

Business Update

October 2023

Keeping you updated with business news and the rationale behind changes to the STANLIB Multi-Manager solutions

STANLIB Multi-Manager Shari'ah Balanced Fund of Funds – new underlying global manager

At STANLIB Multi-Manager we constantly assess managers and our portfolios construction to ensure that we have an optimised blend in our funds. Following the increase in the foreign allowance to 45% we relooked our optimisation and found that we could increase the global allocation in the STANLIB Multi-Manager Shari'ah Balanced Fund. Our search to find the right global Shari'ah fund was long and intensive with numerous interactions with managers – from unpacking their investment philosophies, to understanding their Shari'ah compliance processes.

A managers that we partner with in the STANLIB Multi-Manager Global Equity Fund, Sands Capital, recently launched a Shari'ah fund. The increase in the foreign allowance became the perfect opportunity for us to assess their capability for our STANLIB Multi-Manager Shari'ah Balanced Fund of Funds. We know the manager well and they have contributed meaningfully to our global funds over the years. We subsequently decided to add Sands Capital to the underlying manager line-up of our Shari'ah Fund. This will increase the diversification of the Fund as Sands Capital introduces a different global focus – long-term growth.

Sands Capital runs the same investment process in the Shari'ah fund as they do in their other mandates. The only difference is an exclusion of non-compliant Shari'ah stocks. Their process is one we know well and we understand how they derive alpha. This makes Sands Capital an appropriate fit for our Shari'ah Fund.

A diversified blend of managers

The table below provides the new strategic manager allocation:

Strategic manager allocation	Previous	Current
Camissa Islamic Balanced Fund	45.0%	40.0%
Old Mutual Albaraka Balanced Fund	40.0%	37.5%
Visio BCI Shariah Equity Fund	15.0%	15.0%
Sands Capital Global Shariah Equity Fund	-	7.5%
	100%	100%

We are positive about the addition of Sands Capital and the expected future performance of the Fund.

Nadeem Hoosen

STANLIB Multi-Manager Portfolio Manager

www.stanlibmultimanager.com

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Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured.

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