

# High Street Global Balanced Fund

A Sub-Fund of Sanlam Universal Funds Plc

As at 31 October 2020 – Issued on 11 November 2020

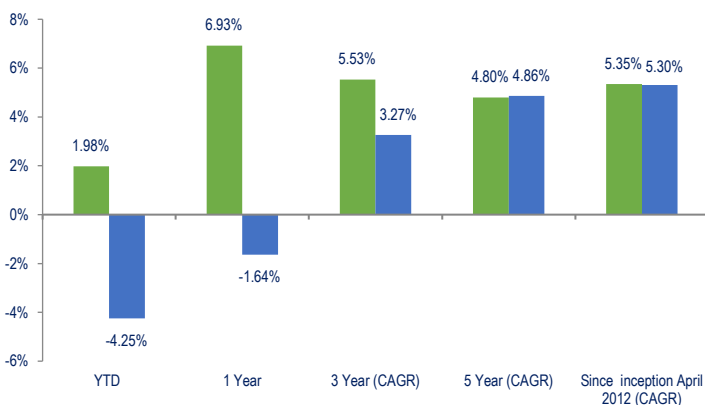


## FUND OBJECTIVE & INVESTMENT POLICY

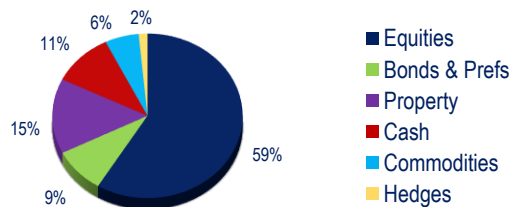
To provide a high level of income and the potential for capital growth. The Fund invests in a range of asset classes and currencies to achieve a consistent yield and moderate capital appreciation measured in US Dollars. The Fund has a global mandate and may allocate capital across equities, bonds, property related stocks, commodities (through investment in ETFs) and cash and cash equivalents depending on the Investment Manager's consideration of the prevailing risk/return profile for each asset class. As a result of the diversification of currencies and asset classes, the Fund is deemed to be moderate risk in nature.

## PERFORMANCE

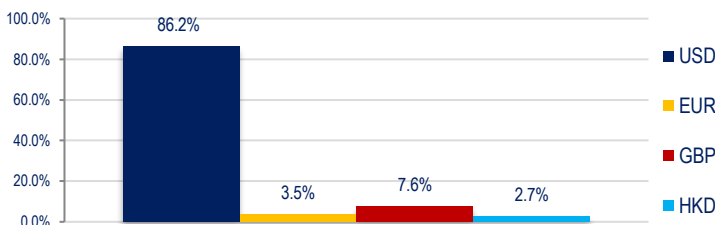
	October 2020	Sharpe Ratio (Since Inception)	Highest Actual Annual Return	Lowest Actual Annual Return
High Street	-0.62%	0.52	14.51%	-4.83%
Benchmark	-1.85%	0.44	18.90%	-6.03%



## ASSET ALLOCATION



## CURRENCY ALLOCATION



### Discretionary Investment Manager

High Street Asset Management (Pty) Ltd  
FSP No: 45210 (Michael Patchitt)

### Non-Discretionary Investment Advisor

High Street Global Ltd

### UCITS Man Company

Sanlam Asset Management (Ireland) Ltd

### Administrator

BBH Administration Services (Ireland) Ltd

### Listed Exchange

Irish Stock Exchange

### Regulator

Central Bank of Ireland

### Fund Structure

UCITS

### Fund Categorization

Balanced

### Share Class

A

### Unit Price

1.2552

### Fund Size (NAV at month-end)

\$39.30m

### Minimum Investment

\$ 50,000 (negotiable)

### Inception Date of Strategy \*

Thursday 12 April 2012

### Inception Date of the Fund

Friday 09 January 2015

### Base Currency

USD

### Redemption Frequency

Daily

### Domicile

Ireland

### Fund ISIN

IE00BTN23847

### Bloomberg Ticker

SLHSGAU ID

### Depository

Brown Brothers Harriman Trustee Services (Ireland) Ltd

### Auditor

Ernst & Young

### Benchmark

40% MSCI All Country World Index Net Total Return  
30% Barclays Global Bond Total Return Index  
20% EPRA/NAREIT Developed Net Total Return Index  
5% USD 1 Month Fiduciary Certificate of Deposit  
2.5% GBP 1 Month Fiduciary Certificate of Deposit  
2.5% EUR 1 Month Fiduciary Certificate of Deposit

### Portfolio Valuation

Midnight SA time

### Transaction cut-off-time

4pm T-1

### Price Publication

Daily (ISE – [www.sanlam.ie](http://www.sanlam.ie))

### Notice Period

None

### Subscription Settlement

T+4

### Redemption Settlement

T+4

### Status

Open ended

### Dividend Policy

No distribution, all income shall be reinvested

### Investment Process

Please contact the High Street Team for

detailed investment process and assistance

### Financial Year-End

31 December (Semi-annual report 30 June)

## SOURCE

Source for all data is BBH Administration Services (Ireland) Ltd and Bloomberg Finance L.P. All performance is presented net of fees. Periods greater than 1 year reflect an annualized performance figure (see regulatory statement for definition). Performance is based on daily recurring investment. No income distributions are made – all investment income is re-invested. Performance is based on monthly closing NAV figures. Past performance is not indicative of future performance. Actual annual figures are available upon request.

## \*NOTES

09/01/2015: High Street Global Balanced Fund changed the custodian from Saxo Bank to Brown Brothers Harriman in order to convert to a UCITS structure. The rationale for the transfer was that this structure would provide clients with a unitised product governed by European legislation. The same decision-making personnel remain with the fund following the transfer, and the mandate remained similar to that adopted under the custodianship of Saxo Bank. In order to facilitate the transfer, performance for the month of December 2014 reflected the change in NAV from 30 November 2014 to 8 January 2015. Similarly, performance for the month of January 2015 reflected the change in NAV from 8 January 2015 to 30 January 2015. The High Street Global Balanced Fund, a sub-fund of Sanlam Universal Funds Plc, launched as a UCITS IV fund on 9 January 2015. Prior to this, the strategy existed under the previous High Street Global Balanced Fund with the assets transferring from Citibank to Brown Brothers Harriman with the launch of the UCITS structure. For the purpose of presenting the performance returns, the performance of the Fund started on 9 January 2015, while the performance return for the strategy includes the full performance for the month of January (to include the performance of the assets for the period 1 January 2015 to the launch date, 9 January 2015).

## INVESTMENT MANAGER MONTHLY COMMENTARY

The Fund returned -0.62% for the month of October relative to equity (*MSCI All Country World Index Net Total Return*) down -2.43%, corporate bonds (*Barclays Global Aggregate Bond Total Return Index*) up 0.10% and property (*FTSE EPRA/NAREIT Developed Net Total Return Index*) down -3.33%.

During the month, the Fund:

1. Liquidated its position in JP Morgan and switched into Morgan Stanley. With a higher proportion of its revenue coming from trading rather than retail and corporate banking, Morgan Stanley has been a net beneficiary of the increase in volatility caused by the pandemic. While both banks stocks should benefit significantly from the US Federal Reserve lifting restrictions on share buybacks, Morgan Stanley should continue to profit in the short term if unemployment and economic uncertainty remain elevated;
2. Initiated a trade which involved writing calls on medical devices company Stryker and buying calls on oil giant Total. The position was put on at no cost and, with Stryker testing all-time highs and Total likely to benefit strongly from a global economic recovery, it provides an attractive return payoff.

Top performers during the month were once again led by two of the Fund's technology holdings, Alphabet and Naspers ADR. The biggest detractors were British American Tobacco and Merck.

The Fund remains well-positioned to deliver on its mandate of generating moderate capital growth whilst employing hedging techniques to largely mitigate against any severe downward market movements, should this scenario unfold. A more comprehensive analysis of the financial markets is provided on a quarterly basis with the next review due in January 2021.

Michael Patchitt  
Fund Manager

## ACTUAL PERFORMANCE (%) as a sub-fund of Sanlam Universal Funds Plc (UCITS)

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Return
2020	Fund	-0.37	-4.56	-8.82	7.47	3.05	2.73	3.40	3.04	-1.69	-0.62			1.98
	Benchmark	-0.09	-5.69	-11.98	6.93	2.29	2.30	3.95	3.56	-2.35	-1.85			-4.25
2019	Fund	3.65	0.87	1.53	2.71	-3.08	2.17	0.52	-0.57	0.66	0.50	1.29	3.52	14.46
	Benchmark	6.42	1.11	1.67	1.26	-2.68	3.97	0.16	-0.28	1.31	2.04	0.74	1.97	18.90
2018	Fund	1.30	-4.03	-0.09	1.57	0.69	0.18	3.03	0.46	-0.68	-3.92	0.95	-1.73	-2.48
	Benchmark	3.02	-3.69	-0.34	0.50	0.24	-0.06	1.62	0.62	-0.42	-4.77	1.58	-4.17	-6.03
2017	Fund	1.37	2.94	1.12	1.23	1.63	-0.88	0.32	1.39	1.71	-0.38	0.87	2.36	14.51
	Benchmark	1.63	2.09	0.25	1.23	1.59	0.36	2.11	0.44	0.63	0.80	1.79	1.14	14.97
2016	Fund	-4.39	-1.11	2.83	1.51	0.69	-2.10	2.39	1.17	-0.01	-1.69	-0.17	2.31	1.19
	Benchmark	-3.40	0.38	5.97	0.95	-0.30	1.31	3.20	-0.60	0.17	-2.76	-1.29	1.50	4.91
2015	Fund	0.69	2.57	-0.38	1.13	0.46	-2.29	0.33	-4.06	-2.47	3.55	-1.17	-3.02	-4.83
	Benchmark	0.37	2.06	-0.99	1.19	-0.82	-2.06	1.19	-4.39	-1.22	4.70	-1.27	-0.49	-2.00

## TOP HOLDINGS (OUT OF 24)

EQUITIES	PROPERTY	BONDS & PREFS
NASPERS ADR – 5.9%	RDI REIT – 4.7%	INVESCO PREF – 6.5%
ALPHABET 5.5%	SIRIUS – 4.0%	BARCLAYS – 1.8%
MICROSOFT 4.4%	LEG – 3.3%	
LOWE'S – 4.4%	STENPROP – 2.8%	
LOCKHEED – 4.2%		

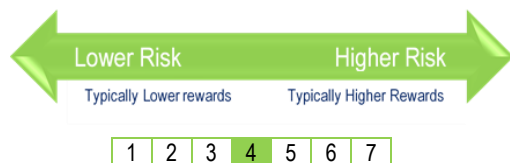
## ACTUAL PERFORMANCE (%) under previous fund structure

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Return
2014	Fund	-2.78	2.92	1.80	1.37	0.96	-0.26	-1.15	-0.12	-0.98	1.05	3.35	0.01	6.17
	Benchmark	-1.56	3.32	0.19	1.35	1.76	1.29	-0.71	1.44	-3.51	1.71	0.83	-0.95	5.08
2013	Fund	-0.95	0.15	1.35	2.55	1.47	-2.56	2.64	-1.07	3.96	2.66	1.04	1.32	13.09
	Benchmark	2.22	-0.13	1.15	3.15	-2.71	-2.14	2.58	-1.95	3.93	2.58	-0.34	0.62	9.05

## FUND YIELD

The interest-bearing component of the Fund amounts to 8.9%  
The yield on this amount as at month end October 2020 was 3.61%.

## RISK &amp; REWARD PROFILE (MODERATE)



## Why is this Fund in category 4?

The Fund is rated as 4 due to exposure to shares and stocks, and the nature of its investments which include the risks listed below. The price of shares and the income from them may fall as well as rise and investors may not get back the amount they have invested. The Fund may invest in securities which may be difficult or impossible to sell at the time and the price that the seller would like which could have a negative effect on the Fund's management or performance. It may be difficult for the Fund in extreme market conditions to redeem its shares from a CIS or ETF at short notice without suffering a loss.

Investing in a CIS or ETF may lead to payment by the Fund of additional fees and expenses in relation to those CIS or ETF. The Fund may use FDIs for efficient portfolio management and hedging purposes. It may be that the use of FDIs causes losses to the Fund. As the investments of the Fund are in various currencies and the Fund is denominated in US Dollars your shares may be subject to currency risk.

## What do these numbers mean?

They rate how a fund might behave and how much risk there is to your capital. Generally, the chance to make large gains means a risk of suffering large losses.

A **Category 1** fund is not a risk-free investment - the risk of losing your money is small, but the chance of making gains is also limited. With a **Category 7** fund, the risk of losing your money is high but there is also a chance of making higher gains. The seven-category scale is complex (for example, 2 is not twice as risky as 1).

## More about this rating

This rating system is based on the average fluctuations of the prices of funds over the past 5 years - that is, by how much the value of their assets taken together has moved up and down. Historical data, such as is used in calculating the synthetic risk indicator, may not be a reliable indication of the future risk profile of the Fund.

For a more detailed explanation of risks, please refer to the "Risk Factors" section of the prospectus.

## FEE STRUCTURE

Schedule of Fees + Charges available upon request from the Investment Manager	
<b>Minimum Investment</b>	\$ 50,000
<b>Initial Fee / Front End Load / Advice Fee</b>	0%
<b>Annual Investment Management Fee (Incl. VAT)</b>	1% - Share Class A 0.5% - Share Class B 1.5% - Share Class C
<b>SAMI Management Company Service Fee</b>	Up to 0.15% of NAV
<b>Exit Fee</b>	0%
<b>Other Annually Allowed Expenses</b>	Trustees fees, custody fees, administration fees, director's fees, legal fees, audit fees, bank charges, regulatory fees, brokerage/trading fees"
<b>TER – Total Expense Ratio</b>	1.33%

Advice fee - Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor.

Effective Annual Cost (EAC) is available at <https://www.sanlam.com/ireland/fund-range-and-documentation>

Total Expense Ratio (TER) | PERIOD: 2019/08/01 – 2020/07/31

Total Expense Ratio (TER) | 1.33% of the value of the Financial Product was incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's.

Transaction Cost (TC) | 0.13% of the value of the Financial Product was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

Total Investment Charges (TER + TC) | 1.46% of the value of the Financial Product was incurred

## CONTACT INFORMATION

Investment Manager – High Street Asset Management	
<b>Address</b>	The Offices of Hyde Park (Block B) Strouthos Place, Hyde Park, 2196, South Africa
<b>Web</b>	<a href="http://www.highstreetassetmanagement.co.za">www.highstreetassetmanagement.co.za</a>
<b>Tel</b>	+27 (0)11 325 4006
<b>Fax</b>	+27 (0) 86 680 2950
<b>Email</b>	<a href="mailto:jo-ann@highstreetholdings.co.za">jo-ann@highstreetholdings.co.za</a>

Depositary – Brown Brothers Harriman Fund Administration Services (Ireland) Limited	
<b>Address</b>	30 Herbert Street, Dublin 2, Ireland
<b>Web</b>	<a href="http://www.bbh.com">www.bbh.com</a>
<b>Tel</b>	+353 1 241 7130
<b>Fax</b>	+353 1 241 7131
<b>Email</b>	sanlam.TA@bbh.com

## REGULATORY STATEMENT

The Fund is a sub-fund of the Sanlam Universal Funds plc, a company incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank. The Fund is managed by Sanlam Asset Management (Ireland) Limited, Beech House, Beech Hill Road, Dublin 4, Ireland, Tel + 353 1 205 3510, Fax + 353 1 205 3521 which is authorised by the Central Bank of Ireland, as a UCITS Management Company, and an Alternative Investment Fund Manager, and is licensed as a Financial Service Provider in terms of Section 8 of the South African FAIS Act of 2002.

The Sanlam Universal Funds Plc full prospectus, the Fund supplement, the MDD and the KIID is available free of charge from the Manager or at [www.sanlam.ie](http://www.sanlam.ie). This is neither an offer to sell, nor a solicitation to buy any securities in any fund managed by us.

Any offering is made only pursuant to the relevant offering document, together with the current financial statements of the relevant fund, and the relevant subscription/application forms, all of which must be read in their entirety together with the Sanlam Universal Funds plc prospectus, the Fund supplement the MDD and the KIID. No offer to purchase securities will be made or accepted prior to receipt by the offeree of these documents, and the completion of all appropriate documentation. A schedule of fees and charges and maximum commissions is available on request from the Manager.

This is a Section 65 approved fund under the Collective Investment Schemes Control Act 45, 2002 (CISCA). Sanlam Collective Investments (RF) (Pty) Ltd is the South African Representative Office for this fund.

The information to follow does not constitute financial advice as contemplated in terms of the South African Financial Advisory and Intermediary Services Act.

Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision, not all investments are suitable for all investors.

Collective Investment Schemes (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future performance. Changes in exchange rates may have an adverse effect on the value, price or income of the product.

Collective investments are traded at ruling prices and can engage in borrowing and scrip lending.

Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ based on the initial fees applicable, the actual investment date, the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Trail commission and incentives may be paid and are for the account of the Manager.

The Manager has the right to close any Portfolios to new investors to manage them more efficiently in accordance with their mandates.

Performance figures for periods longer than 12 months are annualized.