



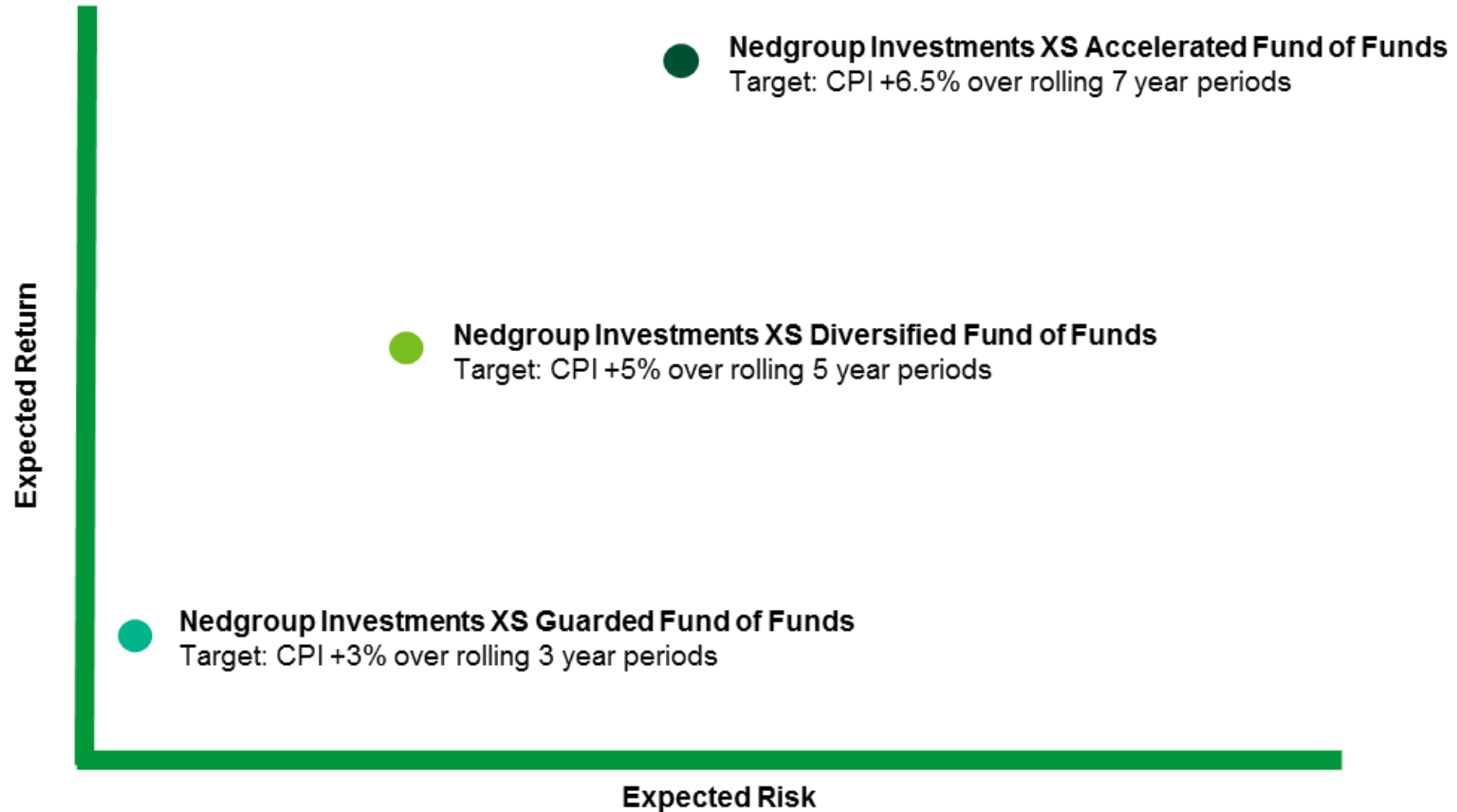
Nedgroup Investments XS Fund of Funds range



2018

The XS Fund of Funds range

A range of three actively managed multi-asset solutions, each aiming to deliver targeted risk-adjusted returns across three distinct risk profiles.



The XS Fund of Funds range

XS GUARDED		XS DIVERSIFIED		XS ACCELERATED	
MAX EQUITY	40%	MAX EQUITY	75%	MAX EQUITY	90%
TIME FRAME	min 3 years	TIME FRAME	min 5 years	TIME FRAME	min 7 years
BENCHMARK	Inflation +3%	BENCHMARK	Inflation +5%	BENCHMARK	Inflation +6.5%
PEER GROUP	SA Multi-Asset Low Equity	PEER GROUP	SA Multi-Asset High Equity	PEER GROUP	SA Multi-Asset Flexible
REGULATION 28	Compliant	REGULATION 28	Compliant	REGULATION 28	Non-compliant

Key attributes

Clear Investment Process	A disciplined and structured process which avoids decisions based on emotion rather than analysis
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Pragmatic Manager Selection Process	We utilise a mix of active managers and low cost passive managers to achieve an optimal outcome
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Risk Monitoring	Our funds are carefully managed within defined volatility parameters
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Transparency	We strive to be completely transparent and open in our communications
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Stewardship	We aim to serve our clients through the adoption of best market practise across all areas; we always put our client's interests first
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Experienced Team	A well-resourced team of investment professionals dedicated to the Nedgroup Investments Multi-Manager product range
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Investment team based in Cape Town and London

Over 100 years of work experience and AUM R 25 billion



Trevor Garvin
Head of Multi Management
(22yrs)

B.Com. (Honours) in Economics, M.Com in Finance, MBA, Chartered Alternative Investment Analyst (CAIA)



Cleo Molepo
Investment analyst
(8yrs)

B.Com (Marketing Management), PGD in Financial Planning, Chartered Financial Analyst (CFA)



Seugnet de Villiers
Investment analyst
(10yrs)

B.Comm (Hons) Financial Risk Management, Chartered Financial Analyst (CFA)



Leandra Temmers
Investment analyst
(11yrs)

B.Com degree in Economics and Statistics



Andrew Yeadon
Head of Investments
(30yrs)

BA (Honours) in Economics, Chartered Financial Analyst (CFA)



Simon Watts
Senior investment analyst
(20yrs)

BSc. (Honours) in Economics, MBA, Chartered Financial Analyst (CFA)



Sava Christov
Investment analyst
(12yrs)

MBA, MA in International Relations



Madhushree Agarwal
Investment analyst
(2yrs)

(Honours) in Banking and International Finance, MSc in Investment and Wealth Management



Ankush Jain
Investment analyst
(2yrs)

BSc (Honours) in Economics, MSc in Investment and Wealth Management



The benefits of investing with us

Well-diversified:

Our portfolios are diversified across a range of asset classes, fund managers, investment strategies and regions

Investment experts:

We research and select the best fund managers appropriate for our portfolios from a global universe

Tax-efficient:

The structure of our portfolios enable us to make changes to the underlying funds and asset allocation without creating a tax event for the end client

Competitive pricing:

Our fund of funds portfolios are competitively priced. We utilise our bulk buying power to negotiate low, fixed fees with our underlying fund managers

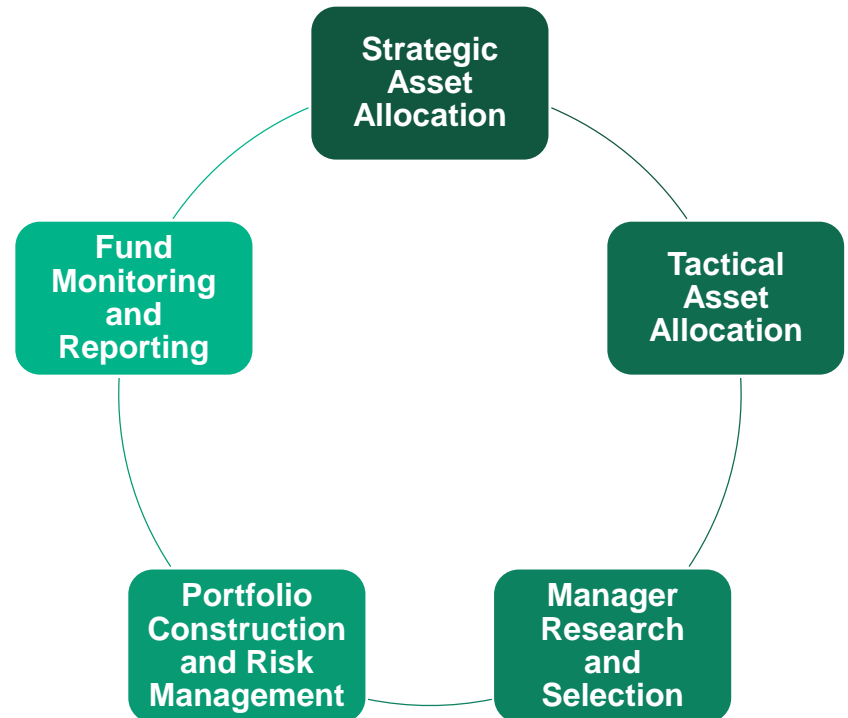
Our investment process

Investment Philosophy

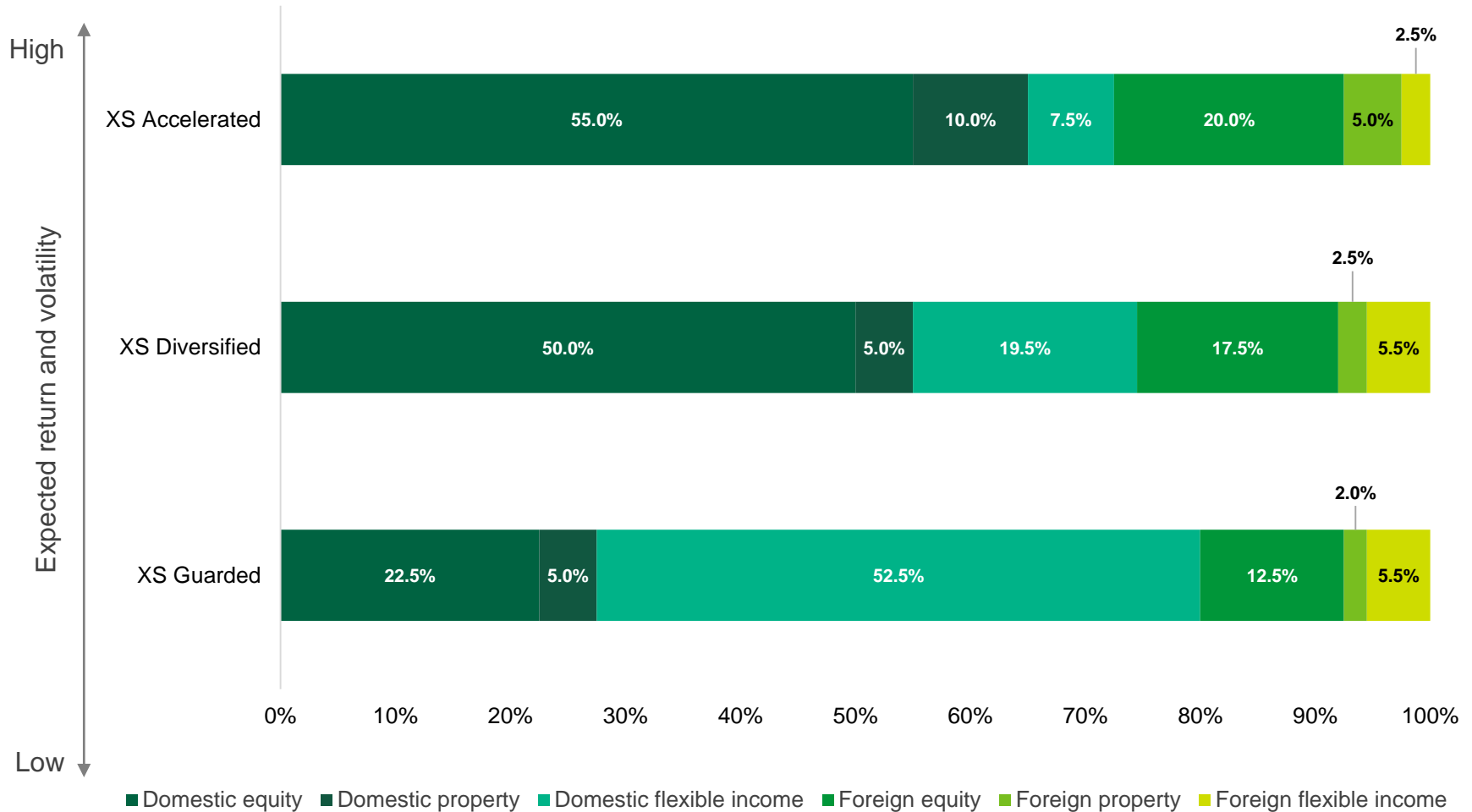
We follow a long-term, valuation driven investment approach. We aim to position our portfolios to asset classes that offer reasonable value over the appropriate investment time horizons and minimize our exposure to asset classes that appear overpriced or expensive.

Investment Approach

We take a globally diversified multi-asset approach. Our investment process comprises strategic and tactical asset allocation, manager research, portfolio construction, risk management and performance monitoring.



Strategic Asset Allocation



Diversified across leading domestic and global managers



DOMESTIC

Equity General



Small/Mid Cap Equity



Passive Multi-Asset



Property



Income



GLOBAL

Global Equity



Emerging Markets Equity



Flexible Multi-asset



Property

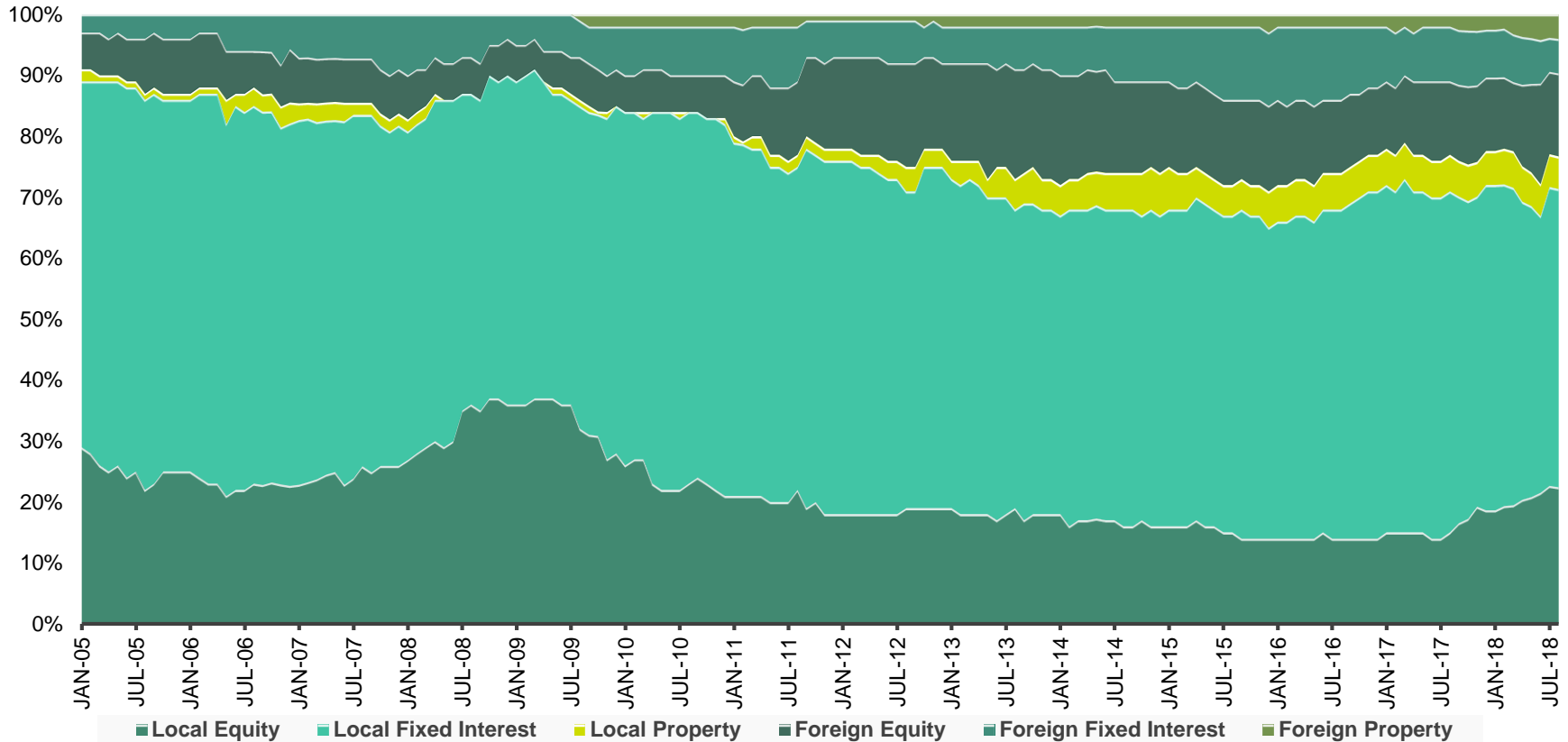




Demonstrated flexibility over time

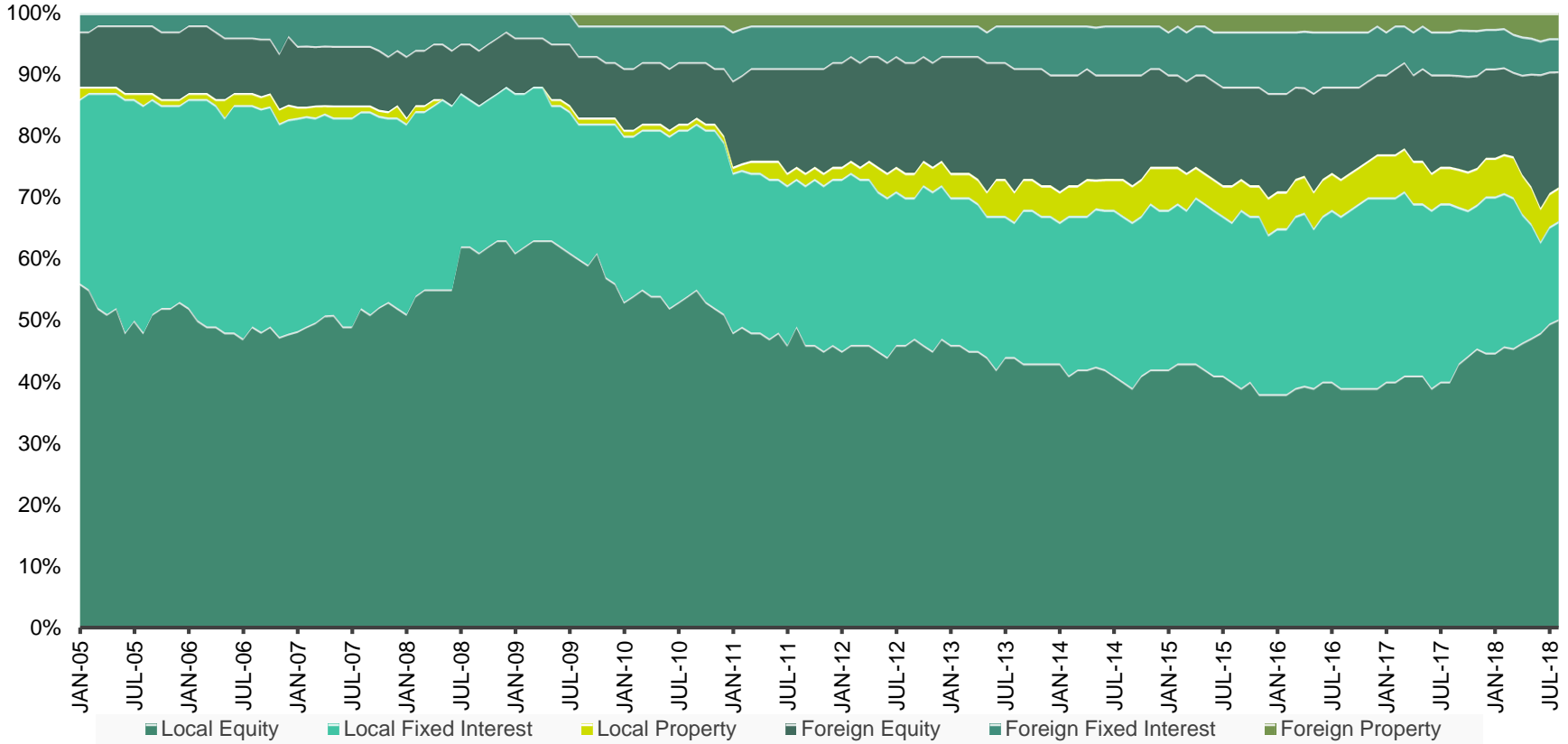
XS Guarded

Asset allocation changes over time



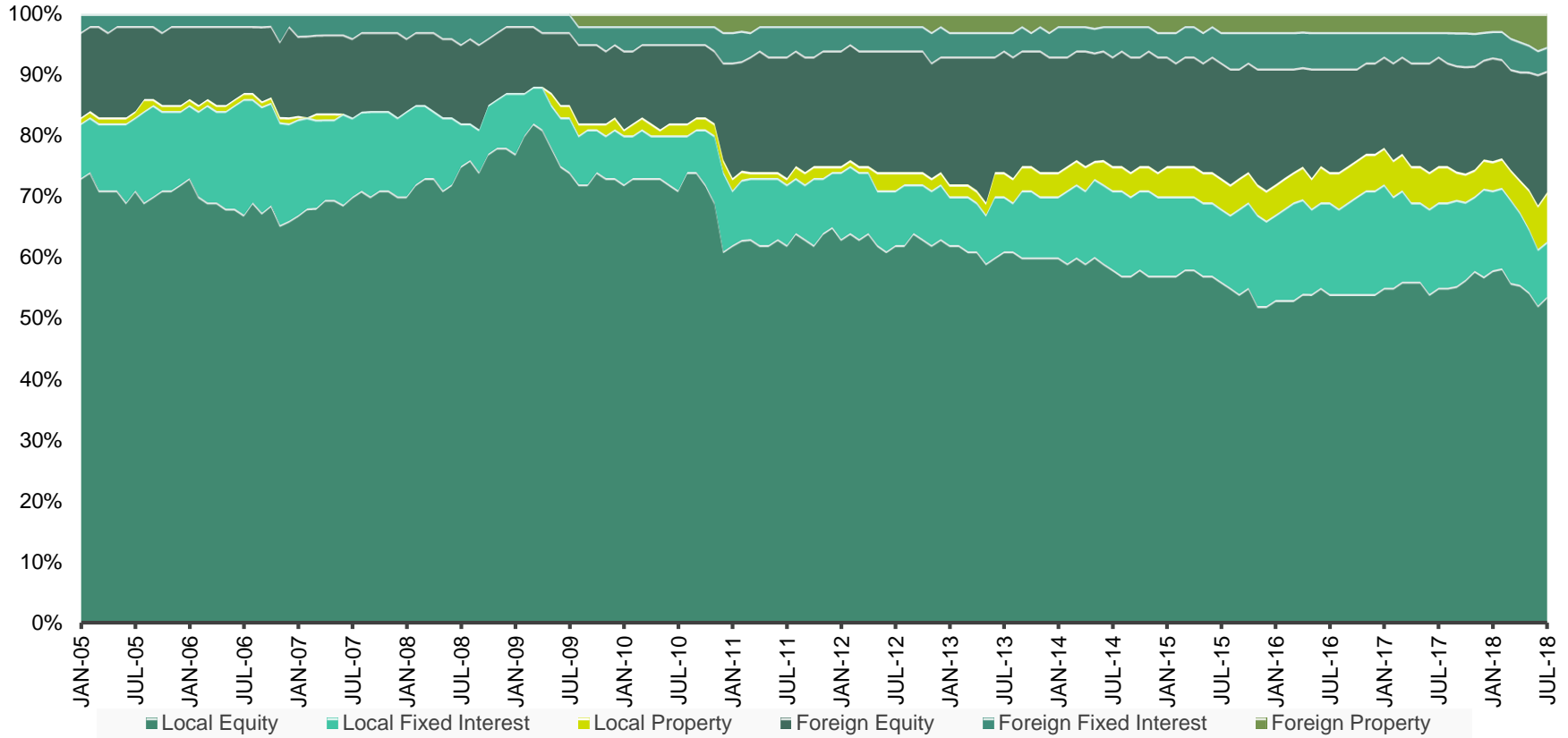
XS Diversified

Asset allocation changes over time



XS Accelerated

Asset allocation changes over time

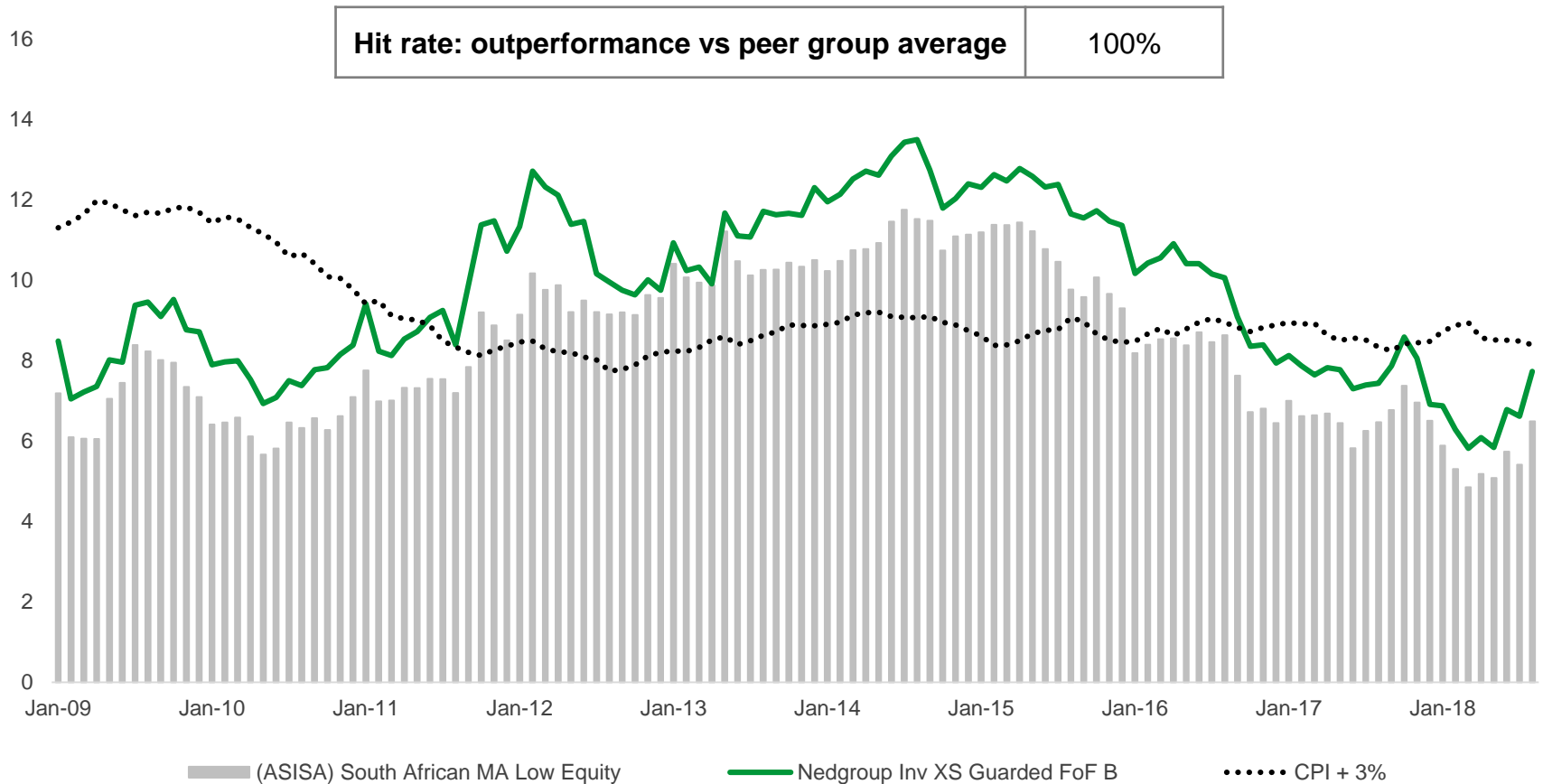




Consistently ahead of our peers

XS Guarded

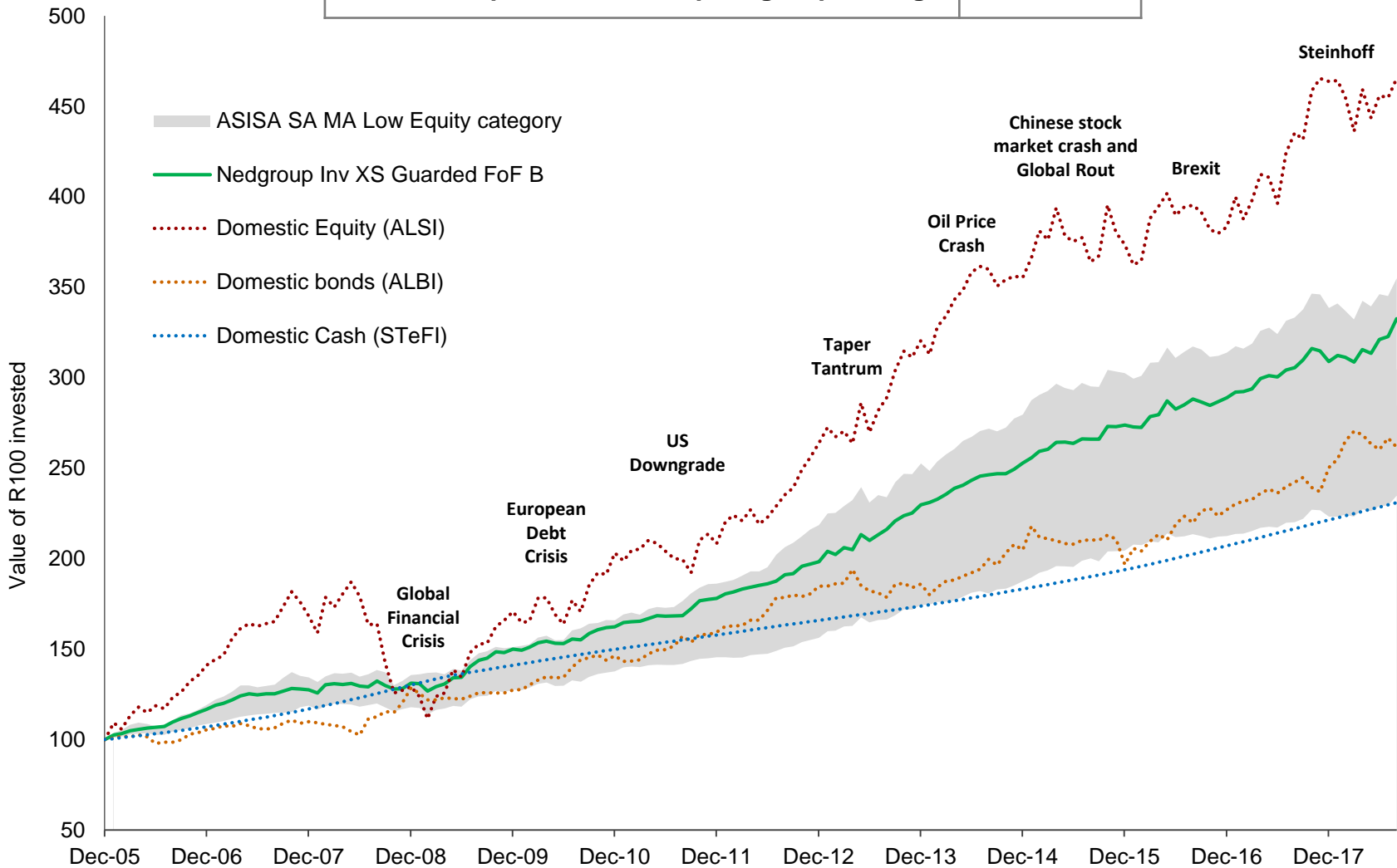
Rolling 3-year annualised return (%)



Source: Morningstar and Nedgroup Investments. All data greater than 1 year is annualised. Performance in ZAR to the 31st August 2018 for the B-class. All returns shown are net of fees.

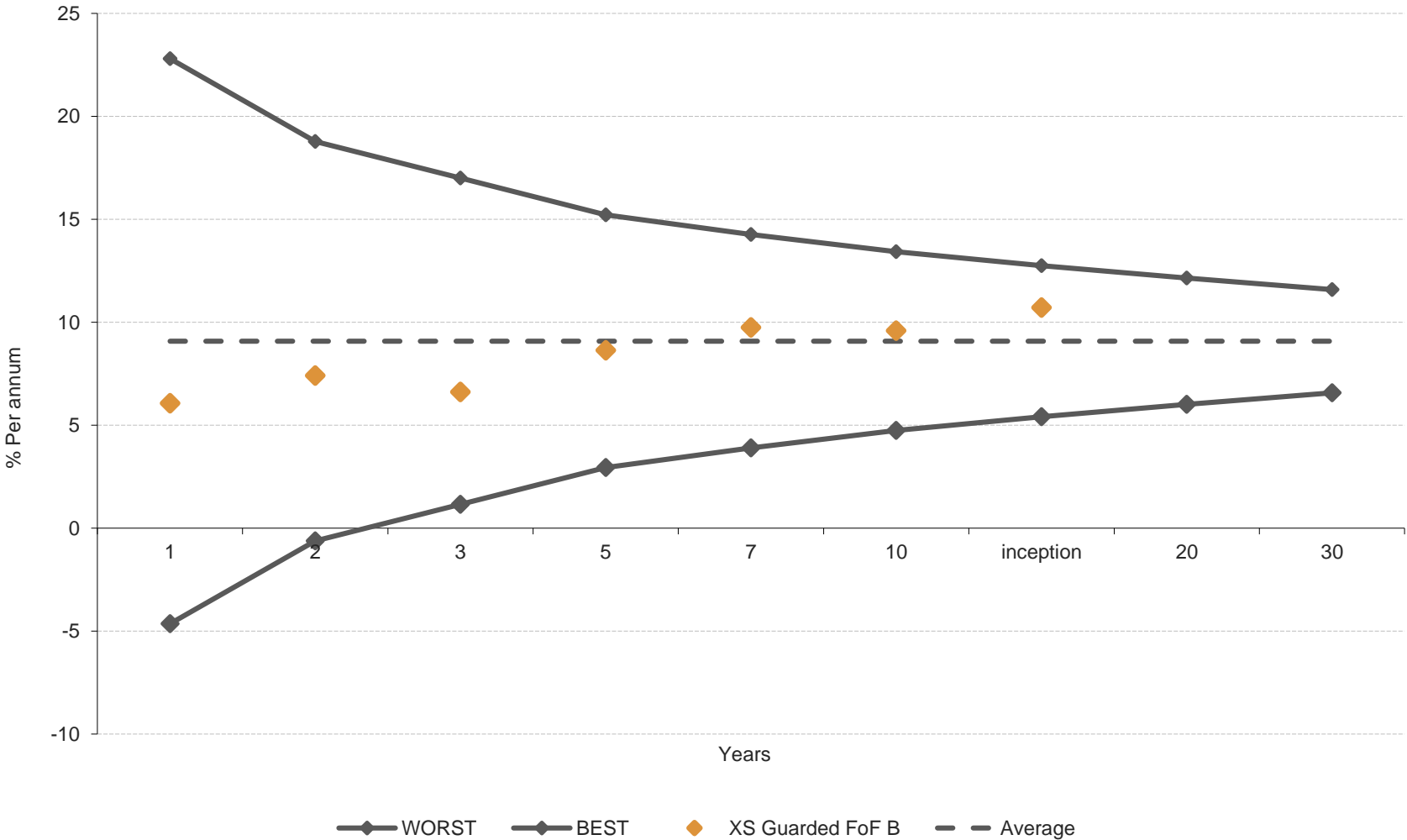
XS Guarded cumulative return since inception

Hit rate: outperformance vs peer group average 97.3%



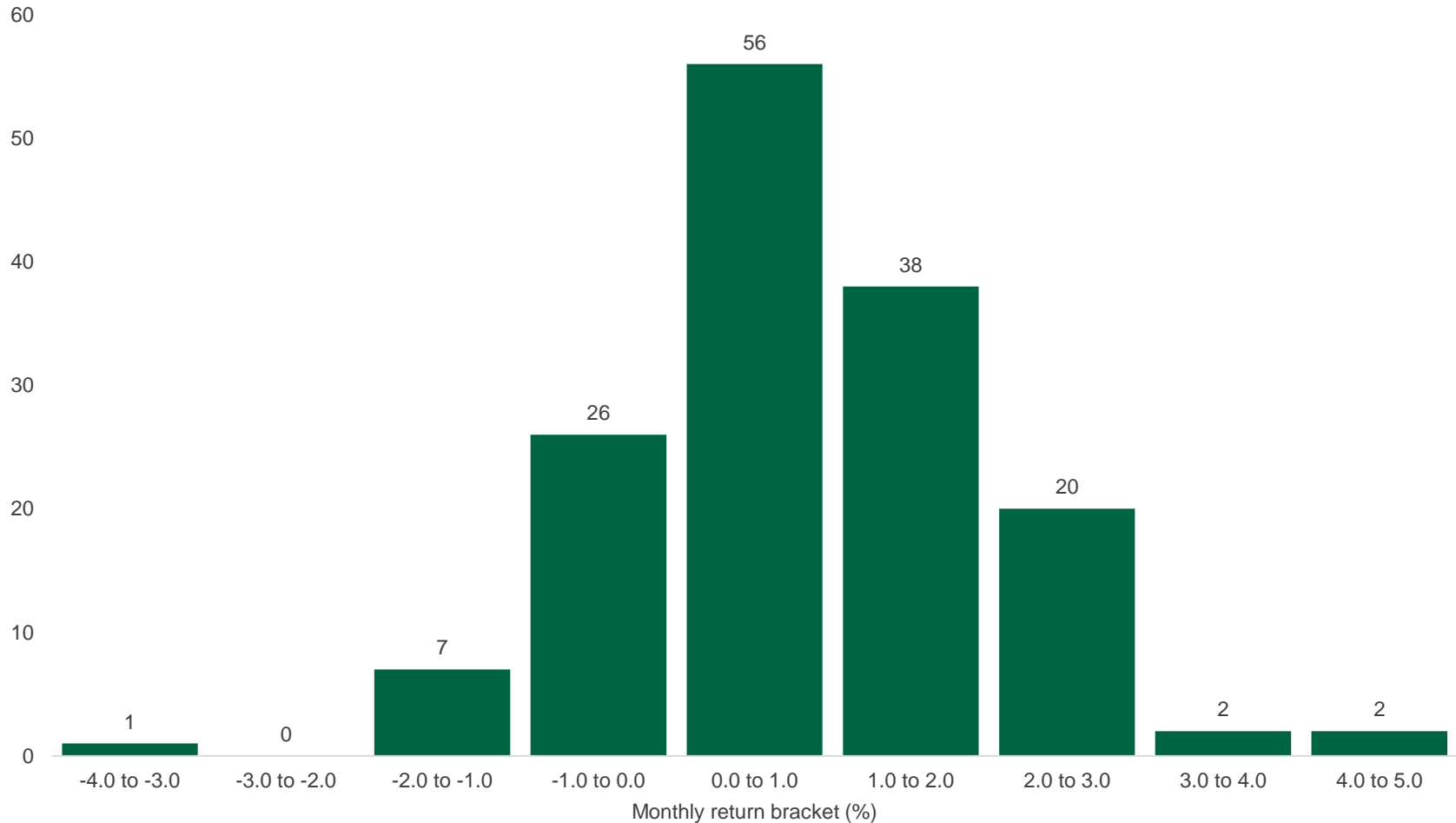
Source: Morningstar and Nedgroup Investments. All data greater than 1 year is annualised. Performance in ZAR to the 31st of August 2018 for the B-class. All returns shown are net of fees.

XS Guarded annualised return distribution



Source: Morningstar & Nedgroup Investments.
 Data to 31/08/2018, B Class, All returns are net of fees
 *Inception: 01/01/2006

XS Guarded monthly return distribution

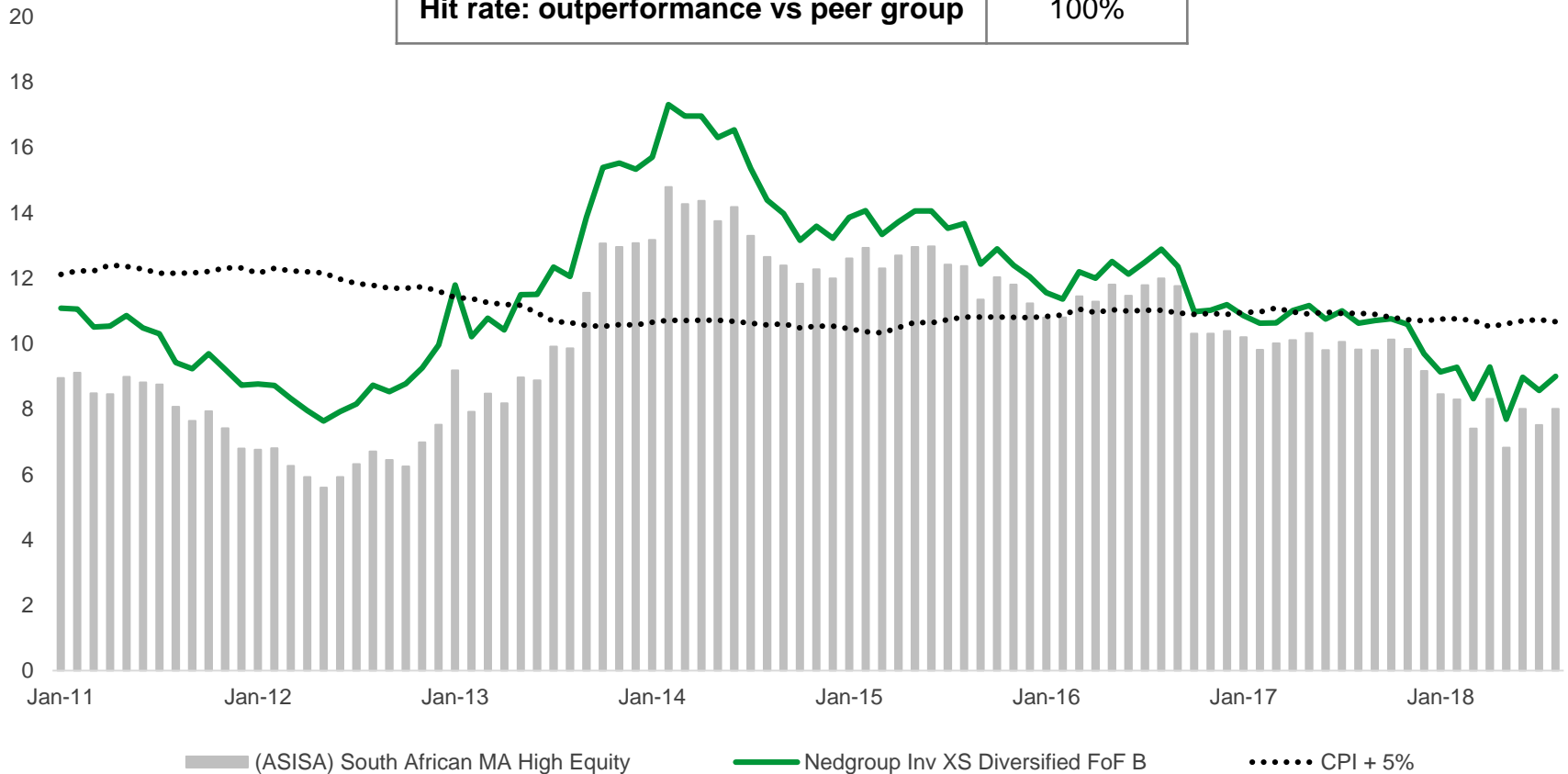


Positive months 78% of time (118/152 months)

XS Diversified

Rolling 5-year annualised return (%)

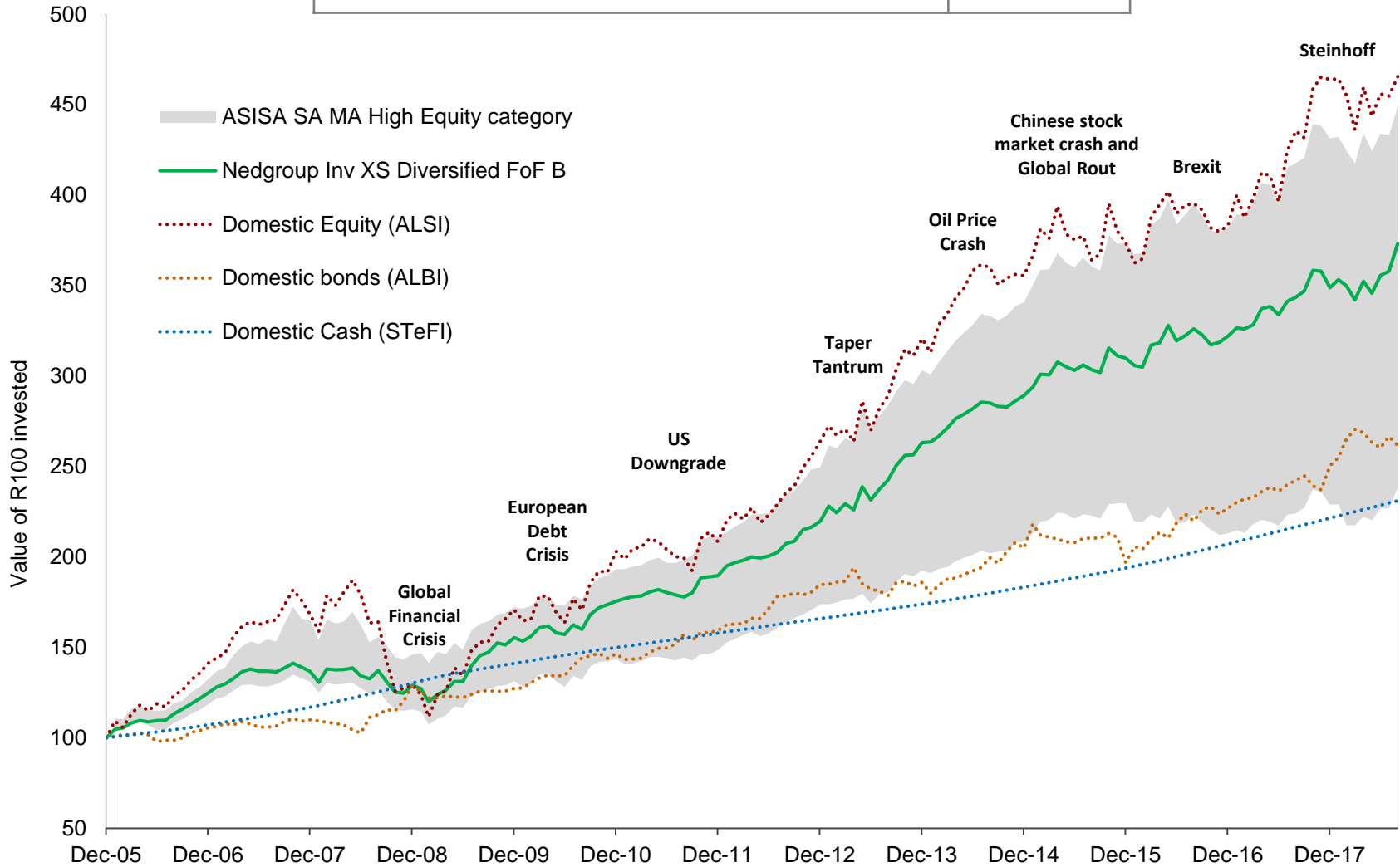
Hit rate: outperformance vs peer group	100%
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Source: Morningstar and Nedgroup Investments. All data greater than 1 year is annualised. Performance in ZAR to the 31st August 2018 for the B-class. All returns shown are net of fees.

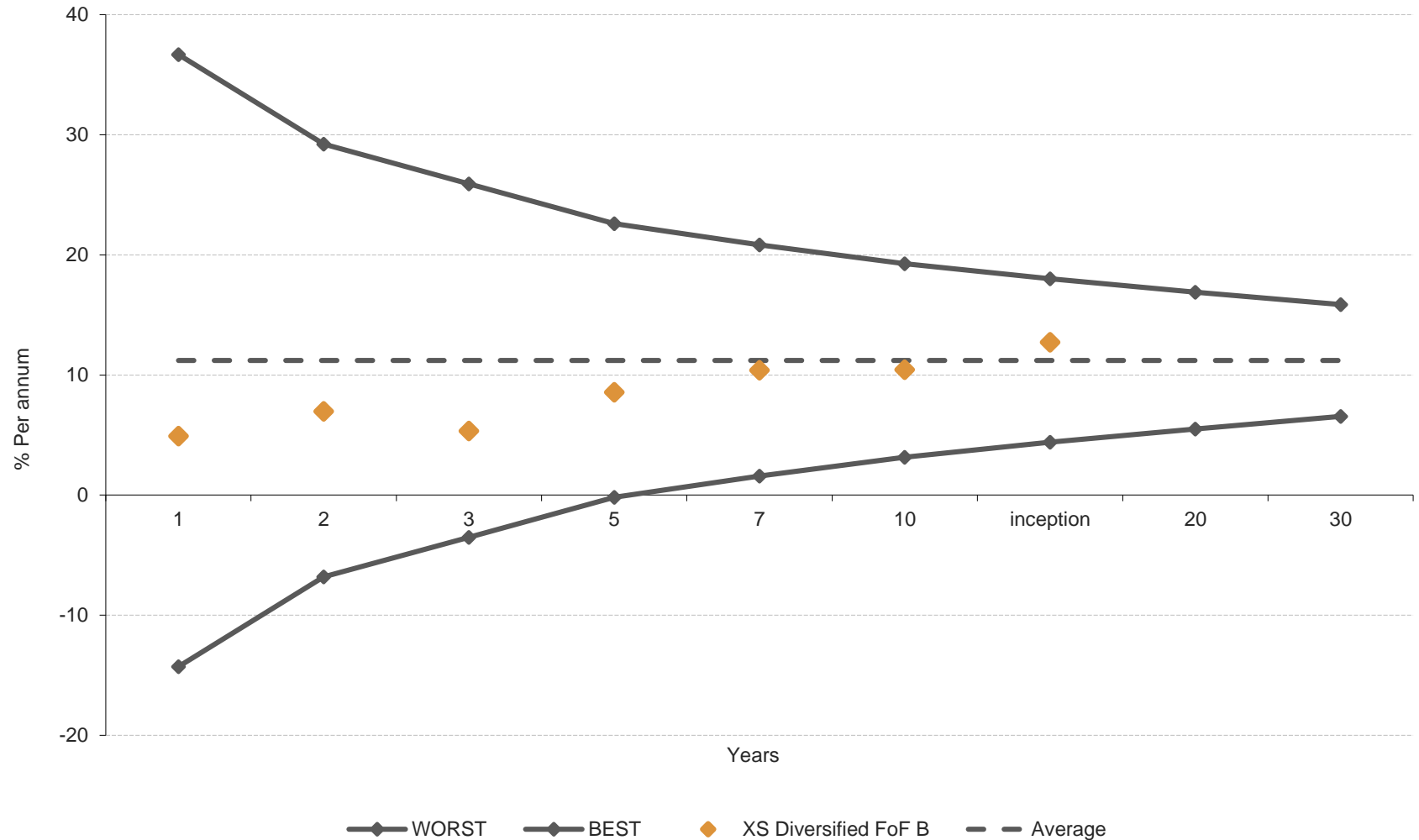
XS Diversified cumulative return since inception

Hit rate: outperformance vs peer group average 79.5%



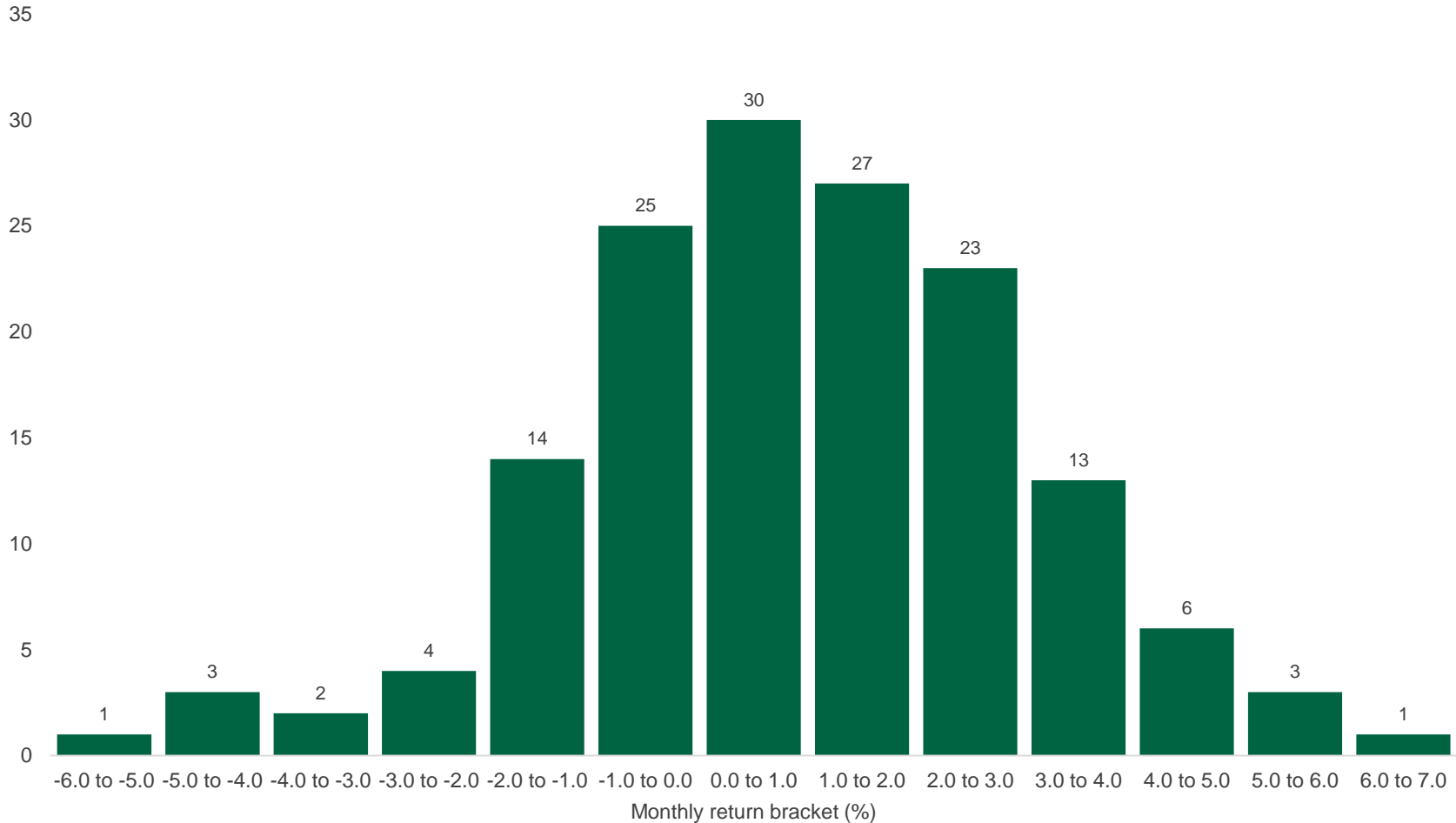
Source: Morningstar and Nedgroup Investments. All data greater than 1 year is annualised. Performance in ZAR to the 31st of August 2018 for the B-class. All returns shown are net of fees.

XS Diversified annualised return distribution



Source: Morningstar & Nedgroup Investments.
 Data to 31/08/2018, B Class, All returns are net of fees
 *Inception: 01/01/2006

XS Diversified monthly return distribution

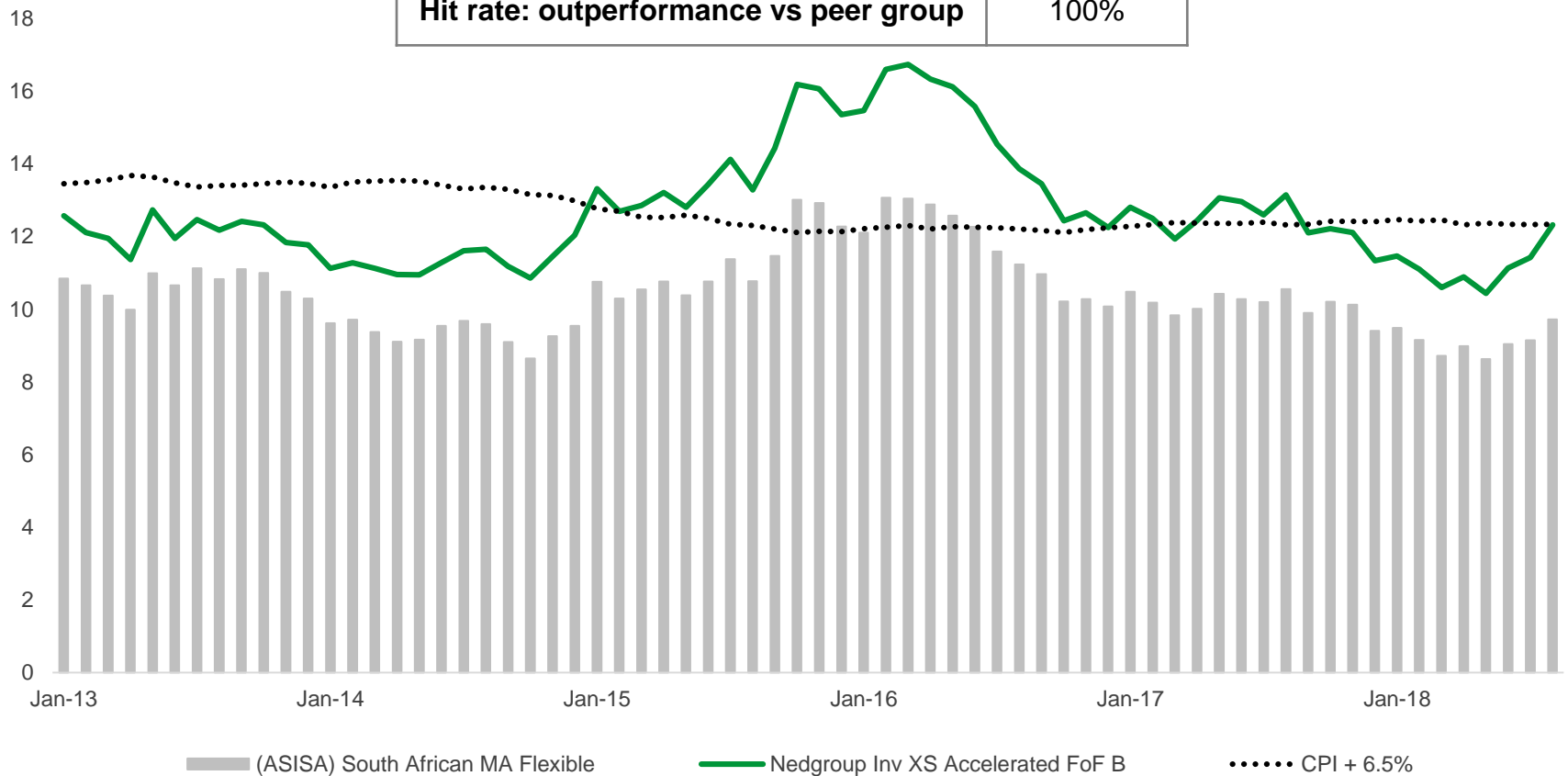


Positive months 68% of time (103/152 months)

XS Accelerated

Rolling 7-year annualised return (%)

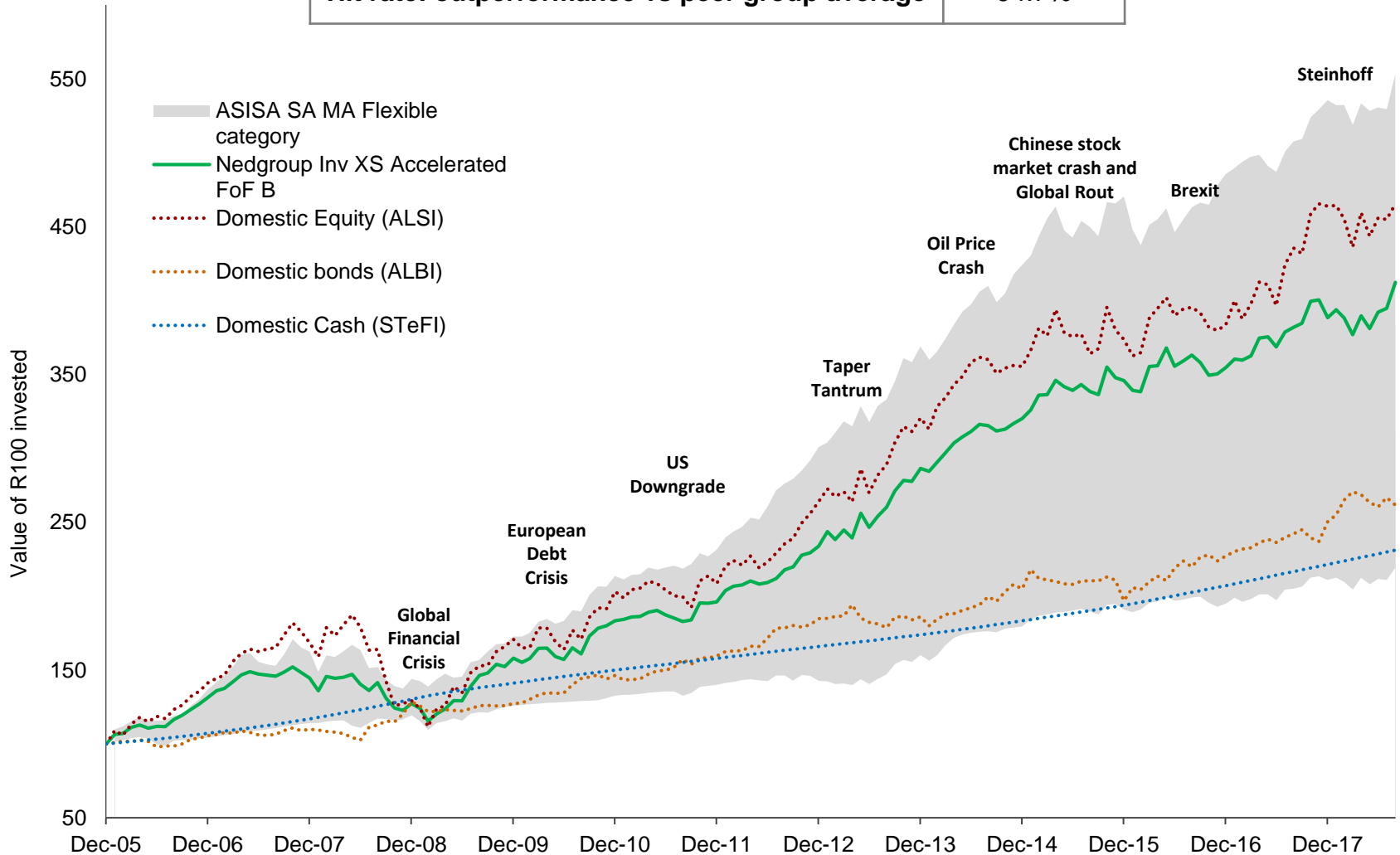
Hit rate: outperformance vs peer group	100%
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Source: Morningstar and Nedgroup Investments. All data greater than 1 year is annualised. Performance in ZAR to the 31st August 2018 for the B-class. All returns shown are net of fees.

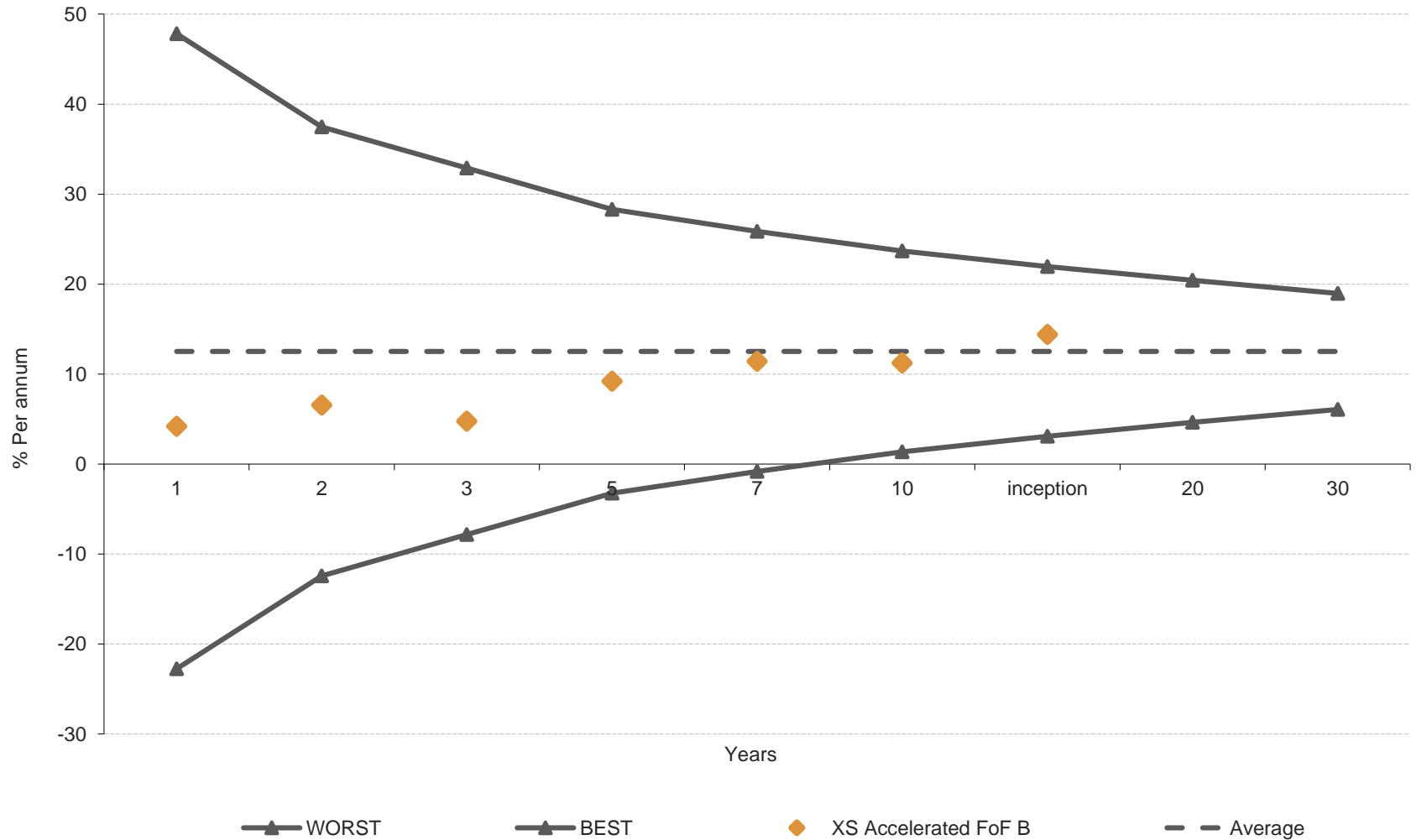
XS Accelerated cumulative return since inception

Hit rate: outperformance vs peer group average 94.7%



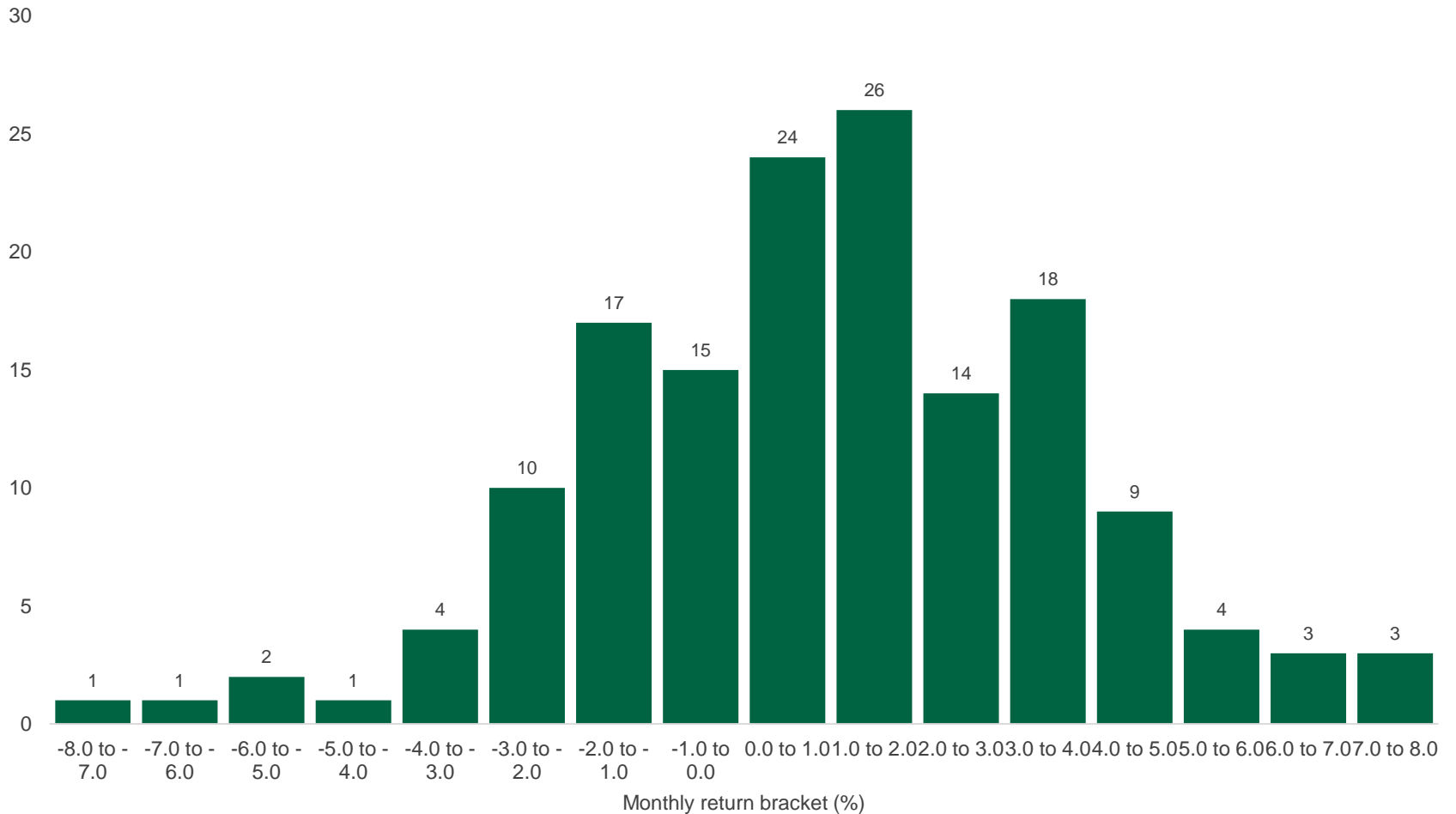
Source: Morningstar and Nedgroup Investments. All data greater than 1 year is annualised.
Performance in ZAR to the 31st of August 2018 for the B-class. All returns shown are net of fees.

XS Accelerated annualised return distribution



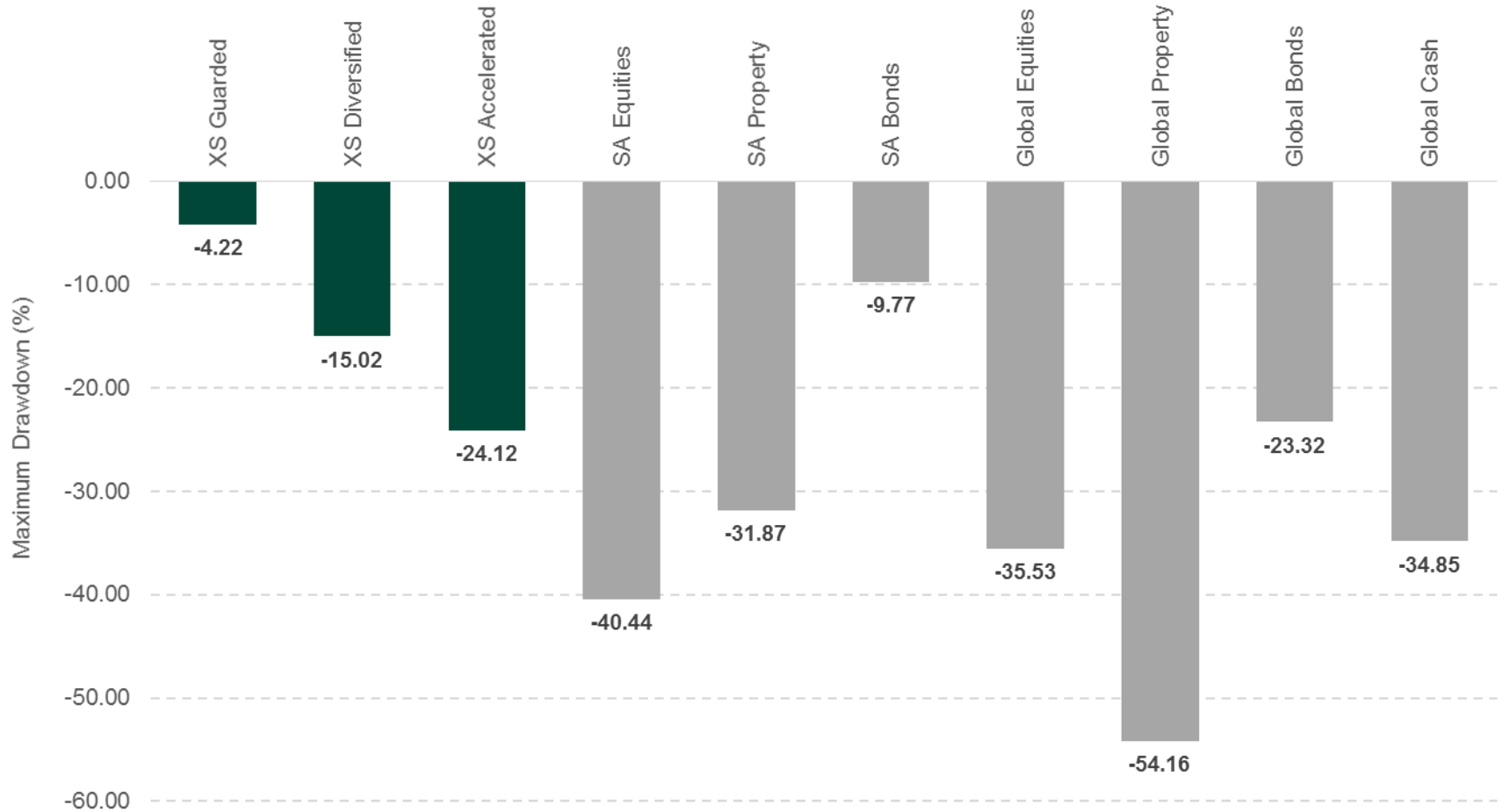
Source: Morningstar & Nedgroup Investments.
 Data to 31/08/2018, B Class, All returns are net of fees
 *Inception: 01/01/2006

XS Accelerated monthly return distribution



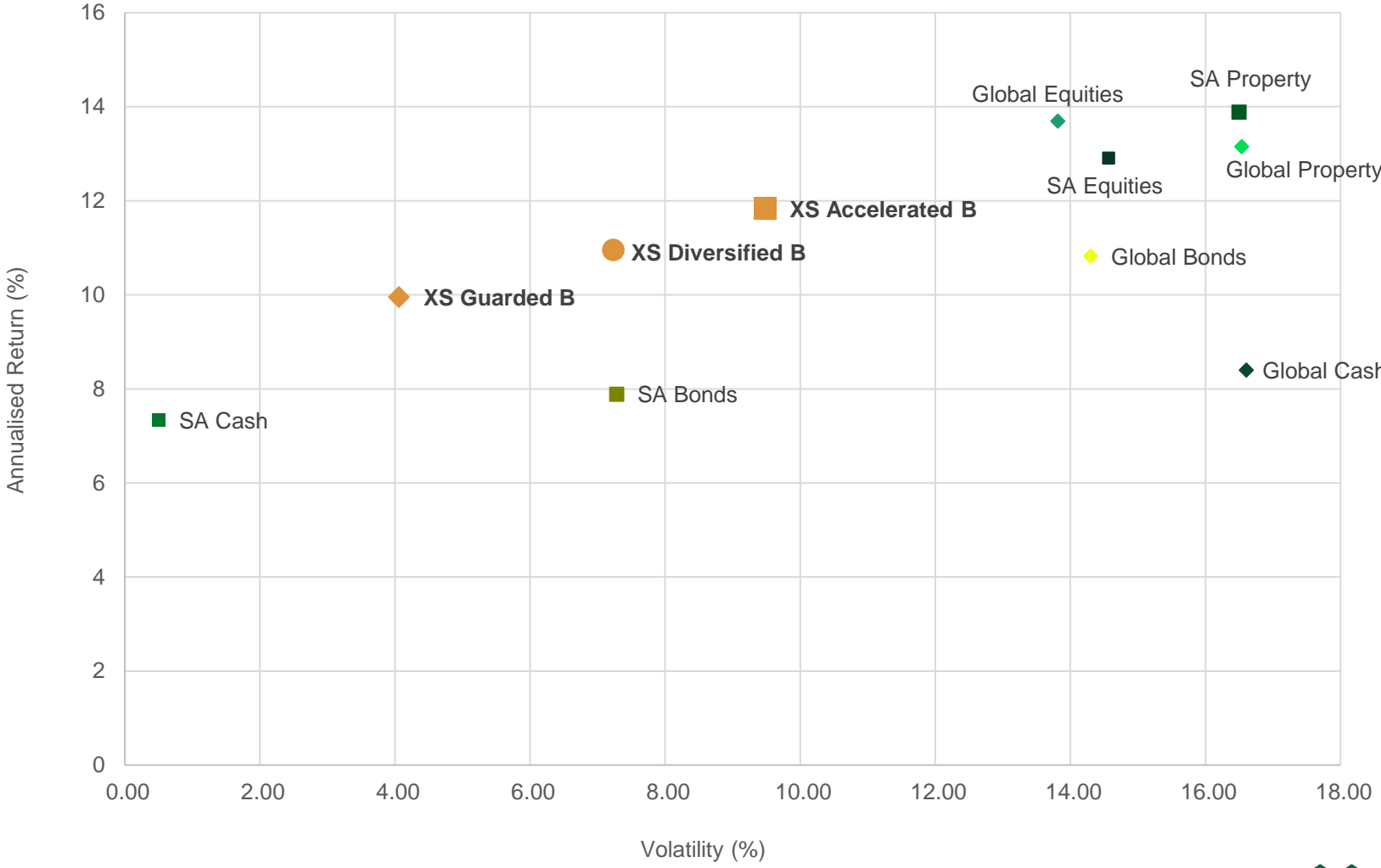
Positive months 66% of time (101/152 months)

Maximum drawdown since inception



Source: Morningstar & Nedgroup Investments.
Data from 01/09/2004 to 31/08/2018.

Risk and Return since inception



Source: Morningstar & Nedgroup Investments.
Data from 01/01/2006 to 31/08/2018. All returns are net of fees

LISP access and large new business

1. The B class is now available on the Alan Gray and Investec LISP platforms.
2. The B class will be available to all standard retail LISP business.
 - a) B Class: XS Guarded = $0.15\% + 0.70\% = 0.85\%$
 - b) B Class: XS Diversified = $0.15\% + 0.80\% = 0.95\%$
3. The B1 class will be available ONLY for investments of R10m or larger and NEW business (existing clients with existing business will not be able to be switched).
4. For R10m plus clients the B1 class may be accessed via Nedgroup Investments directly.
 - a) B1 Class: XS Guarded = 0.60%
 - b) B1 Class: XS Diversified = 0.70%



Thank you

Disclaimer

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