



MULTI-MANAGERS

PPS DEFENSIVE FUND

managed in
partnership with

sasfin
beyond a bank

About the PPS Defensive Fund

The PPS Defensive Fund targets investors looking for a low volatility, diversified multi asset portfolio, managed within Regulation 28. The primary objective of the fund is to outperform the ASISA SA Multi Asset Low Equity category average and will aim for low short-term volatility with long-term capital growth. The investment horizon for this fund is greater than three years.

A long-term strategic asset allocation is used as the foundation to achieve the investment objectives of the fund. The strategic asset allocation is adhered to quite closely with tactical tilts being applied from time to time.

The investment process relies on asset class diversification as an initial step to risk mitigation.

Within each asset class, lower risk securities are preferred. Within equities, there is a focus on quality, low volatility value type shares. Within fixed interest there is a clear focus on credit quality and lower duration instruments.

About the PPS Defensive Fund partnership manager

Sasfin Wealth, a division of the JSE-listed Sasfin Group, provides asset consulting; asset management; portfolio management and stockbroking; as well as financial planning services and products. Asset management comprises eight unit trusts with R7.4 billion assets under management.

Sasfin is an independent and innovative asset manager with a highly skilled award-winning team of professionals with over 200 years of combined investment experience, spanning various asset classes.

Sasfin fund manager Errol Shear is the portfolio manager of the PPS Defensive Fund.

Investment approach of the manager

The manager has a real return mindset with the primary objective of not losing money over a 12-month period. As a risk conscious manager, there is more focus on protecting capital than fully participating on the upside.

The core drivers that the manager believes are necessary to achieve sustainable compounding returns over the long term include: implementing a low trading “buy and hold” strategy, appropriate asset allocation, risk management and controlling costs.

How this manager creates wealth

The manager’s primary objective is capital protection which has been demonstrated through a strategy that has not delivered negative returns over any rolling 12-month period since inception of him managing low equity strategies (including the global financial crisis in 2008).

The manager applies a consistent cautious mindset, which has resulted in the avoidance of market pitfalls such as African Bank, Steinhoff and Resilient. With a process that incorporates macro factors such as interest rate and inflation cycles, economic and business cycles, this highly skilled manager has a long track record of achieving investment objectives of capital protection and real returns over specific periods.

How to access the PPS Defensive Fund

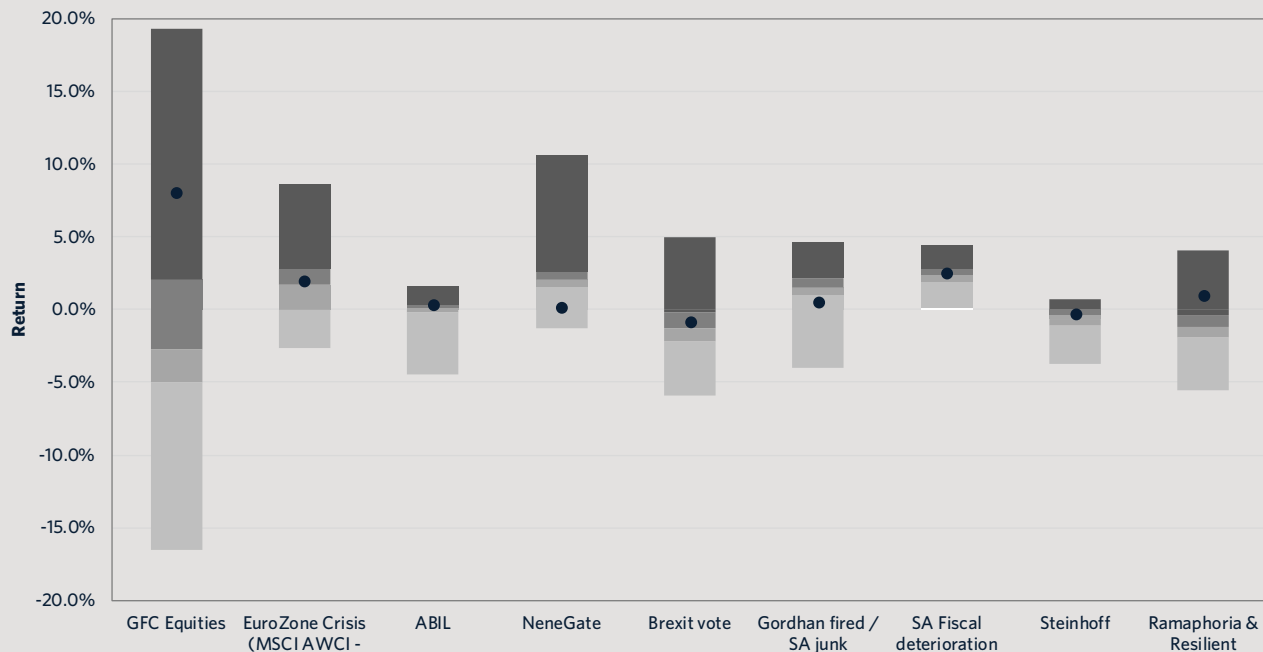
The PPS Defensive Fund can be accessed via the PPS Investments Platform and PPS Customised Solutions.

The annual management fee for this fund is 1.00% (Excl. VAT).



Manager performance during different market events

Using a combination of the ABSA Absolute return fund and the Sasfin Stable fund (both funds Errol Shear managed), we looked at how the manager performed during different downside market events against its peer group, the ASISA SA Multi Asset Low Equity category.

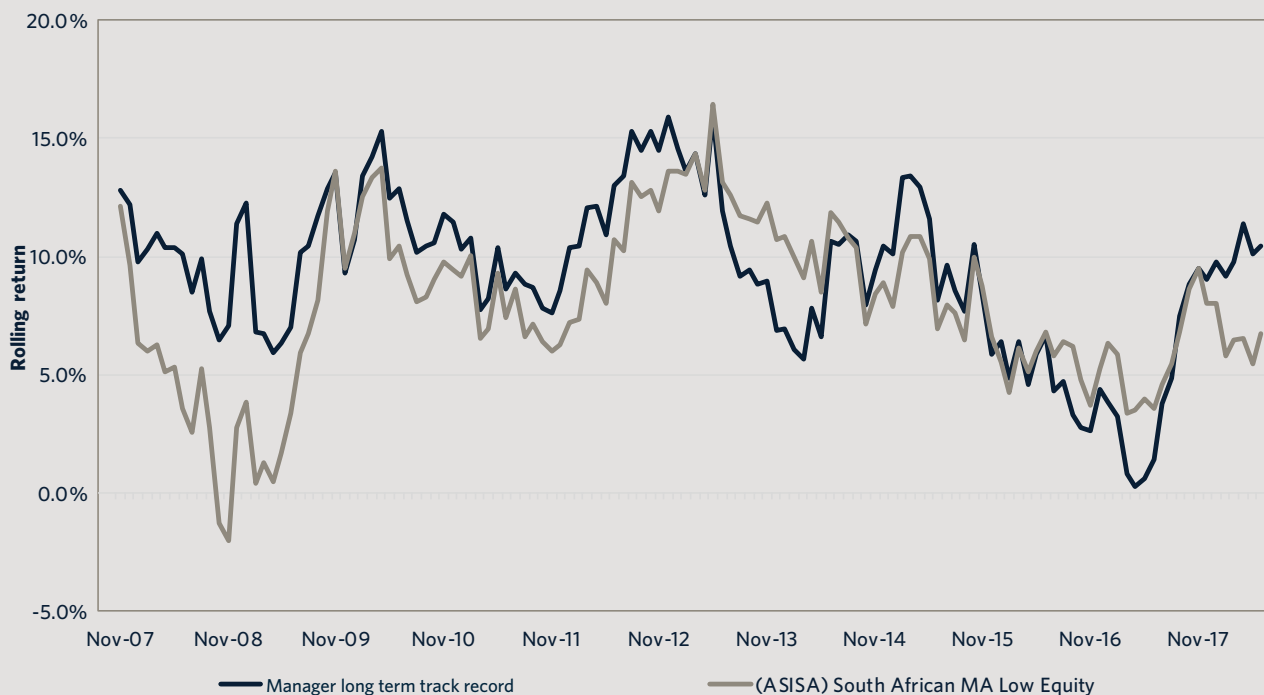


● Manager long term track record

Source: Morningstar Direct and PPS Investments

Manager historical performance on comparable fund

The manager delivers no negative returns over a rolling 12-month period (1 month shift).



Source: Morningstar Direct and PPS Investments



MULTI-MANAGERS

WEALTH AWAITS

If you need more information on the PPS Defensive Fund, please speak to your PPS Investment Specialist.

Contact us on 0860 468 777 (0860 INV PPS) or at clientservices@ppsinvestments.co.za.

www.ppsinvestments.co.za



Kindly note that this does not constitute financial advice. The information, opinions and any communication from the PPS Investments Group [PPS Investments (Pty) Ltd, PPS Multi-Managers (Pty) Ltd, PPS Investment Administrators and PPS Management Company RF (Pty) Ltd, whether written, oral or implied are expressed in good faith and not intended as investment advice, neither does it constitute an offer or solicitation in any manner. Furthermore, all information provided is of a general nature with no regard to the specific investment objectives, financial situation or particular needs of any person. It is recommended that investors first obtain appropriate legal, tax, investment or other professional advice prior to acting upon such information. Collective Investment Schemes in Securities (CIS) are generally medium- to long-term investments. The value of participatory interests (units) 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 up to 10% of the market value of the portfolio to bridge insufficient liquidity. The manager does not provide any guarantee either in respect of the capital or the return of a portfolio. PPS Provider™ policies are long-term insurance policies issued by PPS Insurance Company Limited. PPS Investments (39270), PPS Multi-Managers (28733) and PPS Investment Administrators (45924) are licensed Financial Services Providers. PPS Management Company is a licensed collective investment scheme manager.