CARTESIAN CAPITAL

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26°04'412"S, 28°02'593"E

CARTESIAN BALANCED STABLE MODEL PORTFOLIO

Minimum Disclosure Document: March 2021

Investment Manager:

Anthea Gardner
Cartesian Capital (Pty) Ltd is an authorised Financial Services Provider (FSP) number: 45318
Click here for more information

Risk disclosure:

Low	**Low-Med**	Medium	Medium-High	High

Low-Medium Risk

- This portfolio has relatively low equity exposure, resulting in relatively low volatility compared to higher risk portfolios.
- Where the asset allocation reflects offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to equity as well as default and interest rate risks.
- The portfolio is suitable for medium to long-term investment horizons.
- The expected potential long-term investment returns are lower, over the medium to long term, than higher risk portfolios.

Investment Objective:

The Cartesian Balanced Stable Portfolio is a multi-managed portfolio with a low to medium risk profile that aims to provide investors with a high level of income and capital stability portfolio. The investment objective is to provide investors with a high long-term total return. This portfolio is appropriate for clients who want exposure to Cartesian's capabilities in a solution that is appropriately blended and diversified with other offerings to ensure a more consistent return profile.

Fund Information:

ASISA category: SA Multi Asset Low Equity
Inception date: March 2019
Benchmark: ASISA SA Multi Asset Low Equity Category Average
Income distribution: None
Minimum lump sum investment: None#   **Minimum monthly investment:** None
Recommended min. investment period: 3 years
Liquidity: 48 hours
Annual management fee (excl. VAT): 0.25%
Performance fee: None
Valuation: Daily
Transaction time: 10h00 cut-off
Fund performance (since inception—cumulative): 18.71%
Fund performance (since inception—annualised)*: 8.98%
Bnchmrk performance (since inception—cumulative): 14.31%
Bnchmrk performance (since inception-annualised): 6.87%
Total Investment Charge (TIC): 0.572%
Date of issue: 12 April 2021

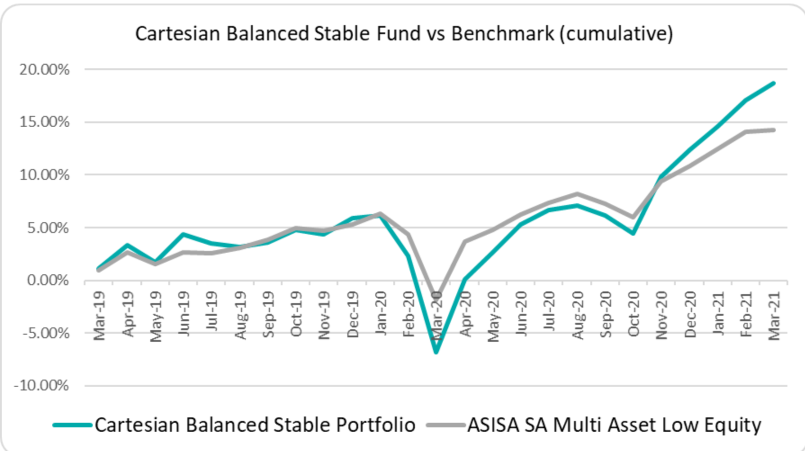
* Annualised return is the weighted average compound growth rate over the period measured.

Investment Policy:

The portfolio will be managed in compliance with prudential investment guidelines for retirements in South Africa to the extent allowed by the Act. To provide a limited level of capital protection, the portfolio's equity may be as high as 40% of the portfolio's net asset value. In order to achieve its objective, the investments to be included in the portfolio may normally comprise of a combination of assets in liquid form, money market instruments, interest-bearing securities, bonds, debentures, property securities, preference shares, convertible equities and non-equity securities. The portfolio may, from time to time, invest in listed and unlisted financial instruments. The manager may also include forward currency, interest rate and exchange rate swap transactions for efficient portfolio management purposes.

Fund Performance:

Target Return: The fund targets above benchmark returns over a rolling 3 year period.



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Fund Manager Commentary:

Most major global markets, except for China, where companies have been caught between the likelihood of regulatory intervention from both China and the US, recorded gains in March. This despite ongoing inflation fears, a seemingly relentless rise in US bond yields, and new COVID-19 lockdowns in parts of Europe, weighing on sentiment. Investors also seemed to have priced-in a rapid global recovery from the pandemic on the back of unprecedented stimulus measures (the US Congress passed a US$ 1.9trn COVID-19 relief package in mid-March) and with a massive vaccine rollout in especially the US and the UK (among major developed markets [DMs]). On Wednesday (31 March), US President Joe Biden also unveiled a US$ 2trn *American Jobs Plan,* which will focus on increasing spending on major infrastructure categories (roads, highways, bridges etc.) as well as confronting climate change and attempt to curb wealth inequality. Biden said that the spending, over an 8-year period, would generate "millions of new jobs" and, to help pay for it, he proposed substantial increases on corporate taxes.

Following its March meeting, the US Federal Reserve's (Fed) Federal Open Market Committee (FOMC) left the fed funds rate unchanged at 0.00% to 0.25% - its level for the past year. However, the Fed greatly improved its economic forecasts and indicated that it does not expect to hike interest rates through 2023. Fed Chair Jerome Powell also said that the Fed will "tolerate" inflation above its 2% target for a period of time before increasing rates. The major US indices ended March in the green, with the S&P 500 setting an intraday record on 31 March. MoM, the Dow Jones gained 6.6% and the S&P 500 rose by 4.2% (these two indices are up 7.8% and 5.8% YTD/1Q21, respectively). The tech-heavy Nasdaq advanced by 0.4% MoM (+2.8% YTD/1Q21) – its fifth consecutive positive month .

On the commodity front, oil prices (-3.9% MoM/ +22.7% YTD/1Q21) came under pressure as data showed an increase in Iranian oil production, which pushed March OPEC oil output higher. The Suez Canal opening, after days of being closed due to a grounded containership, also weighed on oil prices at month-end. OPEC+ meets this week and the possibility of supply curbs may be on the table amid new COVID-19 lockdowns. Gold remained under pressure – down 1.5% MoM and 10% YTD/1Q21. Iron ore lost 6.2% MoM, while tight supply and strong demand in palladium (+13% MoM) saw the metal rally towards the all-time highs it achieved pre-COVID.

Information and Disclosures:

Regulation: The portfolio will be managed in compliance with prudential guidelines for retirements in South Africa to the extent allowed by the Act.

FAIS Conflict of Interest Disclosure: Please note that your financial advisor may be a related party to the fund manager. It is your financial advisor's responsibility to disclose all fees he/she receives from any related party. The portfolio's TER includes all fees paid by portfolio to Wealthport, the trustees, the auditors, banks, the co-naming partner, underlying portfolios, and any other investment consultants/ managers as well as distribution fees and LISP rebates, if applicable. The portfolio's performance numbers are calculated net of the TER expenses. The investment manager earns a portion of the service charge and performance fees where applicable. In some instance portfolios invest in other portfolios which forms part of the Wealthport platform. These investments will be detailed in this document, as applicable.

Benchmark: The ASISA Multi-asset Low Equity Index invests in a spectrum of investments in the equity, bond, money, or property markets. These portfolios tend to display reduced short term volatility, aim for long term capital growth and can have a maximum effective equity exposure (including international equity) of up to 40% and a maximum effective property exposure (including international property) of up to 25% of the market value of the portfolio. The underlying risk and return objectives of individual portfolios may vary as dictated by each portfolios mandate and stated investment objective and strategy.

Additional information, including application forms, can be obtained from Wealthport or directly from Cartesian Capital, free of charge.
Valuations are calculated daily and prices can be viewed on the Wealthport platform.
Upon request, the Manager will provide the investor with a quarterly portfolio investment holdings.