

# UNIT TRUST & TAX-FREE INVESTMENTS PORTFOLIO CHARACTERISTICS



**NEDGROUP  
INVESTMENTS**

## FINANCIAL PLANNERS

An annual financial planning fee of a maximum of 1% (excl VAT) and an initial financial planning fee of a maximum of 3% (exc VAT) may be charged.

Minimum contributions: R500 per debit order, R10 000 per initial lump sum.

UNIT TRUST PORTFOLIO	CLASS	INVESTOR PROFILE	RISK RATING / RECOMMENDED TERM	INCOME DISTRIBUTION <sup>1</sup>	REGULATION 28 COMPLIANT	BENCHMARK	INVESTMENT MANAGER	TOTAL INVESTMENT CHARGES
<b>Equity portfolios</b>								
Rainmaker Fund	A2	The portfolio is suitable for investors seeking exposure to the domestic equity market with maximum capital appreciation as their primary goal over the long term. Investors should have a tolerance for short-term market volatility in order to achieve long-term objectives.	High Minimum 5 - 7 years	Annually	No	South African Equity General UT Mean	Abax Investments	1.63%
Value Fund	A2	The portfolio is suitable for investors seeking exposure to the domestic equity market with maximum capital appreciation as their primary goal over the long term. Investors should have a tolerance for short-term market volatility in order to achieve long-term objectives.	High Minimum 5 - 7 years	Annually	No	South African Equity General UT Mean	Foord Asset Management	1.52%
Growth Fund	A	The portfolio is suitable for investors seeking exposure to the domestic equity market with maximum capital appreciation as their primary goal over the long term. Investors should have a tolerance for short-term market volatility in order to achieve long-term objectives.	High Minimum 5 - 7 years	Annually	No	South African Equity General UT Mean	Electus	2.56%
Private Wealth Equity Fund	A	This portfolio seeks to provide investors with optimal overall yield comprising of both capital growth and dividend income by investing in equities traded on the JSE. Investors should be prepared for and comfortable with market volatility in order to achieve long-term investment objectives.	High Minimum 5 - 7 years	Annually	No	FTSE/JSE SWIX 40	Nedgroup Investment Advisors	1.42%
<b>Specialist Equity portfolios</b>								
Entrepreneur Fund	A	The portfolio is suitable for investors who require specific exposure to small- and mid-cap sector shares as part of their overall investment strategy, with maximum capital appreciation as their primary goal over the long term. Due to its specialist nature, the portfolio will typically display higher volatility than a general equity portfolio.	High Minimum 5 - 7 years	Annually	No	South African Equity Mid & Small Cap UT Mean	Abax Investments	1.97%
Mining & Resource Fund	A	The portfolio is suitable for investors who require specific exposure to mining and resources shares as part of their overall investment strategy, with maximum capital appreciation as their primary goal over the long term. Due to its specialist nature, the portfolio will typically display higher volatility than a general equity portfolio.	High Minimum 5 - 7 years	Annually	No	South African Equity Resources UT Mean	Prudential Portfolio Managers	2.06%
Financials Fund	A	The portfolio is suitable for investors who require specific exposure to financial sector shares as part of their overall investment strategy, with maximum capital appreciation as their primary goal over the long term. Due to its specialist nature, the portfolio will typically display higher volatility than a general equity portfolio. The portfolio may be subject to currency fluctuations due to its international exposure.	High Minimum 5 - 7 years	Annually	No	South African Equity Financial Unit Trust Mean	Denker Capital	2.20%
<b>Asset allocation portfolios</b>								
Stable Fund	C	The portfolio is suitable for investors who require specific exposure to small- and mid-cap sector shares as part of their overall investment strategy, with maximum capital appreciation as their primary goal over the long term. Due to its specialist nature, the portfolio will typically display higher volatility than a general equity portfolio.	Low Minimum 3 years	Bi-annual	Yes	CPI + 4% per annum over a rolling 3 year periods	Foord Asset Management	1.96%
Opportunity Fund	A1	The portfolio is suitable for investors requiring moderate levels of capital growth who do not wish to make complex asset allocation decisions between equities, cash and bonds, both locally and offshore. Diversification across asset classes and a maximum equity exposure of 60% helps to reduce risk and volatility relative to an average prudential portfolio. While unlikely, capital loss may occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.	Medium Minimum 3 - 5 years	Bi-annual	Yes	CPI + 5% per annum, over rolling 3 year periods	Abax Investments	1.65%
Managed Fund	A1	The portfolio is suitable for investors requiring moderate levels of capital growth who do not wish to make complex asset allocation decisions between equities, cash and bonds. The portfolio does not invest any assets offshore. Diversification across asset classes and a maximum equity exposure of 75% helps to reduce risk and volatility relative to a general equity portfolio. While unlikely, capital loss may occur due to an event like the default of an issuer.	Medium Minimum 3 - 5 years	Bi-annual	Yes	South African Multi Asset High Equity UT Mean	Truffle Asset Management	1.81%
Balanced Fund	A2	The portfolio is suitable for investors requiring moderate levels of capital growth who do not wish to make complex asset allocation decisions between equities, cash and bonds, both locally and offshore. Diversification across asset classes and a maximum equity exposure of 75% helps to reduce risk and volatility relative to a general equity portfolio. While unlikely, capital loss may occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.	Medium Minimum 3 - 5 years	Bi-annual	Yes	ASISA Category average	Truffle Asset Management	1.42%
Bravata Worldwide Flexible Fund	C	The portfolio is suitable for investors looking for a balanced exposure to both domestic and international assets, with maximum capital appreciation as their primary goal. This portfolio will typically display lower volatility than a general equity portfolio.	Medium Minimum 3 - 5 years	Annually	No	CPI + 5% per annum over rolling 3 year periods	Aylett & Company	1.39%
<b>Income portfolios</b>								
Money Market Fund <sup>3</sup>	R	The portfolio is suitable for investors who require high levels of income and capital preservation. The portfolio provides an attractive alternative to savings accounts. The portfolio typically displays little volatility. While unlikely, capital loss may occur due to an event like the default of an issuer.	Low Minimum none	Monthly	No	STeFi Call Rate	Taquanta Asset Management	0.59%
Core Income Fund	B	The portfolio aims to preserve capital, but provide returns in excess of that offered by a traditional money market portfolio. The mandate is, however, more flexible and the average portfolio duration will be longer than that of traditional money market portfolios. Consequently, the liquidity of this portfolio is less than that of a traditional money market portfolio. While unlikely, capital loss may occur due to an event like the default of an issuer.	Low Minimum 6 months	Monthly	Yes	SteFi composite index – net of fees	Taquanta Asset Management	0.59%

<b>Flexible Income Fund</b> <sup>2</sup>	R	The portfolio is suitable for investors seeking enhanced money market returns, but who have a low tolerance for capital loss and who do not wish to make complex asset allocation decisions between cash, bonds, property and other fixed interest asset classes. The portfolio typically displays higher volatility than a money market portfolio and due to the longer duration of instruments held, the liquidity is less than that of a traditional money market portfolio. While unlikely, capital loss may occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.	Low Minimum 6 months	Quarterly	No	110% SteFI Call Rate	Abax Investments	0.91%
<b>Core Bond Fund</b>	A	The portfolio is suitable for investors who require specific exposure to the South African bond market as part of their overall investment strategy. The portfolio typically displays higher volatility than a money market portfolio, but lower volatility than a general equity or balanced portfolio. While unlikely, capital loss may occur due to an event like the default of an issuer.	Low to medium Minimum 2 years	Quarterly	No	Beassa All Bond Index (ALBI)	Taquanta Asset Management	0.46%
<b>Property Fund</b>	A1	The portfolio is suitable for investors who require sector specific exposure to real estate securities as part of their overall investment strategy, with both income generation and capital appreciation as their primary goal over the long-term.	Medium to High Minimum 5 years	Quarterly	No	South African Real Estate General UT Mean	Bridge Fund Managers	0.99%
<b>Core portfolios</b>								
<b>Core Guarded Fund</b>	B	The portfolio is suitable for conservative investors requiring a reasonable level of capital protection, with the potential for capital growth through a low exposure to equity markets relative to the average prudential portfolio and aims to provide low cost exposure to a range of local and global asset classes. While unlikely, capital loss may occur due to an event like the default of an issuer. The portfolio may be subject to currency fluctuations due to its international exposure.	Low Minimum 3 years	Quarterly	Yes	CPI + 3%, net of fees, over rolling 3 year periods	Taquanta Asset Management	0.50%
<b>Core Diversified Fund</b>	B	The portfolio is suitable for investor requiring moderate capital growth and aims to provide low cost exposure to a range of local and global asset classes. Diversification across all asset classes helps to reduce risk and volatility relative to a general equity portfolio. The portfolio complies with Regulation 28 of the South African Pension Funds Act.	Medium to High Minimum 5 years	Bi-annual	Yes	CPI + 5%, net of fees, over rolling 5 year periods	Taquanta Asset Management	0.60%
<b>Core Accelerated Fund</b>	B	The portfolio is suitable for investor requiring high (equity-like) capital growth and aims to provide low cost exposure to a range of local and global asset classes. Diversification across all asset classes helps to reduce risk and volatility relative to a general equity portfolio. The portfolio complies with Regulation 28 of the South African Pension Funds Act.	High Minimum 5 - 7 years	Annually	Yes	Inflation + 6% pa over rolling 7 year periods	Taquanta Asset Management	0.53%
<b>International portfolios</b> <sup>4</sup>								
<b>Global Cautious Feeder Fund</b>	A1	This portfolio is suitable for investors seeking global exposure to a diversified and flexible portfolio (in respect of asset classes, regions and currencies) through a single entry point, which aims to be an alternative to offshore bank deposits, income and absolute portfolios. It will, therefore, be focused on controlling the level of downside risk to which investors are exposed.	Medium Minimum 3 - 5 years	Annually	No	USD Libor 1 month (rand equivalent)	Chartwell Investment Partners	1.33%
<b>Core Global Feeder Fund</b>	A	The unit trust portfolio is suitable for investors seeking low cost offshore exposure to developed financial markets as part of their overall investment strategy, with maximum capital appreciation as their primary goal, and who do not wish to make complex asset allocation decisions between equities, cash and bonds in offshore markets. Investors should have a high tolerance for short-term market volatility in order to achieve long-term objectives. The portfolio may be subject to currency fluctuations due to its offshore exposure.	Medium Minimum 3 - 5 years	Annually	No	Global Multi Asset High Equity Trust Mean	BlackRock Investment Management (UK)	0.68%
<b>Global Flexible Feeder Fund</b>	A	The portfolio is suitable for investors seeking global exposure to developed financial markets as part of their overall investment strategy, with maximum capital appreciation as their primary goal and who do not wish to make complex asset allocation decisions between equities, cash and bonds in global markets. Investors should have a high tolerance for short-term market volatility in order to achieve long-term objectives.	Medium Minimum 3 - 5 years	Annually	No	Global Multi Asset Flexible UT Mean	First Pacific Advisors	1.34%
<b>Global Equity Feeder Fund</b>	B	This portfolio is suitable for investors seeking global exposure to a diversified and flexible portfolio (in respect of asset classes, regions and currencies) through a single entry point, which aims to be an alternative to offshore bank deposits, income and absolute portfolios. It will, therefore, be focused on controlling the level of downside risk to which investors are exposed.	High Minimum 5 - 7 years	Annually	No	Global Equity General UT Mean	Veritas Asset Management	1.34%
<b>Global Property Feeder Fund</b>	A	This portfolio is suitable for investors who require sector specific exposure to global real estate securities as part of their overall investment strategy. Investors should have a high tolerance for short-term market volatility in order to achieve long-term objectives.	High Minimum 5 - 7 years	Annually	No	Global Real Estate General Unit Trust Mean	Resolution Capital Limited	1.56%
<b>Fund of Fund portfolios</b>								
<b>XS Select Guarded Fund of Funds</b>	C1	Investors for whom a more defensive, risk-orientated investment policy is appropriate.	Low Minimum 3 years	Quarterly	Yes	CPI + 2-4% pa over rolling 3 year period	Nedgroup Investment Advisors	1.54%
<b>XS Select Diversified Fund of Funds</b>	C1	Investors for whom a balanced risk-orientated investment policy is appropriate.	Medium Minimum 3 - 5 years	Bi-annual	Yes	CPI + 4-6% over rolling 5 year periods	Nedgroup Investment Advisors	1.62%
<b>XS Select Equity Fund of Funds</b>	C1	Investors for whom a more aggressive risk-orientated investment policy is appropriate.	High Minimum 5 - 7 years	Annually	No	CPI + 6-7% pa over rolling 7 year period	Nedgroup Investment Advisors	2.01%

**Notes:**

1. If the total expenses are more than the income earned, the unit trust portfolio will not make a distribution.
2. Although not approved as a Regulation 28 compliant portfolio, the underlying assets of this unit trust portfolio are managed in line with Regulation 28 of the Pension Funds Act.
3. This Fund is not available when investing via the Tax-free Investment.
4. The investment manager refers to the Manager of the underlying Fund into which the Feeder Funds invest.

Total Expense Ratio (TER), expressed as a percentage of the Fund, relates to expenses incurred in the administration of the Fund. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TERs. Transaction Costs (TC), expressed as a percentage of the Fund, relate to the costs incurred in buying and selling the underlying assets of the Fund. TC are a necessary cost in administering the fund and impact fund returns. It should not be considered in isolation as returns may be impacted by other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The Total Investment Charges expressed as a percentage of the Fund, relates to all investment costs of the Fund.

Nedgroup Collective Investments (RF) Proprietary Limited is the company that is authorised in terms of the Collective Investment Schemes Control Act to administer the Nedgroup Investments unit trust portfolios. It is a member of the Association of Savings & Investment South Africa (ASISA). Unit trusts are generally medium to long term investments. The value of your investment may go down as well as up. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Certain unit trust funds may be subject to currency fluctuations due to its international exposure. Nedgroup Investments has the right to close unit trust funds to new investors in order to manage it more efficiently. A schedule of fees and charges and maximum commissions is available on request from Nedgroup Investments. The Nedgroup Investments Money Market Fund aims to maintain a constant price of 100 cents per unit. A money market fund is not a bank deposit. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument held. In most cases the return will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of a capital loss. Excessive withdrawals from the fund may place the fund under liquidity pressures and that in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. The yield is calculated using an annualised seven day rolling average as at the relevant dates provided for in the fund fact sheet. A fund of funds may only invest in other unit trust funds, that levy their own charges, which could result in a higher fee structure. A feeder fund may only invest in another single unit trust fund that levy their own charges, which could result in a higher fee structure.

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