# STERLING INVEST BALANCED INCOME FUND

31 March 2022

## OBJECTIVE

This portfolio is designed for Post-Retirement clients or clients who are not restricted to retirement fund regulations, and who require a moderate to high level of real capital growth over time, while drawing an annual Income. The portfolio is designed to have relatively low drawdowns to protect the capital base. A maximum of 5% p.a income drawings is recommended. Specific attention is given to risk management, diversification and income generation as a meaningful source of return.

## INVESTMENT GUIDELINES

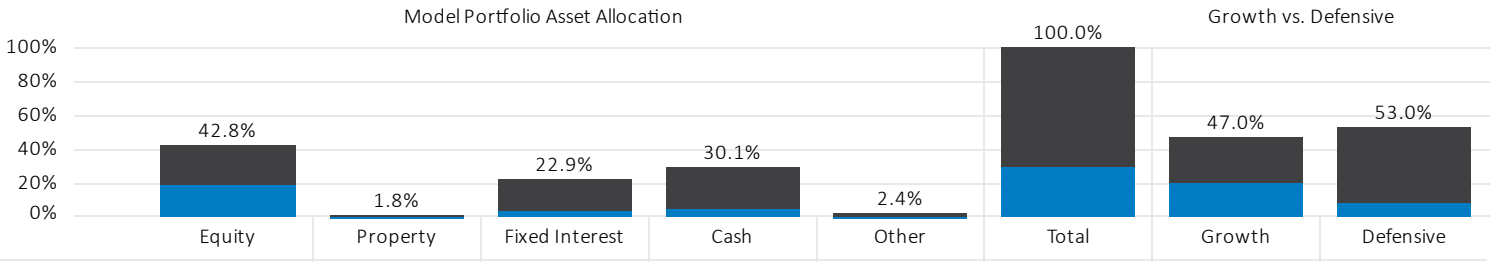
| | |
|---|---|
| Reg 28 | No |
| Expected Max Equity | 70.00% |
| Expected Max Offshore | 40.00% |
| Real Return Target | CPI+5% |
| Income | Moderate |
| Drawdown | Moderate |
| Investment Horizon | 5yrs+ |

## RISK PROFILE

LOW | LOW-MED | **MEDIUM** | MED-HIGH | HIGH

## MODEL ASSET ALLOCATION

28 February 2022







| | Equity | Property | Fixed Interest | Cash | Other | Total | Growth | Defensive |
|---|---|---|---|---|---|---|---|---|
| Local | 24.0% | 1.1% | 19.2% | 24.6% | 1.4% | 70.2% | 26.4% | 43.8% |
| Offshore | 18.9% | 0.7% | 3.7% | 5.5% | 1.0% | 29.8% | 20.6% | 9.2% |
| Total | 42.8% | 1.8% | 22.9% | 30.1% | 2.4% | 100.0% | 47.0% | 53.0% |

## FUND RETURNS

Returns are net of fund fees. Returns greater than 1 year are annualised.
Individual client returns may differ from model portfolio returns.

| Fund Returns | Model % | Rating | 3m | 6m | YTD | 1yr | 3yr | 5yr | 10yr | SI * | Vol 5y | Draw ** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Allan Gray Balanced Fund | **18.0%** | Tier 1 | 1.5% | 6.7% | 1.5% | 12.0% | 8.5% | 7.2% | 9.9% | 11.3% | 10.9% | -16.4% |
| Nedgroup Inv Core Diversified Fund | **17.0%** | Tier 1 | -0.6% | 6.9% | -0.6% | 13.7% | 10.9% | 8.6% | 10.5% | 12.3% | 10.6% | |
| REZCO Value Trend Fund | **16.0%** | Tier 1 | -0.6% | -0.4% | -0.6% | -4.3% | 4.7% | 4.6% | 8.5% | -5.0% | 7.9% | -10.2% |
| Ninety One Opportunity Fund | **15.0%** | Tier 1 | -5.9% | 2.3% | -5.9% | 8.3% | 8.3% | 7.6% | 9.6% | 5.5% | 8.4% | -18.3% |
| Nedgroup Inv Global Flexible Feeder Fund (FPA) | **10.5%** | Tier 2 | -10.9% | -5.0% | -10.9% | 0.3% | 9.6% | 9.0% | 13.8% | -1.4% | 14.0% | -28.0% |
| Sterling Invest Alpha Worldwide Prescient Fund | **5.0%** | | -1.0% | -0.9% | -1.0% | | | | | | | |
| Allan Gray Bond Fund | **12.0%** | Tier 2 | 1.5% | 4.7% | 1.5% | 11.3% | 7.9% | 9.0% | 8.4% | 9.1% | 6.9% | -9.3% |
| Prescient Income Provider Fund | **6.5%** | Tier 1 | 1.0% | 3.4% | 1.0% | 7.3% | 6.6% | 7.3% | 8.5% | 6.3% | 2.0% | -2.8% |
| **Sterling Invest Balanced Income Fund** | | | **-1.6%** | **3.7%** | **-1.6%** | | | | | **6.7%** | | |
| **SA Balanced Income Sector** | | | **-1.6%** | **4.5%** | **-1.6%** | **9.4%** | **8.7%** | **7.3%** | **8.8%** | **8.0%** | **7.5%** | **-11.3%** |
| **SA CPI+5%** | | | **2.6%** | **4.8%** | **2.6%** | **10.7%** | **9.4%** | **9.2%** | **10.0%** | **9.5%** | | |

Sterling Invest Balanced Income Fund inception date: 28 April 2021 | * Since inception is calculated from the month following inception date
Returns shown may represent a fee class different to the actual return received by the investor.

*Sources: FE Analytics and Fund Manager*
*** Drawdown is a 14 year calculation (if available)*

## MODEL FEES

| | |
|---|---|
| Base Fee (ex vat): | 0.75% |
| Performance Fee and other costs (ex vat): | 0.04% |
| Vat: | 0.10% |
| Model TER: | 0.89% |
| Transaction costs: | 0.09% |
| **Model TIC:** | **0.98%** |
| **Discretionary Management Fee (ex vat):** | **0.35%** |

These are estimated weighted average fees, based on clean fees at benchmark. Therefore, fees reflected may differ from the end investor's fee due to platform variations on fee classes and rebates.

TERs for the underlying funds are calculated on the average annualised costs incurred over the last 3 years, as per ASISA reporting standards, and are therefore not necessarily reflective of the current costs to investors.


**Sterling Invest**

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