

# JM BUSHA Risk Averse 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 **ZAR4.25 billion**, JM BUSHA has a traceable track record in managing funds – since 2001.

## About the Product: JM BUSHA Risk Averse 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 Risk Averse 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 cash and bonds.

## 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 the Short Term Fixed Interest Index ("STeFI"). 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. In this portfolio tactical asset allocation and risky assets seek to produce positive alpha in the long term.

## Product Salient Features

- Fund Benchmark :STeFI
- Target Returns :STeFI + 1% pa
- Management Fees :0.25% pa
- Liquidity (T+7) :100.00%
- Start Date :30 June 2010
- Minimum Investment :ZAR10 million
- Fund Size :ZAR245.635 million
- Classification :Segregated Absolute SA Balanced Mandate

## Investment Objectives

To produce positive returns of STeFI +1% pa over 2-year rolling periods.

## Commentary & Notes

Cash has been one of the better performing (local) asset classes over the past 12 months. With a return of 7.4% over the past year, and in the context of generally higher volatility in the broader financial markets, this has made cash more attractive in terms of general balanced fund allocations.

## Overall Asset Allocation

| Asset Class | Cash   | Bonds  | Equitie | Derivatives |
|-------------|--------|--------|---------|-------------|
| Weight      | 48.61% | 51.39% | 0.00%   | 0.00%       |

## Top 10 Asset Holdings

| No | Shares | Weight | No | Share  | Weight |
|----|--------|--------|----|--------|--------|
| 1  | EMM01  | 10.36% | 6  | EL36   | 4.15%  |
| 2  | ABS7   | 8.33%  | 7  | FRX31  | 3.05%  |
| 3  | NRA023 | 5.92%  | 8  | NRA018 | 2.25%  |
| 4  | ABS6   | 4.99%  | 9  | CCT03  | 2.09%  |
| 5  | EL31   | 4.31%  | 10 | AIR01  | 2.04%  |

## Historical Performance

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

Period ending **30 Apr 2017** (annualised above 1 year)

| Period           | JM BUSHA Risk Averse | STeFI% | Alpha  |
|------------------|----------------------|--------|--------|
| <b>6 Months</b>  | <b>3.67%</b>         | 3.66%  | 0.01%  |
| <b>YTD</b>       | <b>2.47%</b>         | 2.41%  | 0.05%  |
| <b>1 Year</b>    | <b>7.53%</b>         | 7.48%  | 0.04%  |
| <b>3 Year</b>    | <b>5.46%</b>         | 6.77%  | -1.32% |
| <b>5 Year</b>    | <b>7.63%</b>         | 6.19%  | 1.44%  |
| <b>Inception</b> | <b>8.78%</b>         | 6.13%  | 2.65%  |
| <b>Risk</b>      | <b>4.04%</b>         | 0.22%  | 4.07%  |

Performance: 30 Apr 2017

