



FG ASSET MANAGEMENT

# QUARTERLY REPORT

Quarter 1 | 2020

ARCHITECTS OF SENSIBLE INVESTMENT SOLUTIONS



# FG IP JUPITER INCOME FUND OF FUNDS

For periods until 31 March 2020

## Performance and quartile ranking in sector | Launch date 15 August 2005

	Year to date	6 months	1 year	3 years*	5 years*	Since inception
FG IP Jupiter Income FoF	-2.38%	-0.82%	3.25%	6.34%	6.92%	7.71%
STeFI Composite Index	1.69%	3.47%	7.21%	7.31%	7.22%	7.32%
SA Multi Asset Income Category Average	-1.41%	0.23%	4.28%	6.61%	6.84%	7.73%
			1 <sup>st</sup> Quartile	2 <sup>nd</sup> Quartile	3 <sup>rd</sup> Quartile	4 <sup>th</sup> Quartile

\*Data for longer than 12 months is annualised

\*Source Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

## Underlying funds

- Nedgroup Investments Flexible Income Fund
- Coronation Strategic Income Fund
- Prescient Income Provider Fund
- Amplify SCI Strategic Income Fund

## Performance statistics

	Fund	Benchmark
Highest 12-month performance	11.61%	11.77%
Lowest 12-month performance	3.25%	5.17%
% positive months	93.14%	100.00%

The FG IP Jupiter Income Fund of Funds returned -2.38% in the first quarter of 2020 and +3.25% over the past 12 months, underperforming the benchmark Alexander Forbes Short Term Fixed Income Index quarterly return of +1.69% and 12-month return of +7.21%. The Coronation Strategic Income Fund was the worst-performing underlying fund over the quarter, returning -3.48% due to its property allocation. The Amplify SCI Strategic Income Fund was added as an underlying fund over the quarter, replacing the position previously allocated to the SIM Active Income Fund.

## Asset allocation as at 29 February 2020

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG IP Jupiter Income FoF	0%	3%	35%	57%	6%



# FG IP VENUS CAUTIOUS FUND OF FUNDS

For periods until 31 March 2020

## Performance and quartile ranking in sector | Launch date 2 July 2007

	Year to date	6 months	1 year	3 years*	5 years*	Since inception
FG IP Venus Cautious FoF	-5.92%	-4.26%	-0.90%	3.68%	4.68%	7.99%
SA Multi Asset Low Equity Category Average	-7.23%	-5.85%	-3.15%	2.69%	3.55%	6.70%
			1 <sup>st</sup> Quartile	2 <sup>nd</sup> Quartile	3 <sup>rd</sup> Quartile	4 <sup>th</sup> Quartile

\*Data for longer than 12 months is annualised

\*Source Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

## Underlying funds

- 36ONE BCI Equity Fund
- ABSA Property Equity Fund
- Coronation Optimum Growth Fund
- Coronation Strategic Income Fund
- Ninety One Diversified Income Fund
- Ninety One Global Multi-Asset Income Feeder Fund
- Nedgroup Investments Opportunity Fund
- Prescient Income Provider Fund
- Saffron SCI Opportunity Income Fund
- Sesfikile SCI Property Fund
- Amplify SCI Strategic Income Fund
- Amplify SCI Defensive Balanced Fund
- Nedgroup Investments Entrepreneur Fund

## Performance statistics

	Fund	Benchmark
Highest 12-month performance	15.12%	16.56%
Lowest 12-month performance	-1.41%	-3.15%
% positive months	70.59%	70.59%

The FG IP Venus Cautious Fund of Funds returned -5.92% in the first quarter of 2020 and -0.90% over the past 12 months, outperforming the benchmark peer group average quarterly return of -7.23% and the 12-month return of -3.15%. The Ninety One Global Multi-Asset Income Feeder Fund was the best-performing underlying fund over the quarter, returning +17.41%. The Amplify SCI Strategic Income Fund was added as an underlying fund over the quarter, replacing the position previously allocated to the SIM Active Income Fund. The fund's total allocation to the Old Mutual Global Equity Fund was also redeemed.

## Asset allocation as at 29 February 2020

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG IP Venus Cautious FoF	13%	5%	18%	42%	22%



# FG IP SATURN FLEXIBLE FUND OF FUNDS

For periods until 31 March 2020

## Performance and quartile ranking in sector | Launch date 15 August 2005

	Year to date	6 months	1 year	3 years*	5 years*	Since inception
FG IP Saturn Flexible FoF	-10.70%	-8.31%	-6.46%	0.93%	2.60%	9.21%
SA Multi Asset Medium Equity Category Average	-10.51%	-8.73%	-6.94%	0.94%	1.96%	7.93%
			1 <sup>st</sup> Quartile	2 <sup>nd</sup> Quartile	3 <sup>rd</sup> Quartile	4 <sup>th</sup> Quartile

\*Data for longer than 12 months is annualised

\*Source Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

## Underlying funds

- 36ONE BCI Flexible Opportunity Fund
- Coronation Market Plus Fund
- Ninety One Opportunity Fund
- Nedgroup Investments Opportunity Fund
- Amplify SCI Defensive Balanced Fund
- PSG Flexible Fund
- Rezco Value Trend Fund
- SIM Inflation Plus Fund
- Truffle SCI Flexible Fund

## Performance statistics

	Fund	Benchmark
Highest 12-month performance	31.40%	26.41%
Lowest 12-month performance	-18.22%	-15.68%
% positive months	68.00%	65.71%

The FG IP Saturn Flexible Fund of Funds returned -10.70% in the first quarter of 2020 and -6.46% over the past 12 months, underperforming the benchmark peer group average quarterly return of -10.51% and outperforming the 12-month return of -6.94%. The PSG Flexible Fund was the worst-performing underlying fund over the quarter, returning -30.25%. No changes were made to the fund over the quarter.

## Asset allocation as at 29 February 2020

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG IP Saturn Flexible FoF	34%	2%	14%	25%	25%





# FG IP NEPTUNE GROWTH FUND OF FUNDS

For periods until 31 March 2020

## Performance and quartile ranking in sector | Launch date 1 September 2014

	Year to date	6 months	1 year	3 years*	5 years*	Since inception
FG IP Neptune Growth FoF	-15.17%	-12.37%	-11.21%	0.17%	1.88%	2.73%
SA Multi Asset High Equity Category Average	-13.49%	-11.33%	-10.44%	-0.68%	0.92%	2.00%
			1 <sup>st</sup> Quartile	2 <sup>nd</sup> Quartile	3 <sup>rd</sup> Quartile	4 <sup>th</sup> Quartile

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\*Source Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

## Underlying funds

- ABSA Property Equity Fund
- Catalyst Global Real Estate Prescient Feeder Fund
- Coronation Optimum Growth Fund
- Coronation Strategic Income Fund
- Fairtree Equity Prescient Fund
- Ninety One Equity Fund
- Laurium Flexible Prescient Fund
- Prudential Balanced Fund
- PSG Flexible Fund
- Rezco Value Trend Fund
- Truffle SCI Flexible Fund

## Performance statistics

	Fund	Benchmark
Highest 12-month performance	14.27%	12.31%
Lowest 12-month performance	-11.21%	-10.44%
% positive months	61.19%	59.70%

The FG IP Neptune Growth Fund of Funds returned -15.17% over the first quarter of 2020 and -11.21% over the past 12 months, underperforming the benchmark peer group average quarterly return of -13.49% and the 12-month return of -10.44%. The Fairtree Equity Prescient Fund was the biggest laggard on performance over the quarter, contributing -3.74% due to its resources exposure. The fund's total allocation to the Old mutual Global Equity Fund was redeemed over the quarter.

## Asset allocation as at 29 February 2020

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG IP Neptune Growth FoF	43%	3%	10%	16%	28%



# FG IP MERCURY EQUITY FUND OF FUNDS

For periods until 31 March 2020

## Performance and quartile ranking in sector | Launch date 15 August 2005

	Year to date	6 months	1 year	3 years*	5 years*	Since inception
FG IP Mercury Equity FoF	-21.53%	-18.36%	-19.82%	-5.16%	-2.79%	7.91%
FTSE/JSE Africa All Share (Total Return)	-21.38%	-17.74%	-18.42%	-2.07%	-0.13%	10.55%
SA Equity General Category Average	-23.01%	-19.61%	-21.38%	-5.93%	-3.30%	8.00%
			1 <sup>st</sup> Quartile	2 <sup>nd</sup> Quartile	3 <sup>rd</sup> Quartile	4 <sup>th</sup> Quartile

\*Data for longer than 12 months is annualised

\*Source Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

## Underlying funds

- 36ONE BCI Equity Fund
- Coronation Optimum Growth Fund
- Fairtree Equity Prescient Fund
- Gryphon All Share Tracker Fund
- Ninety One Equity Fund
- PSG Equity Fund
- Laurium Equity Prescient Fund
- Nedgroup Private Wealth Core Equity Fund
- Prudential Equity Fund
- Sesfikile BCI Property Fund
- Truffle SCI General Equity Fund

## Performance statistics

	Fund	Benchmark
Highest 12-month performance	41.30%	48.30%
Lowest 12-month performance	-31.68%	-37.60%
% positive months	61.14%	61.14%

The FG IP Mercury Equity Fund of Funds returned -21.53% in the first quarter of 2020 and -19.82% over the past 12 months, underperforming the -21.38% quarterly return and the -18.42% 12-month return of the benchmark FTSE/JSE All Share Total Return Index, while outperforming the benchmark peer group average quarterly return of -23.01% and the 12-month return of -21.38%. The PSG Equity Fund was the biggest laggard on performance over the quarter, contributing -3.09% due to its SA Inc exposure. The fund's total allocation to the Old Mutual Global Equity Fund as well as the Nedgroup Investments Entrepreneur Fund was redeemed over the quarter.

## Asset allocation as at 29 February 2020

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG IP Mercury Equity FoF	73%	4%	0%	7%	16%



# FG IP INTERNATIONAL FLEXIBLE FUND OF FUNDS

For periods until 31 March 2020

## Performance and quartile ranking in sector | Launch date 17 October 2007

	Year to date	6 months	1 year	3 years*	5 years*	Since inception
FG IP International Flexible FoF	2.18%	0.39%	5.42%	7.50%	7.48%	8.79%
Benchmark	4.74%	3.50%	10.27%	8.99%	8.00%	9.83%
Global - Multi Asset - Flexible Average	4.74%	3.50%	10.27%	8.99%	7.99%	8.95%
			1 <sup>st</sup> Quartile	2 <sup>nd</sup> Quartile	3 <sup>rd</sup> Quartile	4 <sup>th</sup> Quartile

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\*Source Morningstar, performance for A class shares

Annualised returns are period returns re-scaled to a period of 1 year

## Underlying funds

- FGAM Global Cautious Fund
- Ninety One Global Strategic Managed Fund
- FGAM Global Growth Fund
- Nedgroup Investments Global Flexible Fund

## Performance statistics

	Fund	Benchmark
Highest 12-month performance	40.26%	34.52%
Lowest 12-month performance	-16.99%	-15.05%
% positive months	56.38%	58.67%

The FG International Flexible Fund of Funds returned 2.18% in the first quarter of 2020 and 5.42% over the past 12 months, underperforming the benchmark peer group average quarterly return of 4.74% and the 12-month return of 10.27%. The FGAM Global Growth Fund was the worst-performing underlying fund over the quarter, returning -2.09% due to its high allocation to global equities. The fund's total allocation to the Merian World Equity Fund was redeemed over the quarter.

## Asset allocation as at 29 February 2020

	Global Equity	Global Fixed Income	Global Cash	Global Property	Local Cash
FG IP International Flexible FoF	64%	9%	17%	7%	3%

	USD	GBP	EUR	JPY	Other	ZAR
Currency Breakdown	57%	7%	14%	6%	13%	3%



# MARKET PERFORMANCE

Index	Asset Class	2Q 2019	3Q 2019	4Q 2019	1Q 2020	Last 12 months	Year to Date 2020*
STeFI Composite Index	Local Cash	1.80%	1.79%	1.74%	1.69%	7.21%	1.69%
BEASSA ALBI Total Return Index	Local Bonds	3.70%	0.74%	1.73%	-8.72%	-2.99%	-8.72%
FTSE/JSE SA Listed Property Index (Total Return)	Local Property	4.52%	-4.44%	0.58%	-48.15%	-47.91%	-48.15%
FTSE/JSE Africa All Share Index (Total Return)	Local shares	3.92%	-4.57%	4.63%	-21.38%	-18.42%	-21.38%
JP Morgan World Govt Bond Index (USD)	Global Bonds	3.49%	1.14%	-0.52%	3.10%	7.35%	3.10%
EPRA/NAREIT Global Index (USD)	Global Property	-0.90%	2.49%	2.63%	-29.10%	-26.09%	-29.10%
MSCI AC World Index (USD)	Global Shares	2.93%	-0.53%	8.56%	-21.74%	-13.02%	-21.74%
USD/ZAR (+ weaker ZAR, - stronger ZAR)	Exchange Rate	-2.50%	7.49%	-7.65%	27.45%	23.36%	27.45%

\*(Return until 31 March 2020)





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