

### Fund Objective

The fund is a multi-asset flexible fund, investing primarily in foreign markets. The objective of this portfolio is to achieve long term capital appreciation. There will be no limitations on the relative exposure of the portfolio to any asset class or geographical region, but the portfolio will typically have significant exposure to foreign equity and property securities.

### Fund Universe

Investments to be included in the portfolio will, apart from assets in liquid form, consist of securities and listed and unlisted financial instruments across the equity, fixed interest and property markets, including exchange traded funds and exchange traded notes as permitted by legislation from time to time. The portfolio will typically be 80% exposed to foreign equities, but the Portfolio Manager will have complete flexibility to vary the exposure to different asset classes as economic conditions vary.

### Manager Commentary

U.S markets maintained their momentum during the second quarter of 2019, ignoring any signs of economic weakness. Following the strongest quarter in more than a decade, the Dow Jones Industrial Average (+2.6%), S&P 500 (+3.8%) and Nasdaq (+3.6%) once again moved higher, reaching new all-time highs. The Eurostoxx 50 managed to reach its highest level since January 2018. Asian markets are still off 2018 highs but have managed to achieve double digit returns thus far in 2019. While strong first quarter corporate earnings supported the move in equity markets, it does not tell the entire story. Equity and bond markets are pricing in a rate cut (or three) by the Federal reserve as well as a long-awaited positive outcome from trade talks between the U.S and China. Over in the UK, Theresa May decided to step aside and the current front runner to take her place is in the unlikely form of Boris Johnson. The local South African economic environment remains weak as the global economic drivers remain challenging. As expected, the ANC recorded a majority win, which hopefully provides President Ramaphosa with a platform to finally kickstart the economy. The state of the nation address (SONA) of the 6th parliament was delivered by President Cyril Ramaphosa on 20 June 2019 focussed on the need for growth and employment.

Volatility returned to markets in the second quarter of 2019 as concerns about trade war threats flared up again. In May, U.S President Trump announced that tariffs on \$200 billion of Chinese goods would increase from 10% to 25% as a result of what he deemed to be slow progress in trade talks. This caught financial markets off guard as the Trump administration had repeatedly claimed in the weeks prior to this that trade talks with Beijing were going well. President Trump did not stop there, he said he would also impose 5% tariffs on Mexican imports and EU goods to the value of \$21bn. Protests by tens of thousands in Hong Kong weighed on the performance towards the end of the quarter, with the Shanghai Composite Index and Hang Seng Index declining 3.6% and 1.8%, respectively. The reason for the protests is to ultimately keep Hong Kong culturally and politically distinct from China. Euro-zone consumer confidence declined from -6.5 in May to -7.2 in June, retail sales remain negative and inflation remains depressingly low at 1.2%, prompting calls for further rate cuts by the ECB.

Globally, corporate earnings continue to exceed market expectations. 76% of S&P 500 companies exceeded EPS estimates which is well above the five-year average of 72%. The S&P 500 reported a decline of -0.4% in earnings for the first quarter. It was the first quarterly decline since Q2'16, but this was still better than the 4.0% decline the market was expecting. Looking ahead, the market expects 2.6% earnings decline for the S&P 500 for the second quarter. 88 of the S&P 500 companies have already issued negative EPS guidance. The 12-month forward PE ratio of the S&P 500 is 19.6. This is above the 5-year average of 16.5x as well as the 10-year average of 14.8x.

Looking ahead, focus will now shift to the central banks around the world. With the U.S Federal Reserve moving into the spotlight, the question now is if it will start cutting rates at its July 30-31 meeting - something the markets might already be pricing in. The European Central Bank (ECB) might still have to re-launch Quantitative Easing if economic activity does not pick up. For now, they will focus on Targeted Longer-term Refinancing Operations (TLTRO's). TLTRO's provide cheap, longer term financing for banks and incentivises them to increase lending to help stimulate growth.

### Fund Information

|                               |   |
|-------------------------------|---|
| Portfolio Manager:            | Thyme Wealth (Pty) Ltd  |
| Inception Date of Fund:       | 01-Mar-2018   |
| Inception Date of Class:      | 01-Mar-2018   |
| Benchmark:                    | 95% MSCI and 5% Cash  |
| Classification:               | Global – Multi Asset – Flexible   |
| Regulation 28 compliant:      | No  |
| Income distribution:          | Semi-Annual   |
| Date of income distributions: | 31 March, 30 September  |
| Date of income payment:       | 2nd day of the following month or the next business day if the 2nd does not fall on a business day. |
| Min. lump sum investment:     | R10,000   |
| Min. monthly investment:      | R1,000  |
| Risk profile:                 | High  |
| JSE code:                     | TWGHA   |
| ISIN Number:                  | ZAE000251880  |

### Portfolio Income in Cents Per Unit (cpu)

| Income Distribution | 31 March 2019 | 30 Sept 2018 |
|---------------------|---------------|--------------|
| Class A             | 0.0000        | 0.0000       |

### Fund Net Asset Value (NAV) and Units in Issue

|                           |                |
|---------------------------|----------------|
| Fund NAV                  | R 50 947 343   |
|                           | <b>Class A</b> |
| Units in Issue            | 4 809 962      |
| Class NAV                 | R 50 947 343   |
| NAV Price as at Month End | 1059.2         |

### Total Expense Ratio (TER) and Transaction Costs (TC): Apr 2016 — Mar 2019 ( 3 Yrs Rolling %)

The TER and Transaction Costs cannot be determined accurately because of the short life span of the financial product. Calculations are based on actual data where possible and best estimates where actual data is not available.

TER: 5.19%      TC: 0.26%      TIC: 5.45%

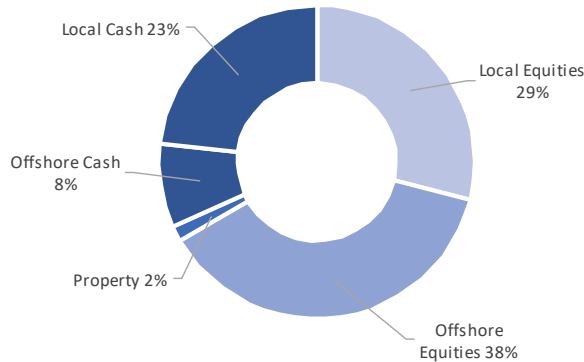
### Fee Structure

|                                | Class A |
|--------------------------------|---------|
| Annual Service fee (excl. VAT) | 1.25%   |
| Performance Fee                | n/a     |

Initial Advice Fee and Ongoing Advisor Fee is negotiable between the Investor and Appointed Financial advisor. This is not part of the normal annual service fee charged by the fund.

**Asset Allocation as at 30 June 2019**

**Top Holdings as at 30 June 2019**



Data Source : INET/IRESS

- NASPERS LTD
- BHP GROUP PLC
- COMPAGNIE FINANCIERE RICHEMONT SA
- FIRSTRAND LTD
- ANGLO AMERICAN PLC
- APPLE INC
- GOLD FIELDS LTD
- PSG GROUP LTD
- MICROSOFT CORP
- MTN GROUP LTD

**\*Performance—Net of Fees**

\* Returns History above one year are annualised

| Cumulative (%) | 1 Month | 3 Months | 6 Months | YTD    | 1 Year | 2 Years | 3 Years | 5 Years | Since Inception |
|----------------|---------|----------|----------|--------|--------|---------|---------|---------|-----------------|
| Fund           | 1.54%   | 0.15%    | 3.60%    | 3.60%  | 5.52%  | n/a     | n/a     | n/a     | n/a             |
| Benchmark      | 3.10%   | 1.19%    | 13.72%   | 13.72% | 9.33%  | n/a     | n/a     | n/a     | n/a             |

| Annualised (%) | 1 Month | 3 Months | 6 Months | YTD | 1 Year | 2 Years | 3 Years | 5 Years | Since Inception |
|----------------|---------|----------|----------|-----|--------|---------|---------|---------|-----------------|
| Fund           | n/a     | n/a      | n/a      | n/a | 5.52%  | n/a     | n/a     | n/a     | n/a             |
| Benchmark      | n/a     | n/a      | n/a      | n/a | 9.33%  | n/a     | n/a     | n/a     | n/a             |

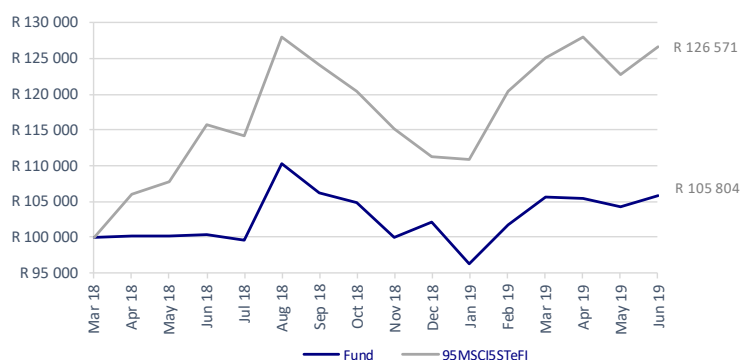
| Monthly Performance | Year | Jan    | Feb   | Mar   | Apr    | May    | Jun   | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | YTD    |
|---------------------|------|--------|-------|-------|--------|--------|-------|--------|--------|--------|--------|--------|--------|--------|
| Fund                | 2019 | -5.67% | 5.61% | 3.84% | -0.21% | -1.17% | 1.54% |        |        |        |        |        |        | 3.60%  |
| Benchmark           | 2019 | -0.43% | 8.65% | 3.88% | 2.40%  | -4.15% | 3.10% |        |        |        |        |        |        | 13.72% |
| Fund                | 2018 | n/a    | n/a   | n/a   | 0.26%  | -0.04% | 0.05% | -0.61% | 10.65% | -3.62% | -1.32% | -4.66% | 2.14%  | 2.13%  |
| Benchmark           | 2018 | n/a    | n/a   | n/a   | 6.10%  | 1.64%  | 7.35% | -1.44% | 12.16% | -3.04% | -2.96% | -4.41% | -3.31% | 11.30% |

**Risk Statistics**

| Risk Metrics          | Fund    | Benchmark |
|-----------------------|---------|-----------|
| Volatility *          | 13.69%  | 17.24%    |
| Tracking Error *      | 11.62%  |           |
| Information Ratio     | -1.79   |           |
| Correlation           | 0.76    |           |
| Beta                  | 1.00    |           |
| Sharpe Ratio *        | -0.12   |           |
| Highest Annual Return | n/a     |           |
| Lowest Annual Return  | n/a     |           |
| Alpha *               | -14.01% |           |

\* Annualised

**Growth of a R 100 000 Invested since Inception**



Volatility is a statistical measure of the dispersion of returns for a given security or market index.

Tracking error is a measure of the risk in an investment portfolio that is due to active management decisions made by the portfolio manager; it indicates how closely a portfolio follows the index to which it is benchmarked.

Information ratio, is a measure of the risk-adjusted return of a portfolio. In this case, it measures the active return of the manager's portfolio divided by the amount of risk that the manager takes relative to the benchmark.

Sharpe Ratio is a measure for calculating risk-adjusted return. It is the average return earned in excess of the risk-free rate per unit of total risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

Alpha is a measure of the active return on an investment. It represents the excess returns of a fund relative to the return of a suitable benchmark.

### Contact Information

|                     |  |
|---------------------|--|
| Investment manager  | Thyme Wealth (Pty) Ltd   |
| FSP                 | 46127  |
| Address             | Sands of Thyme, 6 Blackpool Road, Bryanston, 2021                            |
| Contact number      | (011) 463-0581   |
| Email address       | Julian@thyme-wealth.com  |
| Website             | <a href="http://www.ipmc.co.za">www.ipmc.co.za</a>                           |
| Custodian / Trustee | The Standard Bank of South Africa Limited                                    |
| Management Company  | IP Management Company (RF) (Pty) Ltd   |
| Address             | 1st Floor Mariendahl House,<br>Newlands on Main, Newlands,<br>Cape Town 7700 |
| Contact number      | (021) 673-1340   |
| Email address       | clientservices@ipmc.co.za  |

### Disclaimer and Disclosures

Collective Investment Schemes are generally medium to long term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the manager. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager retains full legal responsibility for the fund, regardless of Co-Naming arrangements. Transaction cut off time is 14:30 daily. Each portfolio may be closed for new investments. Valuation time is 15:00 (17h00 at quarter end). Prices are published daily and available newspapers countrywide, as well as on request from the Manager. IP Management Company (RF) Pty Ltd is the authorised Manager of the Scheme – contact 021 673 1340 or [clientservices@ipmc.co.za](mailto:clientservices@ipmc.co.za). Standard Bank is the trustee / custodian – contact [compliance-IP@standardbank.co.za](mailto:compliance-IP@standardbank.co.za). Additional information including application forms, the annual report of the Manager and detailed holdings of the portfolio as at the last quarter end are available, free of charge, from [clientservices@ipmc.co.za](mailto:clientservices@ipmc.co.za). IP Management Company is a member of ASISA. A statement of changes in the composition of the portfolio during the reporting period is available on request. The performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax.

The portfolio may include foreign investments and the following additional risks may apply: liquidity constraints when selling foreign investments and risk of non-settlement of trades; macroeconomic and political risks associated with the country in which the investment is made; risk of loss on foreign exchange transactions and investment valuation due to fluctuating exchange rates; risk of foreign tax being applicable; potential limitations on availability of market information which could affect the valuation and liquidity of an investment. All of these risks could affect the valuation of an investment in the fund.

The total expense ratio (TER) was incurred as expenses relating to the administration of the financial product. Transaction costs (TC) relate to the buying and selling of the assets underlying the financial product. Total Investment Charge (TIC) is the value of the financial product incurred as costs relating to the investment of the financial product. 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 TER's. Transaction Costs are a necessary cost in administering the financial product and impacts the financial product returns. It should not be considered in isolation as returns may be impacted by many other factors over time such as market returns, the type of financial product, the investment decisions of the investment manager and the TER.

Annualised returns is the weighted average compound growth rate over the performance period measured. Fund returns shown are based on NAV-NAV unit pricings calculated from INET / IRESS for a lump-sum returns is the weighted average compound growth rate over the performance period measured. Fund returns shown are based on NAV-NAV unit pricings calculated from INET / IRESS for a lump-sum investment with income distribution reinvested (after fees and cost). Performance numbers and graphs are sourced from Global Investment Reporting (Pty) Ltd.

#### The Effective Annual Cost (EAC)

The EAC is a standard industry measure which has been introduced to allow you to compare the charges you incur and their impact on the investment returns over specific periods. You can contact [clientservices@ipmc.co.za](mailto:clientservices@ipmc.co.za) or call us on (021) 673-1340 for an Effective Annual Cost disclosure statement. Please visit <http://www.ipmc.co.za/effective-annual-cost> to address the EAC illustrator.