



Investor acknowledgement that the minimum disclosures as contained herein per BN 92:

Signature



# MI-PLAN IP ENHANCED INCOME FUND

April 2018

# MI-PLAN

Asset Management  
Retirement Partners | Analytics

## FUND INFORMATION

<b>Inception date</b>	26 March 2012					
<b>Sector</b>	South African - Multi Asset - Income	<b>JSE Code</b>		<b>Annual mngmnt fee (excl. VAT)</b>	<b>Total expense ratio (%)*</b>	<b>NAV</b>
<b>Risk profile</b>	Conservative					<b>Units in Issue</b>
<b>Minimum investment</b>	Lump sum: R10 000; Monthly: R500	<b>Class A1: (LISP)</b>	MIPEI	0.75%	0.92	997
<b>Asset composition</b>	Fixed Interest, Cash, Equity and Listed Property					43,760,459
<b>Regulation 28</b>	Compliant with Regulation 28	From 01 Jan 2015 to 31 Dec 2017 0.92% of the value of the MI-PLAN IP ENHANCED INCOME FUND Class A1 was incurred as expenses relating to the administration of the financial product. 0.01% of the value of the financial product was incurred as costs relating to the buying and selling of the assets underlying the financial product. Therefore 0.93% (Total Investment Charge) of the value of the financial product was incurred as costs relating to the investment of the financial product.				
<b>Benchmark</b>	STFIND x 1.1	* 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 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.				
<b>Fund Size</b>	R 453,802,099					
<b>Income declaration</b>	Quarterly (Mar / Jun / Sep / Dec)					
<b>Distributions (Class A1):</b>		<b>CPU</b>				
	Jun 2017	18.52				
	Sep 2017	18.82				
	Dec 2017	19.48				
	Mar 2018	19.11				

## INVESTOR PROFILE

The fund should suit investors:

- Aiming for higher returns than are available through cash or bank deposits over a 12-36 month period.
- Seeking actively managed exposure to the full spectrum of the fixed interest and high yielding universe of assets.
- Not wanting to personally choose between money market, bond, income, or preference dividend funds but rather believing in the ability of a good asset manager to do this job.

The fund does not suit investors whose time horizon is less than 12 months and who are uncomfortable with price fluctuations over this shorter term.

## OBJECTIVE

The objective of the portfolio is to provide a return in excess of Money Market portfolios, for investors seeking to earn a reasonable level of income with low risk of capital loss.

## APPLICATION

This fund enjoys a flexible mandate, and the manager will scour opportunities within money market instruments, vanilla bonds, inflation-linked bonds and equities, including listed property. Where good value exists in suitable foreign assets, moderate use may be made of these. The basic premise is that higher returns than money market funds are available, but because the assets that generate these also incur higher risks, they will be used judiciously and cautiously.

## FUND MANAGEMENT



**Rowan Williams-Short**

**MSc. FIFM, CFA, CIPM**

Portfolio Manager

Vunani Fund Managers

In April your fund just beat its benchmark but narrowly underperformed its target. This month a long-held and very successful position in a preference share which fell 1.35% subtracted 0.08% from performance. Other slight detractors were medium-dated vanilla bonds (the All Bond Index lost 0.7% in April; your fund holds no long bonds which lost 1%). The biggest positive contributors included exposures to global property and to Coca Cola (benefitting from some rand weakness), a small financial services company and some attractively priced floating rate notes.

The fund has a yield advantage over its benchmark of 2.44% and we are at advanced stages of negotiating the placement of a new floating rate note which we expect will add a further 0.12%, ceteris paribus.

An analysis of factors affecting the adherence to the policy objective is contained in the fund manager commentary together with performance as reported. A detailed listing of changes from the previous quarter is available on request from [info@miplan.co.za](mailto:info@miplan.co.za) or [clientservices@ipmc.co.za](mailto:clientservices@ipmc.co.za)

Collective Investment Schemes are generally medium to long term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the manager. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager retains full legal responsibility for the Fund, regardless of Co-Naming arrangements. Transaction cutoff time is 14:30 daily. Each portfolio may be closed for new investments. Valuation time is 15:00

(17h00 at quarter end) and 20:00 for certain funds with significant investments in CIS. Prices are published daily and available in newspapers countrywide, as well as on request from the Manager. IP Management Company (RF) Pty Ltd is the authorised Manager of the Scheme – contact 021 673 1340 or [clientservices@ipmc.co.za](mailto:clientservices@ipmc.co.za). Standard Bank is the trustee / custodian – contact [compliance-IP@standardbank.co.za](mailto:compliance-IP@standardbank.co.za). Additional information including application forms, the annual report of the Manager and detailed holdings of the portfolio as at the last quarter end are available, free of charge, from [clientservices@ipmc.co.za](mailto:clientservices@ipmc.co.za). IP Management Company is a member of ASISA. A statement of changes in the composition of the portfolio during the reporting period is available on request. The performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The fund is invested in portfolios of collective investment schemes that levy their own charges, and which could result in a higher fee structure for the fund.

Date of issue: 5/15/2018



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## RISK AND RETURN STATISTICS to 30 April 2018

### PERFORMANCE

	FUND	BMK	RANK	QRTL	Inc ABIL <sup>1</sup>
1 Year	9.7%	8.2%	10/75	1	9.8%
3 Years *	8.7%	7.9%	7/61	1	9.1%
5 Years *	7.2%	7.2%	14/46	2	7.3%
Since inception *	7.5%	7.0%			7.6%
Information ratio	0.3				
Active returns (since inception)	0.5%				

	Period	Performance
Highest return	2017	10.8%
Lowest return	2014	3.3%

1. The performance of this product was affected by the African Bank event. African Bank instruments were transferred into a retention fund from which units were issued to impacted investors. The composite performance of the retention fund and the main fund – for comparative purposes – is indicated above.

\*Returns are annualised if period is longer than 12 months. Based on A1 class.

### TOP 10 EXPOSURES

Issuer	% OF FUND	DURATION
FIRSTRAND	14.3%	0.71
RSA	13.0%	3.19
ABSA	9.3%	0.12
JOHANNESBURG	6.0%	3.69
LIBERTY	5.6%	0.13
LANDBANK	4.7%	0.12
AFRICAN BANK	4.5%	0.13
BAYA	3.9%	2.82
OLD MUTUAL	3.8%	0.12
SCMB	3.6%	0.13

Annualised returns is the weighted average compound growth rate over the performance period measured. Fund returns shown are based on NAV-NAV unit pricings calculated from INET for a lump-sum investment with income distribution reinvested (after fees and cost). Source of data: Ranking and performance data obtained from Profile Data and Financial Express. "Inc ABIL" calculated internally.

## PORTFOLIO STRUCTURE as at 30 April 2018

### EFFECTIVE ASSET ALLOCATION

	FUND	STEFI
Cash	0.4%	15.0%
0 to 3m	0.0%	30.0%
3m to 6m	0.3%	35.0%
6m to 12m	10.0%	20.0%
12m to 3y	21.8%	
3y to 10y	57.8%	
>10y	1.1%	
Domestic Equity	5.1%	
Foreign Equity	1.6%	
Foreign Property	1.9%	
Foreign Cash	0.1%	

### YIELD\*

Description	FUND
Yield to maturity	8.86%
Modified duration	1.14%

\* Current

## CONTACT DETAILS

Anton Turpin - Managing Director

[info@miplan.co.za](mailto:info@miplan.co.za)

MI-PLAN Investment Partners and IP Management Company

3rd Floor Letterstedt House & 1st Floor Mariendahl House, Newlands-on-Main, Newlands, 7700 PO Box 23271, Claremont, 7735

Client Service (IP) T +27 21 673 1340 | Miplan +27 21 657 5960

email: [clientservices@ipmc.co.za](mailto:clientservices@ipmc.co.za) [www.MI-PLAN.co.za](http://www.MI-PLAN.co.za)

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The portfolio may include foreign investments and the following additional risks may apply: liquidity constraints when selling foreign investments and risk of non-settlement of trades; macroeconomic and political risks associated with the country in which the investment is made; risk of loss on foreign exchange transactions and investment valuation due to fluctuating exchange rates; risk of foreign tax being applicable; potential limitations on availability of market information which could affect the valuation and liquidity of an investment. All of these risks could affect the valuation of an investment in the fund.