markets.

Returns are gross of fees.

Please note that this document is an INFORMATION SHEET meant only for illustrative purposes and is not a fund fact sheet.

Please note that past performance is not a guide to future performance.

## Risk statistics: 10 years rolling (%)

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

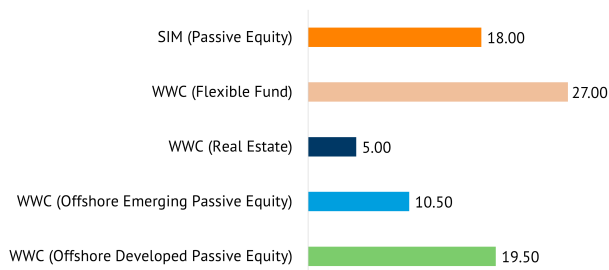
|                         | Return | Tracking Error | Sharpe Ratio | Max Drawdown |
|-------------------------|--------|----------------|--------------|--------------|
| GTC Passive Market Plus | 9.55   | 1.49           | 0.39         | -18.05       |
| Composite Benchmark**   | 9.10   | 0.00           | 0.33         | -18.63       |

Tracking error reflected is against the Composite Benchmark.

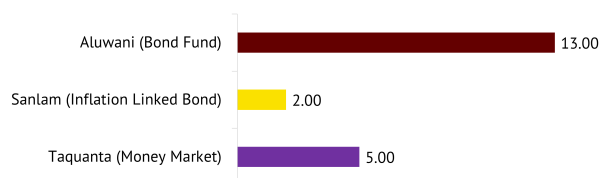
# GTC Passive Market Plus

As of 31/05/2023

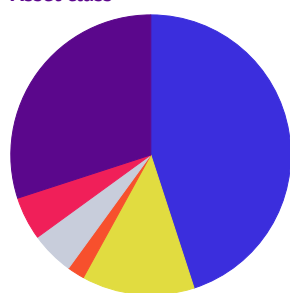
## Investment allocation: Managers and Strategies Equity and Real Estate (%)



## Investment allocation: Managers and Strategies Fixed Income (%)



## Asset class



## Tactical exposure(%)

| Asset Class                 | Exposure (%)  |
|-----------------------------|---------------|
| Local Equity                | 45.00         |
| Local Bond                  | 13.00         |
| Local Inflation Linked Bond | 2.00          |
| Local Property              | 5.00          |
| Local Cash                  | 5.00          |
| Offshore Equity             | 30.00         |
| Offshore Bond               | 0.00          |
| <b>Total</b>                | <b>100.00</b> |

## 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           |

Local Equity  
Local Cash  
Global Bonds

Local Property  
Global Emerging Markets

Local Bonds  
Global Developed Markets

As of 31/05/2023

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## Market summary

- The South Africa's (SA) market was particularly weak in May 2023 due to the risk-off sentiment amid allegations of weapons sales from SA to Russia and concerns surrounding the deteriorating electricity landscape. China also faced challenges as its economic recovery fell short of expectations. With the slowdown in global trade activity, China's manufacturing PMI for April 2023 dipped to 49.5 points, below the 50 point mark which separates an expanding manufacturing sector from a contracting one. Further volatility came from concerns surrounding the US debt ceiling as the government sought to raise the government's borrowing limit.
- Local equities declined over the month, impacted negatively by the aforementioned risk-off sentiment towards South Africa. Financials were the worst performing sector, contracting -7.9%, which can largely be attributed to a decline in major banks such as Capitec (-13.7%) and FirstRand (-6.4%). Despite South African specific headwinds, the Resources sector limited its pullback to -2.2% as the 8.4% rand weakness provided a tailwind to some of the rand-hedged companies. The Industrials and Listed property sector fell at -3.3% and -5.3% respectively.
- Local cash delivered a positive return of 0.7% well ahead of the local bond index which ended the month -4.8%. The South African Reserve Bank's decision to increase rates by 50bps to 8.25% in May 2023 as well as the meaningful rise in yields due to outflows from foreigners explains much of the bond index's decline.
- In US Dollar terms, the MSCI Emerging Market equity (-1.7%) index lagged the MSCI World index (-1.0%) amid the increase in global uncertainty. The US Federal Reserve raised interest rates by 25bps to 5.25%, marking the highest level since August 2007. The Bank of England and the European Central Bank also followed suit with a 25bps rate hike.
- 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 exposed 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.