

HANGALA CAPITAL ABSOLUTE BALANCED FUND A1

MINIMUM DISCLOSURE DOCUMENT

INVESTMENT AND RETURN OBJECTIVE

The Fund aims to return CPI + 5% per annum over a full market cycle with less capital risk than the average balanced fund. The Fund is Regulation 13 compliant and at least 45% is invested in Namibian assets.

INVESTMENT PROCESS

The Fund invests in a diversified portfolio including cash, capital markets, equities and property, with active asset allocation. Derivatives can be utilised to reduce downside risk when pricing warrants this. The equity selection is active. The Fund is well diversified globally and the offshore allocation and currency exposure is managed actively.

WHO SHOULD INVEST

The Fund is suited to investors with a medium to long term investment horizon, who are seeking capital growth, and downside volatility management.

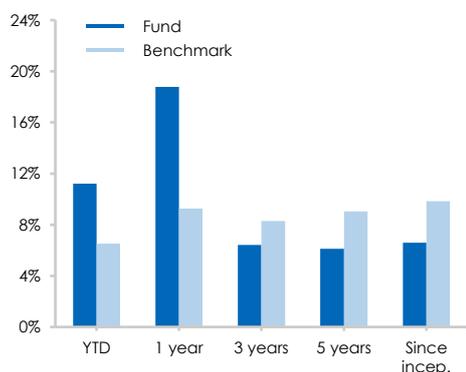
RISK INDICATOR DEFINITION

These portfolios typically have moderate equity exposure and exposure to offshore markets which may result in capital volatility over the shorter term. They are managed in such a manner that the probability of double digit capital losses over one year periods is unlikely. These portfolios typically target returns in the region of 4% - 5% above inflation over the long term.

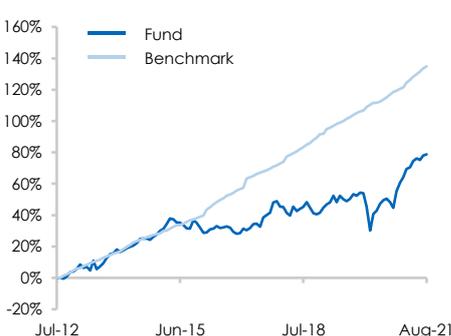
RISK INDICATOR



ANNUALISED PERFORMANCE (%)



CUMULATIVE PERFORMANCE



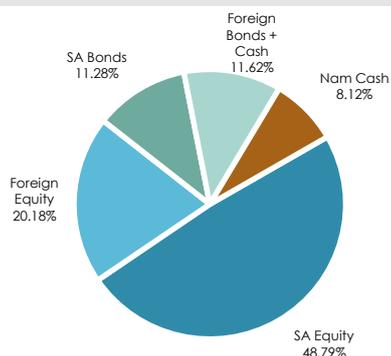
ANNUALISED PERFORMANCE (%)

	Fund	Benchmark
YTD	11.22	6.51
1 year	18.77	9.26
3 years	6.41	8.29
5 years	6.12	9.04
Since incep.	6.60	9.85
Highest rolling 1 year	31.13	13.65
Lowest rolling 1 year	-12.12	6.68

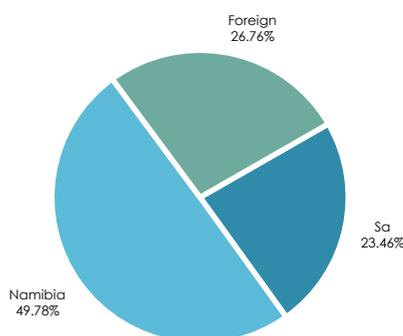
RISK AND FUND STATS

Since inception (p.a.)	Fund	Benchmark
Alpha	-3.25%	
Sharpe Ratio	0.11	2.59
Standard Deviation	8.35%	1.61%

EFFECTIVE ASSET ALLOCATION



REGIONAL ALLOCATION



Hangala Capital

Investment Management

31 AUGUST 2021

ABOUT THE FUND

Fund manager:

Prescient Balanced Team

Fund classification:

Domestic - Asset Allocation - Prudential Variable Equity

Benchmark:

Namibia Headline CPI + 5% LAG

Fund Size:

NAD 37 222 299

Inception date:

31 July 2012

Minimum Investment:

N\$10 000
N\$1000 per month

Income Distribution (annually):

31 March 2021 - 3.04 cpu

Initial Fee:

0.00%

Annual management fee:

1.00%

Fact sheet fee class:

A1

Intermediary charges:

Initial and on-going advice fees may be facilitated on agreement between the Client and Financial Advisor. These charges are not part of the normal annual management

Fee breakdown:

Management Fees	1.00%
Performance Fees	0.00%
Other Fees*	0.24%
Total Expense Ratio (TER)	1.24%
Transaction Costs (TC)	0.02%
Total Investment Charge (TIC)	1.26%

*Other fees includes underlying fee (where applicable): Audit Fees, Custody Fees and Trustee Fees

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FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2012								-0.52%	1.28%	2.98%	0.35%	1.55%	5.74%
2013	2.61%	-1.95%	0.70%	-2.22%	6.03%	-4.95%	1.78%	1.80%	2.96%	2.28%	0.48%	2.15%	11.80%
2014	-1.43%	0.93%	1.12%	0.68%	0.75%	1.26%	2.18%	0.20%	0.04%	-0.67%	1.41%	1.27%	7.97%
2015	1.78%	1.13%	2.33%	2.56%	-0.48%	-1.37%	-1.27%	-1.48%	-0.13%	4.13%	-1.30%	-2.10%	3.63%
2016	-2.63%	0.16%	1.59%	0.29%	1.22%	-0.94%	0.38%	0.42%	-0.61%	-2.05%	-1.00%	0.47%	-2.75%
2017	2.11%	-0.79%	1.17%	1.83%	0.37%	-1.65%	4.48%	1.22%	1.00%	4.67%	0.53%	-2.36%	13.05%
2018	-0.20%	-2.66%	-1.05%	3.99%	-1.91%	1.05%	0.79%	2.16%	-2.33%	-2.62%	-0.33%	0.68%	-2.63%
2019	2.33%	1.35%	0.79%	2.94%	-2.61%	2.72%	-1.55%	-0.83%	0.96%	2.05%	-0.58%	1.24%	8.99%
2020	-0.24%	-5.47%	-10.62%	8.15%	1.52%	3.11%	1.53%	0.69%	-1.43%	-2.53%	7.34%	3.55%	4.16%
2021	2.09%	3.24%	0.68%	2.34%	0.88%	-0.49%	1.57%	0.45%					11.22%

FUND COMMENTARY

The month of August was one of increased concern in markets across the world, with most eyes focused on the outcomes of the U.S. Fed's Jackson Hole conference on monetary policy in the last week of the month - this year held virtually to reduce Covid-19 risk. The outcome of the conference was generally positive for global markets, with rates set to remain lower for longer and the tapering of the QE program to remain on track towards the end of the year but subject to revision should the economy still require a crutch to hold it up.

August was a month of mixed performance across asset classes, with South African equities having finished in the red, equities ending the month positive while bonds contributed positively both via nominal and inflation-linked bonds. Offshore the outcomes of the Jackson Hole conference were more evident, with all major markets having finished positive.

The combination of negative equity market performance and positive earnings results in South Africa have led to one of Prescient's key indicators, valuations, having turned from neutral to positive and reaffirming the overweight in South African equities.

Overall, the fund's positioning remained largely unchanged in the month of August.

During August the Top40 finished down -1.1%, while bonds increased by 1.7% and ILBs by 1.24%. It was a month for diversification, with offshore equities having increased 2.5% and the Rand strengthening 1.0%.

Contributors to performance:

Onshore bonds were the strongest contributors to performance this month.

Detractors from performance:

Onshore equities detracted from portfolio performance.

Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STI, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.