

# MAZI CAPPED SWIX COMPOSITE

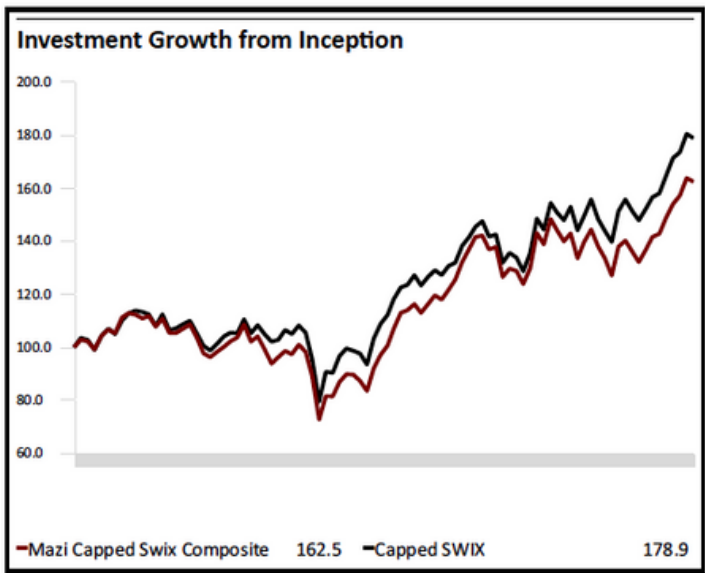
Minimum Disclosure Document



31 October 2024

## Fund Service Providers

Composite Type:	Unconstrained Specialist Equity
Inception Date	April 2017
Manager:	Mazi Asset Management (Pty) Ltd
Contact Person:	Asanda Notshe asanda@mazi.co.za
Fund Size	R 13 448 Billion



## Risk Statistics from Inception

Time Period: Since Common Inception (2017/04/01) to 2024/10/31

Calculation Benchmark: FTSE/JSE Capped SWIX All Share TR ZAR

	Inv	Bmkl
Return	6.61	7.97
Std Dev	15.92	15.28
Tracking Error	3.14	0.00
Sharpe Ratio	0.08	0.16
Excess Return	-1.36	0.00
Down Period %	41.76	41.76
Up Period %	58.24	58.24

## Investment Objective

The fund is a general equity portfolio that seeks to sustain high long term capital growth.

## Investment Approach

Our investment process is firmly rooted in fundamental analysis. Our approach is predominantly bottom-up and sector agnostic. Key investment criteria include:

- Quality of management;
- Good corporate governance and transparency;
- Cashflow and balance sheet strength;
- Business strategy and sustainability of business model;
- Attractive validation.

## Top Ten Holdings at 31 October 2024

	Sector:
Naspers	Media
Firststrand	Banks
Standard Bank	Banks
Capitec Bank Holdings Ld	Banks
Gold Fields Ltd	Resources
Prosus	Industrials
Anglo American PLC	Resources
MTN Group Ltd	Telecoms
British American Tobacco	Industrials
Anglogold Ashanti PLC	Resources

## Trailing Returns – annualised for longer than 12 months

	1 Mo	YTD	6 Mo	1 Yr	From Inc
Mazi Capped Swix Composite	-0.82	15.86	14.72	27.86	6.61
Capped SWIX	-0.91	14.84	14.21	28.01	8.97

## Monthly Returns – Mazi Capped Swix Composite

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	CAPPED SWIX
2024	-2.99	-2.86	3.49	3.56	0.84	4.24	3.46	2.11	4.16	-0.82			15.86	14.84
2023	6.88	-2.83	-2.93	2.14	-6.59	4.70	3.30	-4.40	-3.25	-4.87	8.54	1.67	1.01	7.87
2022	3.72	3.30	0.40	-3.70	0.68	-8.20	2.48	-0.67	-3.85	4.79	10.30	-3.01	5.05	4.41
2021	3.59	6.34	5.57	0.92	2.00	-2.83	2.90	2.87	-1.37	3.14	3.14	5.32	36.06	
2020	-2.66	-9.43	-18.31	12.16	-0.06	6.60	3.39	-0.17	-2.64	-4.33	10.11	5.62	-3.78	
2019	1.91	2.00	1.46	4.62	-5.87	1.95	-4.68	-5.46	2.56	2.47	-1.25	3.68	2.66	
2018	-1.27	0.86	-3.61	2.73	-4.80	-0.03	1.52	1.49	-4.41	-5.87	-1.48	2.17	-12.42	
2017	-	-	-	2.80	-0.59	-3.00	5.17	2.31	-1.30	5.69	1.44	-0.52	-	

## Portfolio Manager Commentary – September 2024

The domestic market performed well in the period, returning 9.6%. Whilst there remained concerning areas in the global economic context (especially the conflict in the middle east), post-election optimism remained a key driver of expectations and hence market movements locally. As the country had endured nearly a decade of consistent investment outflows, the latest developments appear to be attracting both local and offshore investors. It is important to note that the current buoyant environment is largely fuelled by positive sentiment – it will be the actual implementation of key policies that will determine the sustainability of the robust returns witnessed thus far. The portfolio returned 10.1% over the period.

The trajectory of interest rates locally and globally came into sharp focus over the period. All major central banks acted in tandem – lowering policy rates in response to easing inflationary conditions as well as responding to concerns regarding the growth outlook of economies. The accompanying commentary from policymakers appeared to indicate comfort with the current direction (and level) of travel regarding key economic indicators, potentially paving the way for further interest rate reductions throughout the rest of the year. These developments also present opportunities with respect to portfolio positioning and the attractiveness of different investments in the market. Structurally, banks are negatively impacted by declining interest rates – this is fundamentally through the reduction in the net interest income earned from loans extended to clients. This is due to the interest charged by banks being referenced to the policy (REPO in our case) rate set by the central bank. However, the current conditions offer an important countering force in the form of improving credit experience for client and hence the potential for reducing credit losses. As interest rates reduce, bank customers pay less interest on their debts and hence are better able to meet their obligations. The property sector is another that offers potential opportunities in this environment. The rental income these companies earn from their tenants is largely unaffected by movements in interest rates. Therefore, the income earned by an investor in a property company becomes more attractive when compared to that earned from an interest ratelinked alternative (such as banks deposits) thus making these companies more attractive. Like bank clients, lower interest rate conditions also support the underlying tenants and their ability to continue renting space as well as the ability to pay the rental. Discretionary retail is another area that benefits as higher consumer disposable income supports spending generally. Key players in this sector include clothing retail and home renovations for example. As we select individual investments due to their specific features, we incorporate our view of the impact of interest rate movements in assessing relative attractiveness. With this done, we then allocate capital accounting for the impact of current and anticipated changes in interest rates.

Portfolio performance benefitted largely from key positions held. Momentum Group, Attacq and Life Healthcare contributed strongly due to individual positive announcements that were also aligned with our investment views on the companies. In addition, companies such as Standard Bank, Redefine, Foschini and Truworhs also contributed positively to the performance of the portfolio. Conversely, it was companies not held in the portfolio (i.e. Discovery, Bidcorp, Mr Price and Vodacom) that detracted from the relative performance of the portfolio.

## Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. 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 TER's. During the phase in period TER's do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred 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 foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 10h00 (Irish Time), to be transacted at the net asset value price for that day Where all required documentation is not received before the stated cut-off time Prescient shall not be obliged to transact at the net asset value price as agreed to. The Fund are priced at 17h00 (New York Time) depending on the nature of the Fund. Prices are published daily and are available on the Prescient website. Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. This document is for information purposes only and does not constitute or form part of any offer to issue or sell or any solicitation of any offer to subscribe for or purchase any particular investments. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable directly or indirectly to the use of or reliance upon the information For any additional information such as fund prices, brochures and application forms please go to [www.prescient.ie](http://www.prescient.ie) Copies of the Prospectus and the annual and half yearly reports of the Company" are available in English and may be obtained, free of charge, from Prescient Fund Services (Ireland) Limited (the "Manager") at 49 Upper Mount Street, Dublin 2, Ireland or by visiting [www.prescient.ie](http://www.prescient.ie). Copies may also be obtained directly from Mazi Asset Management (Pty) Ltd (the Investment Manager). Where a current yield has been included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change. The Mazi Global Equity Fund is registered and approved under section 65 of the Collective Investment Schemes Control Act of 2002.