

# Investec World Axis: Flexible Fund

Class A

## OFFSHORE MULTI-ASSET FUND OF FUNDS

### FUND OVERVIEW

#### Number of participatory interests

2,784,855.1835

#### Net asset value per participatory interest

US\$174.9169

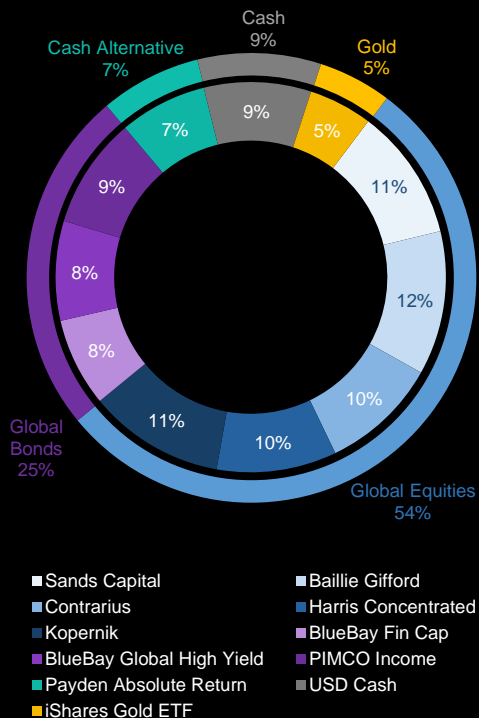
#### Total investment charge (TIC) Incl. VAT

Annual Management Fee	1.25%
Other	0.64% (PY: 0.67%)
Total Expense Ratio	1.89% (PY: 1.92%)
Transaction Costs	0.08% (PY: 0.08%)
<b>Total Investment Charge</b>	<b>1.97% (PY: 2.00%)</b>

Initial Fee:	None
Performance Fee:	None

Issue Date: 22 July 2020

#### Manager Allocation (%)\*



\*may not sum to 100 due to rounding.

Source: Investec Wealth & Investment and Morningstar

## QUARTERLY GENERAL INVESTOR REPORT

30 June 2020

### Adherence with policy objective

The Investec World Axis Flexible Fund adhered to its investment objective by diversifying across various asset classes, including global equities, bonds and cash. In addition, the Flexible Fund has managed to outperform its benchmark over the past five years. *The fund is FSCA approved.*

### Investment objectives

The Investec Flexible Fund ("the Fund") provides exposure to global equities, bonds, property, cash and - at times - alternative investments. Investments are made in a selection of some of the world's finest investment managers and performance is measured against similar types of global funds.

### Changes made to the composition of the portfolio during the reporting period:

	30 Jun 20	31 Mar 20	Change
Global equities	53.7%	62.8%	-9.1%
Global bonds	24.8%	17.5%	7.3%
Cash alternative	7.3%	5.7%	1.6%
USD Cash	9.0%	8.9%	0.1%
Gold	5.3%	5.1%	0.2%
<b>Total*</b>	<b>100%</b>	<b>100%</b>	

\*May not add up to 100% due to rounding

Source: Investec Wealth & Investment and Morningstar

### Performance (Class A, USD, net of fees)

	Investec Flexible Fund	Peer Group Benchmark†	Internal Reference Benchmark^
<b>Trailing Returns</b>			
1 year	0.2%	-0.7%	-0.7%
3 years*	3.1%	1.6%	1.6%
5 years*	3.6%	1.3%	2.6%
Since inception*	5.4%	2.4%	4.4%
Calendar High	20.5%	8.4%	13.9%
Calendar Low	-8.2%	-8.0%	-8.0%
<b>Calendar returns</b>			
2019	13.9%	13.5%	13.5%
2018	-8.2%	-8.0%	-8.0%
2017	17.6%	11.9%	11.9%
2016	5.0%	1.7%	3.8%
2015	0.1%	-4.8%	-1.0%
2014	1.1%	0.3%	3.2%
2013	20.5%	8.4%	13.9%
2012	12.3%	8.4%	9.9%
2011	-7.2%	-5.8%	-1.0%
2010	9.9%	6.9%	9.4%
2009 (Nov – Dec)	0.4%	0.8%	-1.3%

† Peer Group Benchmark: from 1 October 2014 was the Morningstar Flexible Allocation Average (USD), prior Lipper Global Managed

^ Internal Reference Benchmark: from 1 April 2016 Morningstar Flexible Allocation Average (USD), prior 60% MSCI World + 30% JP Morgan Govt Bond Index +10% USD 1-month Libor

\* Annualised

Source: Investec Wealth & Investment and Morningstar

**Glossary Summary**

Annualised return: Annualised return is the average return per year over the period.

The Effective Annual Cost (EAC): Is a measure which has been introduced to allow you to compare the charges you incur and their impact on investment returns when you invest in different financial products. It is expressed as an annualised percentage. The effect of some of the charges may vary, depending on your investment period. The EAC calculation assumes that an investor terminates his or her investment in the financial product at the end of the relevant periods shown in the table.

Method of calculation: Unit prices are calculated on a net asset value basis by determining the total market value of all assets in the Investec World Axis portfolio, including any income accruals, less any permissible deductions. The following costs may be deducted from the portfolio: brokerage fees, security services tax, auditor's fees, bank charges, trustee and custodian fees and the annual management fees of the manager.

MDD: Minimum Disclosure Document

The Net Asset Value (NAV): represents the value of the assets of a fund less its liabilities.

Total Expense Ratio (TER): Includes the annual management fee, performance fee and administrative costs but excludes portfolio transaction costs (except in the case of an entry or exit charge paid by a fund when buying or selling units in another fund) expressed as a percentage of the average daily value of the Fund calculated over a rolling three years (or since inception where applicable) and annualised to the most recently completed quarter. Underlying manager performance fees calculated based on that managers fee schedule, please see the underlying managers MDD or KIID for more information regarding their performance fee.

Transaction cost (TC): Transaction costs are a necessary cost in administering the Fund and impacts 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 financial product, the investment decisions of the investment manager and the TER calculations are based on actual data where possible and best estimates where actual data is not available.

Total investment charge (TIC): This is the sum of the TER and TC.

YTD: Year to date.

**Specific Fund Risks**

Concentration risk: Investments may be primarily concentrated in specific areas (e.g. countries/geographical regions and/or industry sectors), in terms of investment style (e.g. income or growth), in individual holdings and/or in a number of other ways. This may mean the value of the Fund may decrease whilst more broadly invested funds might grow.

Country and political risk: Investments or underlying components of your Investments may be affected by their link or relationship to specific countries which could be exposed to political or economic events affecting companies, interest rates or currencies.

Currency exchange risk: Changes in the relative values of different currencies may adversely affect the value of the Fund's investments and any related income.

Default risk: There is a risk that the issuers of fixed income investments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The worse the credit quality of the issuer, the greater the risk of default and therefore investment loss.

Developing market risk: Some of the countries in which the Fund invests may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.

Equity investment risk: The value of equities and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.

Interest rate risk: The value of fixed income investments (e.g. bonds) tends to decrease when interest rates and/or inflation rises.

Liquidity risk: The risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit).

Macroeconomic risk: Refers to the risk that conditions such as exchange rates, growth rate, gross domestic product, inflation, price levels, national income, changes in employment, government regulation or political stability, will affect an investment usually in a foreign country.

Multi-asset investment risk: The Fund is subject to possible financial losses in multiple markets and may underperform more focused funds.

Return on capital: Neither capital preservation nor returns are guaranteed.

Settlement risk: The risk that a counterparty does not deliver a security or its value in cash as per agreement when the security was traded after the other counter-party or counterparties have already delivered security or cash value as per the trade agreement.

Taxation risk: The tax treatment of any Investment is determined by the specific circumstance of each client. Taxation may change during the lifetime of an Investment. This may result in unanticipated tax liabilities. You should obtain tax advice in order to be aware of the potential liability before making an Investment.

If your circumstances change or you are uncertain of how an Investment might affect your own tax position you should seek professional advice.

Third-party operational risk: The Fund's operations depend on third parties. Investors in the Fund may suffer disruption or financial loss in the event of third-party operational failure.

Repatriation of funds risk: The risk the client faces when funds are returned to the country of origin and thus subject to foreign exchange risk.

Please note that the information provided here by Investec Wealth & Investment is subject to the limitation of market information.

**Important information that should be considered prior to investing**

Collective investment schemes ("CISs") are generally medium to long term investments and the manager gives no guarantee with respect to the capital or the return of the Fund. Collective investment schemes trade at ruling prices and can engage in borrowing of up to 10% of fund net asset value to bridge insufficient liquidity and scrip lending. Performance shown is that of the fund and individual investor performance may differ as a result of initial fees, actual investment date, date of any subsequent reinvestment and any dividend withholding tax. Past performance is not necessarily a guide to future performance. World Axis funds invest in portfolios of foreign CISs. As these levy their own charges, it could result in a higher fee structure for these portfolios. The manager has a right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. Investments in general and foreign investments in particular involve numerous risks, the specified risks are not intended to be an exhaustive list of the risks of investing in the fund. No security, financial instrument or derivative is suitable for all investors. In some cases securities and other financial instruments may be difficult to value or sell. The price or value of such securities and instruments may rise or fall and in some cases investors may lose their entire principal investment. Returns and benefits are dependent on the performance of underlying assets and other variable market factors and are not guaranteed. Levels and basis for taxation may change. Exchange rate fluctuations may have an adverse effect on the value of certain investments. The information contained herein is for information purposes only and readers should not rely on such information as advice in relation to a specific issue without taking financial, banking, investment or other professional advice. W&I and/or its employees may hold a position in any securities or financial instruments mentioned herein. The information contained in this document does not constitute an offer or solicitation of investment, financial or banking services by W&I.

Additional information on the fund, including information on the EAC can be obtained, free of charge, at <https://www.investec.co.za/products-and-services/investing/unit-trusts.html?ad>. Fund valuations take place weekly. Purchase and redemption instructions must be received by the Administrator prior to the weekly cut-off time as indicated in the 'Fund Overview' section of this document.

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