# JM BUSHA Absolute AllClass Fund Fact Sheet



#### About JM BUSHA Investment Group

JM BUSHA Investment Group (Pty) Limited is a unique, independent, specialist quantitative investment management; investment banking and advisory services company with subsidiary companies in Lesotho, Namibia, Swaziland, South Africa and Zambia.

The Group manages both institutional and retail private clients' funds. With total funds under management approximately equal to **ZAR4.898 billion**, JM BUSHA has a traceable track record in managing funds – since 2001.

## About the Product: JM BUSHA Absolute AllClass Fund

This is a moderate risk balanced portfolio that seeks real return over three-year rolling periods. The portfolios in this fund are managed on a segregated basis.

#### **Product Description**

The JM BUSHA Absolute AllClass Fund is an actively managed fund, which invests in a mix of all asset classes structured to match the returns-risk profile of the benchmark. The fund's risk tolerance is between bonds and aggressive balanced portfolios.

## **Investment Securities**

The fund invests in equities, vanilla and inflation bonds, commercial paper, promissory notes, Bankers Acceptance, Treasury Bills, FRNs, FRAs and swaps and other derivatives instruments.

## **Investment Strategy**

The fund's benchmark is SA core inflation plus 5% pa. Asset allocation is the main driver of returns. The strategy is to return cash as minimum. Equity exposure introduces short-term volatility, which reduces over longer periods. Tactical asset allocation and risky assets seek to produces alpha in the long term.

#### **Historical Performance**

Table below shows historical returns for the periods indicated, which are not guaranteed in the future.

Period ending 30 Jun 2018 (annualised above 1 year)

JM BUSHA <u>Absolute</u> -0,96% -0,96% 10,60% 5,16% 8,24%	CPI+5% 5,41% 9,59% 10,57% 10,68%	Alpha -6,37% -6,37% 1,02% -5,42%
-0,96% -0,96% 10,60% 5,16%	5,41% 9,59% 10,57%	-6,37% 1,02% -5,42%
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5,16%	10,57%	-5,42%
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8.24%	10 600/	0 4 5 0 /
0,=170	10,00%	-2,45%
10,10%	10,73%	-0,63%
9,54%	10,92%	-1,38%
11,38%	10,94%	0,44%
6,69%	1,45%	6,81%
	11,38%	11,38% 10,94%

# **Product Salient Features**

- Fund Benchmark
- Target Returns
- Liquidity (T+7)
- Start Date

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- Minimum Investment
  - Fund Size :ZAR199.778 million
- Classification

SA Domestic Bonds

:Inflation (CPI)

:CPI +5% pa

:31 July 2003

:ZAR10 million

:Segregated

:100.00%

# **Investment Objectives**

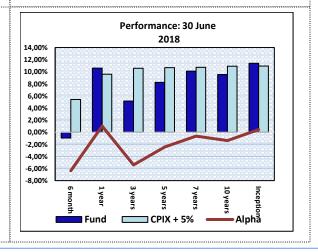
To produce a positive real return of 5% pa.

#### **Commentary & Notes**

The fund's positive monthly return on equities was largely reversed by the bond's negative returns and with cash not doing much to support positive returns due to our underweight position. A possible increase in inflation and interest rates will make cash returns more desirable.

Overall Asset Allocation								
Asset Class	Cash	Bonds	Equities	Derivatives				
Weight	16,76%	43,18%	40,06%	0,00%				

Top 1	0 Asset Hol	dings			
No	Shares	Weight	No	Share	We
1	TN27	9,06%	6	EL30	5,1
2	EL28	7,06%	7	DV22	4,2
3	TN25	6,85%	8	AGL	2,7
4	FRS81	5,68%	9	IPL	2,0
5	EL29	5,17%	10	CFR	1,7



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