

Fund information update at 31 July 2019

What is the fund's objective?

The objective of the STANLIB High Equity Balanced Passive Fund of Funds is to provide investors with a broad exposure to a mix of asset classes within a single fund, with a high equity allocation, at a low cost.

What does the fund invest in?

The fund invests in underlying collective investment scheme portfolios or cash portfolios to achieve its objective.

Each of the underlying portfolios tracks a benchmark index in the equity, bond, property or money markets in order for the overall portfolio to track its benchmark as closely as possible.

The portfolio is rebalanced semi-annually and therefore has minimal trading costs.

What possible risks are associated with this fund?

Risks include general market conditions and market volatility, company specific risk, interest rate risk, inflation risk, default risk, economic and political risk.

Risk rating

Conservative	Moderately conservative	Moderate	Moderately aggressive	Aggressive
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What is the suggested investment period for this fund?

Minimum period

1 Month	6 Months	1 Year	3 Years	5 Years	7 Years
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Who should consider investing in this fund?

- Investors who seek diversified exposure to different asset classes but with a high equity weighting;
- Investors who seek a low cost fund;
- Investors who seek a simple and transparent investment process that invests in liquid, listed securities;
- Investors who are willing to take a longer term view as this fund is aggressively risk profiled and investors should expect some volatility in the shorter term.

Income

Distribution Net income is calculated and accrued daily and is declared and distributed quarterly.

Declaration 31 March, 30 June, 30 September, 31 December

General fund information

Manager(s)	STANLIB Index Investments Team
Size (NAV)	R 196.71 million
Classification	South African - Multi Asset - High Equity
Benchmark	FTSE/JSE SWIX All Share Index 55% FTSE/JSE Capped Property Index 10% MSCI World Index 10% STeFI Call Deposit Rate Index 5% BESA All Bond Index 5% JSE ASSA Inflation Linked Bond Index (IGOV) 5% Barclays Global Treasury Bond Index 5% FTSE EPRA/NAREIT Global REIT Index 5%

Regulation 28 Complies

Regulation 28 of the Pension Funds Act sets the limits in terms of the maximum exposure the retirement fund and the individual retirement fund member's savings (i.e. your savings) may have to various asset classes. For more information please refer to the Regulation 28 Guidelines available on our website (www.stanlib.com). This Fund complies with this Regulation.

	Class A	Class B1
Launch	18 March 2016	18 March 2016
ISIN number	ZAE000216172	ZAE000216164
JSE code	SHFA	SHFB1
Minimum investment requirements -		
Lump sum	R 5,000	N/A
Monthly	R 500	N/A

What are the costs to invest in this fund?

Maximum charges including VAT

	Class A	Class B1
Initial fee (manager)	0.000%	0.000%
Initial fee (adviser)	0.000%	0.000%
Annual fee	0.460%	0.288%
Performance fee	N/A	N/A
Adviser fee	1.150%	1.150%

Annual fee – this is a service charge (% based) applicable to each class of a fund, that is levied on the value of your portfolio and includes the fund management fee and administration fee. The fee also includes other charges such as audit, custody and index provider fees that are normally additional permissible deductions. Annual fees are calculated and accrued daily and recovered monthly from the income awaiting distribution in the fund.

Adviser fee - this is the maximum annual service fee (% based) an adviser can charge on the value of your portfolio. It is calculated and accrued daily and recovered monthly by means of a redemption of your units. It is not included in the **Annual fee**.

Cost ratios (annual) including VAT as at 31 March 2019

	Class A	Class B1
Based on period from:	01/04/2016	01/04/2016
Total Expense	0.57%	0.39%
Transaction Costs	0.12%	0.12%
Total Investment Charge	0.69%	0.51%
1 Year Total Expense	0.52%	0.35%

Total Expense (TER): This ratio shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over the period shown and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

Transaction Costs (TC): This ratio shows the percentage of the value of the fund incurred as costs relating to the buying and selling of the fund's underlying assets. TC 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.

Total Investment Charges (TIC): This ratio is simply the sum of the TER and TC, showing the percentage of the value of the fund incurred as costs relating to the investment of the fund. It should be noted that performance figures account for all costs included in the TIC ratio, so you should not deduct the TIC from performance figures, the performance is already net of the TIC.

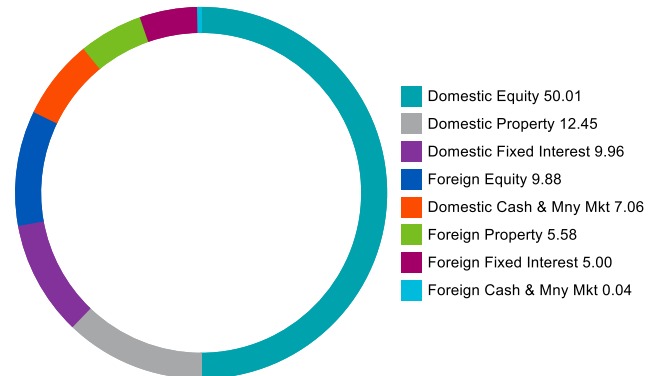
Monthly update at 31 July 2019

Holdings

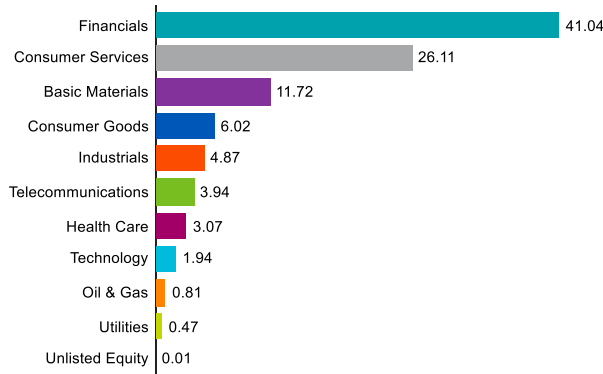
Holdings (%)

STANLIB Index Fund B2	55.71
STANLIB MSCI World Index Feeder Fund	10.32
STANLIB Capped Property Index Tracker Fund	9.14
STANLIB Global REIT Index Feeder Fund B2	5.36
STANLIB Global Government Bond Index Feeder B2	5.06
STANLIB ALBI Index Tracker Fund	5.03
STANLIB Inflation Linked Bond Index Tracker Fund	4.86
STANLIB Institutional Money Market Fund B4	4.26
Domestic Cash	0.26

Asset allocation (look through) (%)



Equity allocation (Industry) (look through) (%)



Top holdings (look through) (%)

Naspers Ltd	13.81
Standard Bank Group Ltd	2.12
Growthpoint Properties Ltd	2.06
MTN Group Ltd	1.87
Redefine Properties Ltd	1.85
FirstRand Ltd	1.81
NEPI Rockcastle PLC	1.72
United States Treasury Note/Bond 2.38% 15/08/2024	1.69
Anglo American Plc	1.68
Sasol Ltd	1.60

Performance and Income

Class A Launch: 18 March 2016

Class B1 Launch: 18 March 2016

Benchmark: FTSE/JSE SWIX (55%); FTSE/JSE Cap Prop (10%); MSCI World (10%); STeFI Call (5%); ALBI (5%); IGOV (5%); Barc Gbl TBd (5%); FTSE EPRA/NAREIT Gbl REIT (5%). These weightings are effective from 1 January 2019.

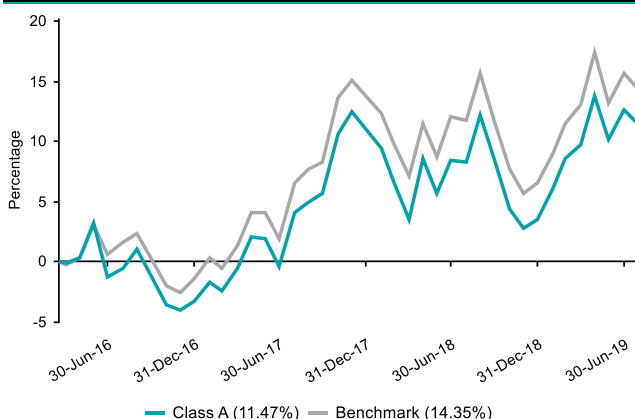
Returns (%)	YTD	1yr	2yrs	3yrs	Launch
Class A					
Class	7.74	2.94	3.49	3.86	3.28
Rank/Out of	28/192	73/186	64/172	57/153	75/144
Sector Average	6.09	2.29	3.08	3.44	3.33
Benchmark	6.95	2.09	3.49	3.92	3.98
Class B1					
Class	7.83	3.11	3.65	4.04	3.45

Returns (%) shown are cumulative for all periods shorter than or equal to 1 year and annualised for all periods greater than 1 year.

Statistics (%)	1yr	2yrs	3yrs	Launch
Class A				
Positive Months	7	13	19	22
Max Gain	10.75	10.75	18.53	22.60
Max Drawdown	-8.38	-8.61	-8.61	-10.12
Highest	6.92	17.11	17.11	17.11
Lowest	-8.61	-8.61	-8.61	-8.61
Class B1				
Highest	7.08	17.34	17.34	17.34
Lowest	-8.49	-8.49	-8.49	-8.49

Highest – this reflects the highest 12 month return during the period.
Lowest - this reflects the lowest 12 month return during the period.

Cumulative performance (%) from Launch



Amount declared (cents per unit)

	Class A	Class B1
28 September 2018	1.30	1.28
31 December 2018	0.30	0.38
29 March 2019	1.23	1.27
10 May 2019	0.29	0.31
28 June 2019	0.01	0.02
In last 12 months	3.13	3.26
In 2018	2.96	3.09

This is a Minimum Disclosure Document (MDD) and General Investor Report (GIR).

Quarterly update at 30 June 2019

Who are the investment managers?

STANLIB Asset Management (Pty) Ltd, FSP 719, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002, manage the investments of the fund.

The fund is run by the STANLIB Index Investments team which specialises in the manufacture of index and factor products for individual and institutional investors. Investors who seek a simple, transparent and low-cost investment solution can invest in index products that meet their financial goals.

Fund review

The fund's return was in line with its strategic benchmark over the second quarter of 2019. All allocations contributed positively towards the overall performance of the fund. The highest contributors to performance were derived from MSCI World (3.4%) and SWIX ALSI (2.86%).

Market overview

In the second quarter of 2019, equity markets continued to shrug off any negative sentiment arising from the second half of 2018. The majority of equity markets across the globe recorded strong positive returns in the first half of 2019, with the MSCI World Index recording 15.6%, MSCI Emerging Markets recording 9.2% and the South African equity market as represented by FTSE/JSE Shareholder Weighted Index recording 9%. Global growth continues at a slower pace with many of the major economies progressing to later stages of the business cycle. The less hawkish Fed and the pause in trade wars provided some relief for financial conditions but the era of easy money has shifted towards gradual tightening of monetary policy. Locally, Cyril Ramaphosa led the ANC to a win in the national elections promising tighter reforms and improved governance at struggling state owned entities. But, weak first quarter GDP dominated post-election headlines. Locally, domestic asset classes such as bonds (ALBI), property (PCAP) and cash (STeFi) recorded gains of 3.7%, 4.5% and 1.8% respectively.

Looking ahead

Against the backdrop of slowing global economic growth, pause in trade war and a less hawkish Fed, there is potential for some relief to the financial markets. But if trade uncertainty continues posing a significant drag on business and consumer confidence, we expect risk aversion will rise as the ability of developed markets and vulnerable emerging economies to weather the impact of trade wars remains uncertain. Additionally, emerging economies with sizeable dollar debts and fiscal deficits may struggle. After more than two years of steadily rising interest rates, 2019 could mark the peak for US treasury yields for the current business cycle, however the road ahead is likely to remain bumpy. Locally, uncertainty will remain high until the government provides evidence that SA's economic policy and reforms are heading in the right direction for future growth. We believe investors should focus on liquid markets segments with risk dialled down compared with market benchmarks.

The commentary gives the views of the portfolio manager at the time of writing. Any forecasts or commentary included in this document are not guaranteed to occur.

Change in allocation of the fund over the quarter

Asset type	Q2 2019	Q1 2019	Change
Domestic Cash & Mny Mkt	4.78	4.72	0.06
Domestic Equity	71.19	61.20	9.98
Domestic Fixed Interest	14.70	14.70	0.00
Domestic Property	9.33	9.49	-0.16
Foreign Equity	0.00	9.89	-9.89

The portfolio adhered to its portfolio objective over the quarter.

Fund classes

Class	Type	Price (cpu)	Units	NAV (Rand)
A	Retail	103.89	114,067,871.89	118,507,573.01
B1	Retail	103.91	77,037,362.37	80,048,087.27

All data as at 30 June 2019.

Units – amount of participatory interests (units) in issue in relevant class.

Important information update at 31 July 2019

Disclosures

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending.

The STANLIB High Equity Balanced Passive Fund of Funds is a portfolio of the STANLIB Collective Investment Scheme (the Scheme).

The manager of the Scheme is STANLIB Collective Investments (RF) (Pty) Limited (the Manager). The Manager is authorised in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. Liberty is a full member of the Association for Savings and Investments of South Africa (ASISA). The Manager is a member of the Liberty Group of Companies. The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. A schedule of fees and charges and maximum commissions is available on request from the Manager.

The trustee of the Scheme is Standard Chartered Bank.

The investments of this portfolio are managed, on behalf of the Manager, by STANLIB Asset Management (Pty) Ltd, an authorised financial services provider (FSP), FSP No. 719, under the Financial Advisory and Intermediary Services Act (FAIS), Act No. 37 of 2002.

Prices are calculated and published on each working day, these prices are available on the Manager's website (www.stanlib.com) and in South African printed news media. This portfolio is valued at 17h00 (prior to 28/02/18 15h00). Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 15h00.

This portfolio is permitted to invest in foreign securities. Should the portfolio include any foreign securities these could expose the portfolio to any of the following risks: 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.

This portfolio is a Fund of Funds portfolio. A Fund of Funds portfolio is a portfolio that invests in other portfolios of collective investment schemes, that levy their own charges, which could result in a higher fee structure for the Fund of Funds portfolio.

All performance returns and ranking figures quoted are shown in ZAR and are based on data sourced from Morningstar or Statpro and are as at 31 July 2019.

Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager.

Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Statistics - Positive Months: the number of individual 1 month periods during the specified time period where the return was not negative; Max Gain: the maximum gain in a trough-to-peak incline before a new trough is attained, quoted as the percentage between the trough and the peak. It is an indicator of upside risk over a specified time period (quoted for all periods of 1 year or longer); Max Drawdown: the maximum loss in a peak-to-trough decline before a new peak is attained, quoted as the percentage between the peak and the trough. It is an indicator of downside risk over a specified time period (quoted for all periods of 1 year or longer, where blank no loss was experienced); Highest and Lowest: the highest and the lowest 1 year return (%) that occurred during the specified time period (quoted for all relevant classes launched 1 year or more prior to current month end date).

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Manager and from the Manager's website (www.stanlib.com).

Contact details

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