

ABRIDGED
**ANNUAL
REPORT**

To unit trust investors for
year end 30 June

2020



A part of the FirstRand Group



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Our investment team have successfully managed client assets through one of the most significant market crises on record.

**CEO'S
REPORT**



CEO'S REPORT

Ashburton Management Company (RF) Pty Ltd launched in June 2013 and is home to the collective investment schemes in the Ashburton Investments stable. The funds in this range include multi manager funds, retail single manager funds and solutions-based funds. The assets under management (AUM) at the end of June 2020 across this range was R34 billion, an increase of R7 billion from the previous year. Our AUM grew 28% year-on-year.

The FirstRand group recently brought all the investment businesses under a single structure to coordinate and enable investment management capabilities across FNB, Ashburton Investments and RMB. The aim is to deliver investment solutions aligned to client needs across all segments off a scalable and efficient platform.

During the year, Patrice Rassou was appointed Chief Investment Officer. Patrice and our investment team have successfully managed client assets through one of the most significant market crises on record.

Our proposition

Our investment philosophy involves investing in quality assets trading below our assessment of fair value. Our fair value takes into account the macroeconomic environment and future forecasts, and a bottom up valuation of the particular asset. Our process weighs the expected return of each asset with a risk assessment in order to maximise the risk adjusted return for our clients. The principal risk we



SIZWE NXEDLANA

Chief Executive Officer

want to guard against is the permanent loss of our clients' capital over the long term. It is therefore important for us to assess the sustainability of future returns both quantitatively and qualitatively and to construct portfolios with diverse uncorrelated return pay offs.

Market context

Returns over the last 12 months have been impacted by the recent market crash due to the Coronavirus (COVID-19). Despite the subsequent market recovery, the numbers are still disappointing in absolute terms.

Cash and bonds fared relatively better than their growth counterparts as investors fled to safety. Local cash produced 6.9% and bonds delivered a more muted 2.9% over the period. Local equity returned -3.3% while local property saw a severe drawdown falling -39.9%. Global equities delivered

CEO'S REPORT

2.1% and global bonds returned 4.2% (in dollar terms), but these numbers were more flattering in local currency due to the 23.2% depreciation of the rand over the period. In this environment most multi asset mandates, and even some fixed income-oriented mandates, have struggled against their performance objectives.

We anticipate better than money market returns from growth assets over the next 12 months, although muted business confidence remains a significant impediment. An improvement in confidence would be required to generate returns in the double-digit range.

Looking ahead

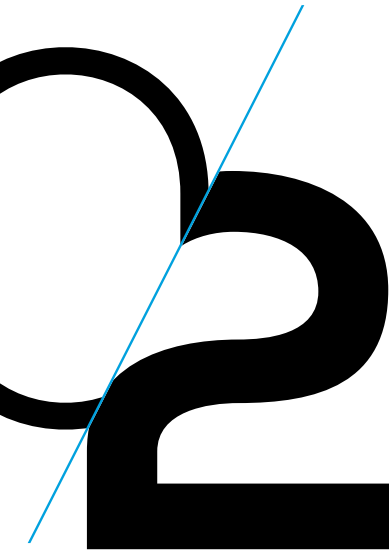
Global growth is expected to suffer a near-term recession, which is expected to be worse than the one we experienced during the Global Financial Crisis of 2009. The lockdowns of various economies are only expected to ease in the second half of 2020 but will vary between and within countries. Inflation pressures should remain contained over 2020, as the impact of COVID-19 as well as lower oil prices should fuel disinflationary pressure over the short term. Global equities have more investment merit than global bonds based on an elevated earnings yield versus bond yields, but we would note that consensus earnings estimates are still too high and downside surprises should be expected.

South African economic growth has been revised substantially lower over the forecast horizon. Load shedding, weak consumer sentiment and the negative impact from COVID-19 contributed to the lower growth forecasts, and concrete implementation of structural economic reforms will be required to see an uptick in growth expectations. Fiscal pressures continue to be exacerbated by a weak nominal growth experience. Inflation is expected to be benign and we expect the South African Reserve Bank (SARB) to cut rates by a further 50 basis points in 2020. We anticipate better than money market returns from growth assets over the next 12 months, although muted business confidence remains a significant impediment. An improvement in confidence would be required to generate returns in the double-digit range. The government's worsening debt burden together with weak nominal gross domestic product (GDP) growth underpin our view of further credit rating downgrades.



CIO'S
REPORT

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PATRICE RASSOU
Chief Investment Officer

The year of 2020 will be remembered for the Coronavirus (COVID-19) pandemic and its devastating impact in terms of loss of human life and economic hardship. After a decade where the globe didn't experience a recession, COVID-19 unleashed an economic shock far worse than the Global Financial Crisis (GFC).

The South African (SA) economy was still in recession in the second half of 2019 when load shedding from Eskom further disrupted economic activity. The performance of the JSE All Share Index which is only down some 3% for the year ended June and a flat performance from bonds over the past year, hide the massive sell-off that occurred at the beginning of this calendar year. The lockdown instituted to slow the spread of

the virus brought activity to a halt and financial markets went into free fall. The JSE All Share Index dropped 21% in the first quarter of this calendar year. South African bonds had one of their worst months on record dropping 10% in March, forcing the South African Reserve Bank (SARB) to intervene and restore liquidity by buying bonds. The property sector suffered the worst blow, down 48% in the first quarter of the year as investors grew concerned about the impact of social distancing and work from home trends on rental income.

Commodity markets also were engulfed into the turmoil, especially the oil market which at the end of April, saw the West Texas oil futures collapsing to an unprecedented -\$38 per barrel. This was a technical issue where the global lockdown led to a third of global oil demand disappearing overnight, leading to excess supply (30 out of 86 thousand barrels per day) as crude oil piled up in Cushing Oklahoma and there was insufficient storage capacity to take delivery. On top of this, an oil price war between major producers did little to reassure markets.

Global Central Banks unleashed in the first six months of 2020, fiscal and monetary stimulus equivalent to three years of stimulus post the Global Financial Crisis. The SA Government, despite a perilous budgetary position, launched a sizeable R500 billion stimulus package to assist those most vulnerable and the SARB threw caution to the wind and cut interest rates by 275 basis points to half a century low. The South African currency weakened some 23% against the greenback over the past year weakening from R14 to the dollar to close at R17.34 at end of June.

South Africa's gross domestic product (GDP) growth is expected to decline by over 8% this year hurt by the deteriorating global trade environment and an ailing domestic economy. The emergency budget made for grim reading at the end of June. The SA GDP contraction is expected to be worse than the 6% Great Depression contraction in 1930. An even bigger shock is the widening of the budget deficit to close to 16%, which is the widest since World War one. It is a sad state of affairs when we recall that the debt to GDP was below 22% in 2009 and now the forecast is to reach 87% in three years' time. The borrowing requirement spiked by R400 billion to R761 billion. If no action is taken, debt will reach 106% of GDP driven by the Hippopotamus jaws of revenue slumping to 22.6% of GDP compared to expenditure at 37.2% of GDP.

We only expect the South African economy to stage a recovery at the beginning of 2021. After the Sovereign debt downgrade, the SA Government will have no choice but to impose some severe austerity measures to ensure that our sovereign debt burden is reigned in.

In 2008 before entering the GFC, we had a budget surplus of 1% and debt to GDP of 22% with debt service costs at 2.2% of GDP. The government was able to spend on infrastructure and the budget deficit went to 7% of GDP. Contrast this with how we entered the current COVID-19 pandemic with our budget deficit at 6.3% and debt to GDP at 65% with debt servicing costs at 5% of GDP. This constrains government ability to spend on infrastructure to help get us out of our mire.

Outlook for 2021

The human and economic toll is expected to worsen in the second half of the calendar year. On the global political front, the United States (US) Presidential elections and some finality regarding Brexit may be some welcome news in an otherwise barren landscape. We only expect the South African economy to stage a recovery at the beginning of 2021. After the Sovereign debt downgrade, the SA Government will have no choice but to impose some severe austerity measures to ensure that our sovereign debt burden is reigned in. Unfortunately, many SA businesses will also have to scale down costs to be able to restore themselves to profitability, while many others will not even survive this crisis. In this environment where risks are heightened, we are focused on preserving the capital that you have entrusted to us, while remaining on the lookout for opportunities that market dislocations may present.



OUR KEY
PEOPLE

OUR KEY
PEOPLE

OUR KEY PEOPLE



**SIZWE
NXEDLANA**

Chief Executive
Officer

Sizwe Nxedlana was appointed CEO of Ashburton Investments in October 2019. Sizwe has been with the FirstRand group for 12 years, previously as FNB's Chief Economist and most recently as CEO of FNB's Wealth and Investment business – a role which he retains. Sizwe is an experienced financial markets professional and holds a Master of Commerce in Economics from the University of Kwazulu Natal. He completed his Bachelor of Commerce Degree from the University of Cape Town. Some of his achievements include being awarded in the prestigious Mandela Economic and National department of Transport Scholarships.



**PATRICE
RASSOU**

Chief
Investment
Officer

Patrice Rassou is the chief investment officer (CIO) of Ashburton Investments. He joined Ashburton from Sanlam Investment Managers where he was Head of Equities and before joining Sanlam in 2006, he worked at Thesele Group, Old Mutual Asset Management and PwC. At Sanlam, he was the manager of the Sim Top Choice fund which was the best performing equity unit trust in South Africa for a decade (2009-2019). He holds an MSc in economics from the London School of Economics and Political Science, an MBA with distinction from Manchester Business School, and is a Chartered Accountant.



ALBERT BOTHA

Head: Fixed
Income Portfolio
Management

Albert Botha is Head of Fixed Income Portfolio Management at Ashburton Investments. He was a Portfolio Manager and Executive Director at Atlantic Asset Management. His responsibilities included the management of all the money market and enhanced cash funds as well as all the bond funds. He was also responsible for quantitative and credit research along with inputs into the asset allocation and administrative areas of the business. Albert started his career at Sanlam, where he was an Analyst in the actuarial pensions department, after which he spent almost 3 years at Glacier as an Analyst and Senior Analyst doing fund, economic, asset allocation and liability driven investment. Albert studied at the University of Stellenbosch, majoring in Actuarial Science, Economics and Financial Risk Management.

OUR KEY PEOPLE



NICO ELS
Multi-Asset
Strategist

Nico Els is a Multi-Asset Strategist at Ashburton Investments and is a member of Ashburton Investments' primary and secondary Asset Allocation committee. He has over 25 years' experience in fixed income, starting in 1992 with SMK Securities on the bond floor of the JSE as a Fixed Income Sales Representative. In 2006, Nico joined RMB and helped to establish a FICC proprietary desk, with his main focus on G10 interest rates and currencies. He worked in London for three years and gained valuable knowledge of global macro trading strategies, portfolio construction as well as risk management. Nico holds a BCom (Hons) in Investment Management and completed his JSE Membership Examination.



VICKI TAGG
Head of
Indexation

Vicki Tagg is the Head of Indexation at Ashburton Investments. She has over 20 years' experience in the asset management and investment banking industry. Previously she worked for Investec Asset Management, State Street Bank and PSG. She joined the FirstRand Group in 2004 and was a member of RMB's Exchange Traded Products team from 2009-2013.



**ADRIAAN VAN
DER MERWE**
Head of
Intermediated
Distribution

Adriaan van der Merwe heads up Ashburton Intermediated Distribution South Africa. He is responsible for a team of Business Development Managers at Ashburton Investments that is nationally responsible for sales, marketing and distribution of Ashburton Investment's local as well as international investment solutions. Adriaan joined Ashburton in 2012 and has spent most of his career focusing on investment distribution in the retail market. Prior to joining the FirstRand Group he was employed by Old Mutual Fairbairn Capital for 11 years and was responsible for maintaining and growing relationships with strategic investment partners. He holds a BSc (Hons) degree from the University of Stellenbosch.



**FUNDS AT
A GLANCE**

Our investment philosophy involves investing in quality assets trading below our assessment of fair value.

**FUNDS AT
A GLANCE**

FUNDS AT A GLANCE

For the year ended 30 June 2020

SINGLE MANAGER FUNDS

	ASISA category	Investment objective	Benchmark	Risk profile
Ashburton Equity Fund	South African – Equity – General	To achieve capital growth and deliver returns ahead of the FTSE/JSE All Share Index (Total Return) over the long term.	FTSE/JSE All Share Index (Total Return)	High
Ashburton Balanced Fund	South African – Multi Asset – High Equity	To generate long-term, inflation-beating returns over a three year period. The fund complies with Regulation 28 of the Pension Funds Act, 1956.	Market value weighted, average return of the Multi Asset – High Equity category (excluding the Ashburton Balanced Fund)	Moderate
Ashburton Targeted Return Fund	South African – Multi Asset – Low Equity	To outperform CPI +3.5% over a rolling three year period. The secondary objective is to offer stable positive returns over a 12 month rolling period. The fund complies with Regulation 28 of the Pension Funds Act, 1956.	CPI + 3.5% (net of asset management fees)	Low to moderate
Ashburton SA Income Fund	South African – Interest Bearing – Short Term	To provide relative capital stability and optimal income returns from interest earning securities and enhance returns through a combination of diversified fixed income strategies.	STeFI Composite Index over a rolling 12-month period	Low
Ashburton Money Market Fund	South African – Interest Bearing – Money Market	To maximise interest income, preserve capital and provide immediate liquidity for investors. The fund complies with Regulation 28 of the Pension Funds Act, 1956.	STeFI 3 month index	Low
Ashburton Global Flexible Fund	Global – Multi Asset – High Equity	To provide long-term capital growth through a balanced mandate of global asset allocation, with access to emerging market growth opportunities.	60% MSCI AC Index, 40% Citigroup World Government Bond Index	High
Ashburton Bond Fund	Interest Bearing – Variable Term	To provide investors with a well-diversified exposure to the South African bond market.	Beassa ALBI	Low to moderate
Ashburton Diversified Income Fund	South African – Multi Asset – Income	To achieve performance returns significantly in excess of money market funds and current account yields.	110% of STeFI Composite ZAR	Low
Ashburton Stable Income Fund	South African – Interest Bearing – Short Term	To maximise the current level of income within the restrictions set out in the investment policy, while providing high stability of capital.	STeFI Composite Index over a rolling 12-month period	Low
Ashburton Property Fund	South Africa – Real Estate – General	To achieve capital growth and deliver returns ahead of the FTSE/JSE SA Listed Property Index (Total Return) over the long term.	Beassa ALBI	Moderate to high
Ashburton Global Leaders ZAR Equity Feeder Fund	Worldwide Equity – General Portfolio	To achieve long-term capital growth over the economic cycle by investing in Transferable Securities issued by leading companies listed globally.	MSCI All World Large Cap Index	Moderate to high
Ashburton India Equity Opportunities Feeder Fund	Regional – Equity – General	To achieve long-term capital growth through equity or equity related investments predominantly in the stock markets of India.	EAA Fund India Equity	Moderate to high

FUNDS AT A GLANCE

For the year ended 30 June 2020

MULTI MANAGER FUNDS

	ASISA category	Investment objective	Benchmark	Risk profile
Ashburton Multi Manager Equity Fund	South African – Equity – General	To provide investors with above average growth in capital over the medium to long term.	FTSE/JSE All Share (Total Return)	High
Ashburton Multi Manager Property Fund	South Africa – Real Estate – General	To provide investors with inflation beating capital growth with a high income yield	FTSE/JSE SA Listed Property Total Return	Moderate to High
Ashburton Multi Manager Prudential Flexible Fund	South African – Multi Asset – High Equity	To deliver a stable and growing capital and income base, via a balanced and diversified portfolio. The fund complies with Regulation 28 of the Pension Funds Act, 1956.	Average of the SA – Multi Asset – High Equity	Moderate to high
Ashburton Multi Manager Bond Fund	South African – Interest Bearing – Variable Term	To provide investors with a well diversified exposure to the South African bond market. The fund complies with Regulation 28 of the Pension Funds Act, 1956.	BEASSA All Bond Total Return Index	Moderate
Ashburton Multi Manager Income Fund	South African – Multi Asset – Income Portfolio	To provide investors with a high level of income and maximise returns by actively positioning the portfolio between income yielding and inflation protecting securities. The fund complies with Regulation 28 of the Pension Funds Act, 1956.	110% of the STeFI 3 month deposit	Low to moderate

SOLUTIONS FUNDS

Ashburton Growth Fund	South African – Multi Asset – Flexible	To achieve capital growth over the longer term and to out perform CPI+4% over rolling 5 year periods.	CPI +4% over a 5 year rolling period	High
Ashburton Defensive Fund	South African – Multi Asset – Flexible	To generate positive returns over the medium term, irrespective of market conditions and to out perform CPI +2% over 3 year rolling periods	CPI +2% over a 3 year rolling period	Low to moderate
Ashburton Stable Fund	South African – Multi Asset – Income	To provide capital preservation in real terms over a 2 year rolling period and generate income through interest bearing assets. Returns should match CPI.	CPI over 2 year rolling periods	Low

FUNDS AT A GLANCE

For the year ended 30 June 2020

EXCHANGE TRADED FUNDS

	ASISA category	Investment objective	Benchmark	Risk profile
Ashburton Top40 Exchange Traded Fund	South African – Equity – Large Cap	To provide investors with exposure to the South African equities market through the purchase of a JSE listed ETF.	FTSE/JSE Top40 Index	Moderate to high
Ashburton MidCap Exchange Traded Fund	South African – Equity – Mid and Small Cap	To provide investors with exposure to the South African equities market through the purchase of a JSE listed ETF.	FTSE/JSE MidCap Index	Moderate to high
Ashburton Inflation Exchange Traded Fund	South African – Interest Bearing – Variable Term	To provide investors with a real rate of return above inflation (CPI), through exposure to a diversified portfolio of government inflation-linked bonds.	Government Inflation Linked Bond Index (GILBx)	Low
Ashburton Global 1200 Equity Exchange Traded Fund	Global Equity – General Portfolio	To provide returns linked to the performance of the S&P Global 1200 Index.	S&P Global 1200 Index	High
Ashburton World Government Bond Exchange Traded Fund	Global – Interest Bearing – Variable Term	To provide investors with cost efficient exposure to the global bond market by tracking the Citi World Government Bond Index (WGBI).	FTSE World Government Bond Index	Moderate

TRACKER FUNDS

Ashburton GOVI Tracker Fund	Interest Bearing – Variable Term Portfolio	To provide investors with a real rate of return through cost effective exposure to a diversified portfolio of government bonds.	JSE Government Bond Index	Low
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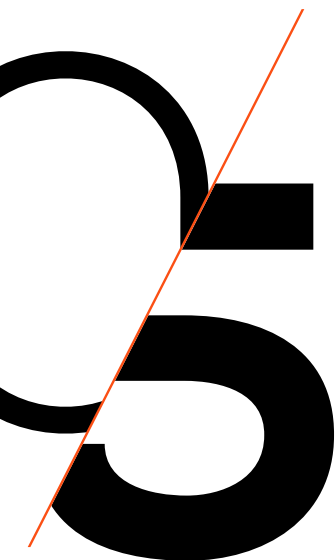
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MARKET
REVIEW

MARKET
REVIEW

MARKET REVIEW



	1 YEAR TO 30 JUNE 2020		1 YEAR TO 30 JUNE 2019		1 YEAR TO 30 JUNE 2018	
	% change USD	% change ZAR	% change USD	% change ZAR	% change USD	% change ZAR
ALSI (Total Return)	-21.40%	-3.62%	1.91%	4.52%	9.24%	15.10%
MSCI World Equities	2.78%		6.98%		11.71%	
MSCI Emerging Markets	-3.94%		1.58%		8.58%	
S&P500 (Total Return)	6.67%		10.41%		14.36%	
FTSE 100 (Total Return) (GBP)	-14.56%		1.51%		8.69%	
MSCI China (HKD)	11.41%		-6.96%		21.99%	
Gold price	28.66%		12.53%		0.89%	
Copper price	1.27%		-8.32%		11.78%	
Platinum price	-0.35%		-2.18%		-7.83%	
Brent Crude price	-36.75%		-16.23%		65.78%	
SA Listed Property Index		-38.87%		0.78%		-16.06%
SA ALBI (ZAR)		3.04%		11.48%		10.19%
3 month JIBAR		3.91%		7.03%		6.96%
R/\$ exchange rate	22.75%		2.64%		6.16%	
R/GBP exchange rate	0.46%		2.75%		6.64%	
R/Euro exchange rate	20.46%		-1.36%		11.46%	
SA CPI		2.22%		4.48%		4.57%
Repo rate		3.50%		6.50%		6.50%

Source: Ashburton Investments



OUR
FUNDS

The assets under management (AUM) at the end of June 2020 across this range was R34 billion, an increase of R7 billion from the previous year.

OUR
FUNDS

SINGLE MANAGER FUNDS

Ashburton Equity Fund

INVESTMENT OBJECTIVES AND STRATEGY

The Ashburton Equity Fund aims to achieve capital growth and deliver returns ahead of the FTSE/JSE All Share Index (Total Return) over the long term. In order to achieve its investment objective, the fund will typically be fully invested in financially sound South African listed ordinary shares. The manager is, however, permitted to invest in fixed income securities and offshore investments as allowed by legislation. Equity investments are typically volatile by nature and subject to potential capital loss.

FUND REVIEW

For the 12 months under review, the fund returned a negative 8.50% return after fees and expenses relative to the FTSE/JSE All Share Index performance of negative 3.30%. At the end of June, the fund's assets under management totalled R328 million.

The year was significantly impacted by the Coronavirus (COVID-19) which led to a severe market sell-off during February and March 2020. The market has recovered in almost the same amount of time. The fund's defensive stance helped us relative to peers and the benchmark in the sell-off. However, we didn't anticipate the V shaped recovery and although we took on more risk post the sell-off, we remained more defensive than the benchmark and as such haven't recovered at the same speed. Our overweight to industrials, specifically the technology sector helped our performance during the year. The lockdowns, not only in South Africa but globally, continue to benefit market share gains in online products and services. Whether this is online shopping, cloud, social interactions, remote business or entertainment, the technology sector continues to benefit.

Our resources exposure hurt us relative to the benchmark. Significant portions of the benchmark return came from the

gold and platinum sector and we remained underweight in these sectors throughout the year.

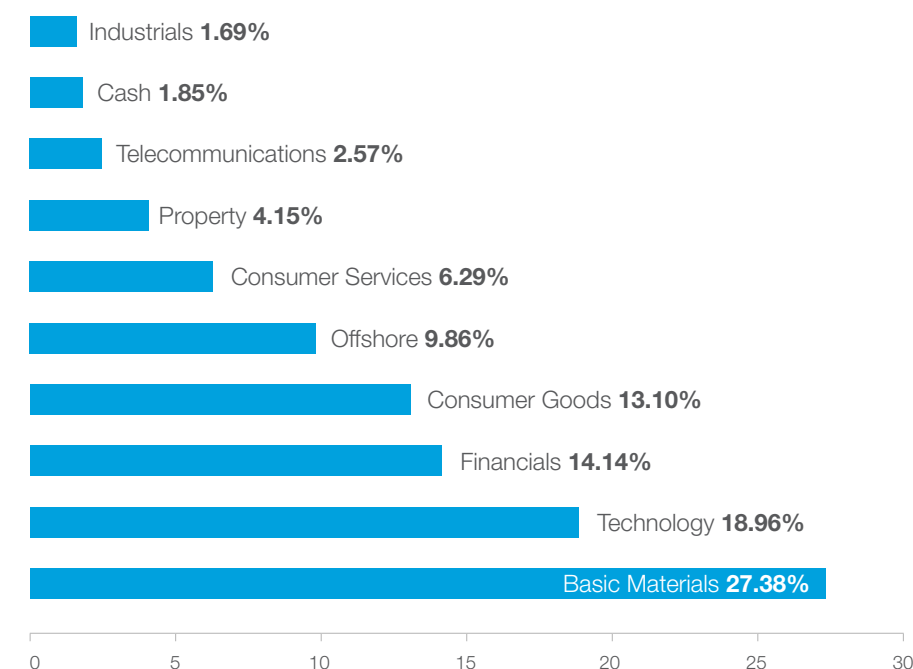
Looking forward, we remain concerned of the longer-term macro impacts of COVID-19, specifically on the South African economy. We also remain on alert with the United States (US) presidential elections coming up and what impact that has on markets.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	6.44	0.48	0.99	7.91
2019-12-31	10.12	1.00	0.85	11.97
2019-06-28	9.68	0.46	0.36	10.50
2018-12-31	7.65	0.08	0.92	8.65

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Balanced Fund

INVESTMENT OBJECTIVES AND STRATEGY

The Ashburton Balanced Fund has as its investment objective to generate long-term, inflation-beating returns over a three-year period within the legislative framework of Regulation 28 of the Pensions Fund Act and Board Notice 90 on the Collective Investment Scheme Control Act. The fund encapsulates the single manager, best investment view of Ashburton Investments South Africa.

The fund is categorised within the Association for Savings and Investment South Africa (ASISA) South African Multi-Asset High Equity class. The fund is able to invest in a variety of asset classes both locally and offshore. Typically, the fund holds a majority weighting in the local and foreign equity asset class. Other important asset classes comprising the fund are listed property, bonds and money-market instruments.

The fund targets investors who require inflation-beating returns over the medium to long term. As the fund conforms to the Regulation 28 framework the fund can service pension, provident, preservation funds and living annuities. The fund is managed within a top-down asset allocation investment process and a bottom-up instrument selection process within a team environment. The balanced fund is Ashburton Investments' best investment view and represents a process and team-driven investment solution for investors.

FUND REVIEW

The Ashburton Balanced Fund has achieved a return of 3.48% per annum over the past five years and a third quartile ranking within the ASISA Multi-Asset High Equity category. Over a one year period, the fund declined by 1.19%. Total assets under management was R439 million at 30 June 2020.

For the one-year period under review, offshore investments were the best performer, owing largely to the 23% depreciation in the local currency vs the US dollar. The MSCI World Index and Citi World Bond Index respectively gained 27.4% and 28.9% in rand terms. The risk-off sentiment stemming from the Coronavirus (COVID-19) outbreak was the main contributor to the rand weakness, as a flight to US dollars weakened most other currencies.

Other asset classes that contributed positively to performance include South African (SA) bonds which gained 2.9% and cash. Within SA bonds, the three-to-seven year (+11.3%) and one-to-three year (10.6%) areas of the curve showed good returns while the long 12+ year (-2.3%) area fell short as the curve steepened quite considerably over the period. Inflation-linked bonds also performed poorly, losing 3% for the year.

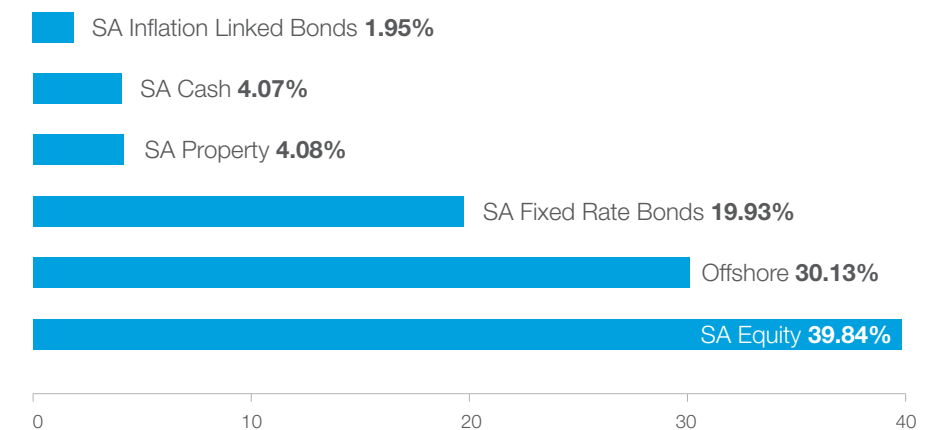
The Johannesburg Stock Exchange (JSE) All Share Index lost 3.3% for the year. The technology sector within equities was the top performer, returning 36.5%. Basic materials followed with 12.5%. Notable underperformers were consumer services (-26%), financials (-34.5%) and industrials (-35.7%). Counters that performed well within the portfolio include Naspers, Prosus, British American Tobacco and BHP. Worst performers include Bidvest, Sasol, Standard Bank and Woolworths. The Real Estate Investment Trust sector lost a massive 46.5% for the period despite a strong recovery in the month of June. Most SA and retail focused property companies were among the worst performers over the period.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.86	0.98	0.27	2.11
2019-12-31	1.04	0.81	0.26	2.11
2019-06-28	1.00	0.81	0.12	1.93
2018-12-31	0.66	1.20	0.16	2.02

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Targeted Return Fund

INVESTMENT OBJECTIVES AND STRATEGY

The Ashburton Targeted Return fund is a cautious, low equity fund. Its primary objective is to beat South African Consumer Price Inflation (CPI) + 3,5% over a rolling 3 year period. The fund aims to achieve its mandate taking risk exposure into account and utilising diversified exposures, generating capital and income growth through a combination of actively managed assets and asset allocation decisions. The fund combines exposure into many different liquid asset classes, including equities, Vanilla bonds, Inflation linked bonds, Corporate bond (credit), property, preference shares and money market assets. The fund utilises exposure in offshore assets. General market risks include a change in economic conditions, interest rate risk, share price volatility, exchange rate risks.

FUND REVIEW

For the 12 months under review, the fund returned a negative 6.02% return after fees and expenses relative to the funds benchmark of South Africa (SA) Consumer Price Index (CPI) +3.5% which was 6.54%. At the end of June, the fund's assets under management totalled R208 million.

The fund runs well diversified asset class exposures and through the cycle should achieve its mandate. However, with a South African economy already under pressure compounded by the Coronavirus (COVID-19), growth assets capitulated in February and March and although there has been a speedy recovery in some asset classes (such as global equity) others are still reeling from the effects and corresponding uncertainty (specifically property).

While we have seen the rand devalue sharply against developed market currencies, we do think it is oversold and should strengthen from here.

The only asset class that has beaten CPI+3.5% is offshore (both equity and Fixed Income), with the property sector the hardest hit returning a negative 40% return over the year.

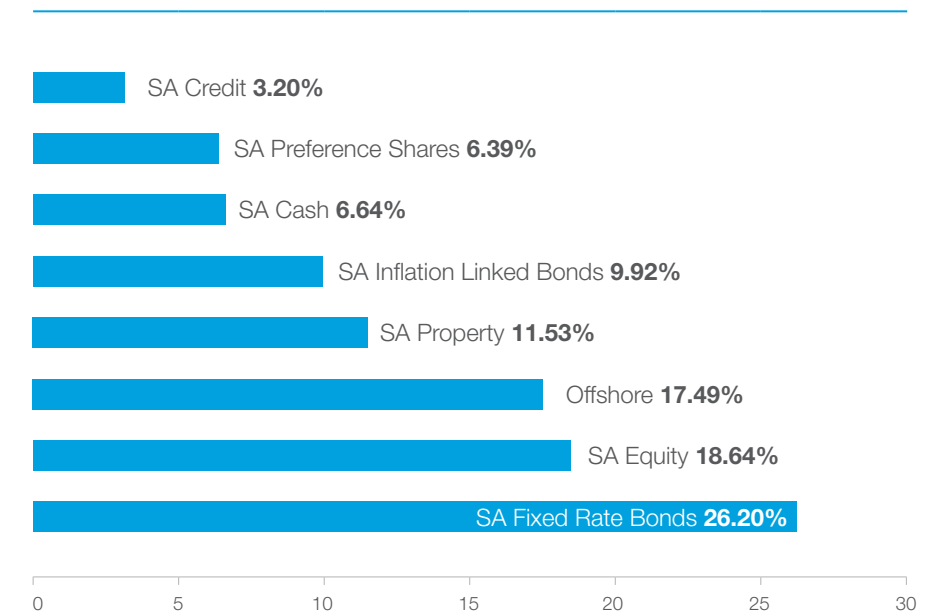
Looking forward, we remain concerned regarding the SA economy and its ability to weather the COVID-19 'storm'. We continue to prefer defensive assets throughout our asset class exposure, however, remain convinced that diversification amongst asset classes is key for mandate beating returns over the medium term.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.40	0.82	0.24	1.46
2019-12-31	0.28	0.84	0.11	1.23
2019-06-28	0.25	0.84	0.60	1.69
2018-12-31	0.69	0.98	0.09	1.76

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton SA Income Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund is a specialist portfolio focusing on high interest-bearing investments. It aims to provide relative capital stability, optimal income returns from interest earning securities and enhance returns through a combination of diversified fixed income strategies. The fund comprises of a combination of bonds, fixed deposits and other interest earning securities which have a fixed maturity date and either have a predetermined cash flow profile or are linked to benchmark yields. The fund will not invest in equity securities, real estate securities or cumulative preference shares. The fund's duration will be limited to a maximum of two years. Risks include political, economic, interest rate risk, default risk as well as general market risk which could lead to an increase in bond yields and credit risk.

FUND REVIEW

For the 12 months under review, the fund returned a negative return. The return volatility in the Ashburton SA Income Fund has stabilised post the crisis and the fund's re-established position on the yield curve favours more income generation over risky capital gains. Given the current interest rate environment, returns remain unpredictable over short horizons. The decision to earn the duration risk premium over and above income generating assets is tactical and is based on a one year investment term. Volatility does persist, albeit less so than when the crisis began and presented opportunities to establish duration and convexity positions to further enhance returns.

The fund continues to benefit from the carry and roll-down in government bonds. Duration risk exposure is kept to shorter maturity government bonds such as R186 and R2030, and the preference is to maintain exposure there until further decisions are made by the South African Reserve Bank (SARB) on monetary policy. The short end of the yield curve is anchored and not expected to exhibit much volatility relative to longer maturity yields. A reduction in corporate credit exposure has kept return volatility low although haircuts in Landbank bonds have resulted in a marginal underperformance.

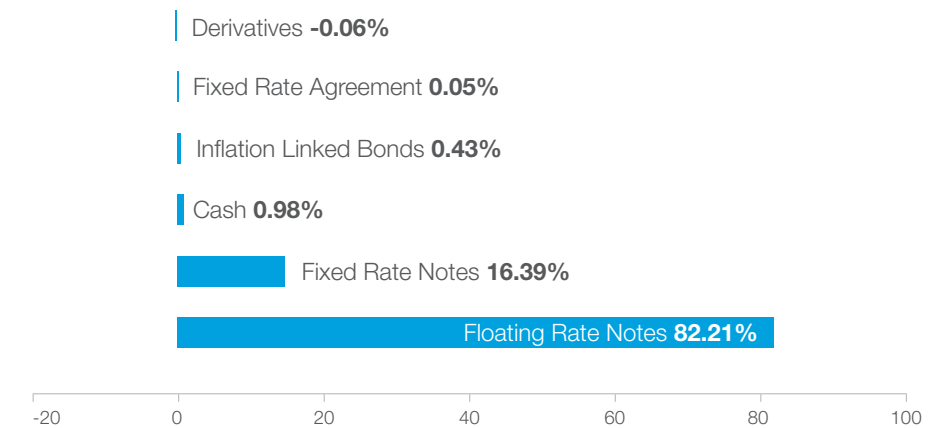
Duration and carry have contributed positively to performance but offset by widening credit spreads and event triggered risks. The demand for liquidity remains the dominant theme and sole catalyst for forced selling in the debt market. Notably, tier II bank debt spreads widened to levels seen only at the time of issuance with the contagion spreading up the seniority ladder. Other corporate debt issuers recently repriced on concerns of covenant breaches leading up to their year ends. We prefer South African (SA) government bonds over corporate credit but recognise the need for fiscal consolidation to avoid a debt spiral. South African government bonds have priced in a lot of the negative news and offer good real returns when compared to other emerging economies.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.00	1.74	0.00	1.74
2020-03-31	0.00	1.99	0.00	1.99
2019-12-31	0.00	2.06	0.00	2.06
2019-09-30	0.00	2.17	0.00	2.17

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Money Market Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund seeks to maximise interest income, preserve capital and provide immediate liquidity for investors. It will invest in a diversified portfolio of money market instruments. The maximum term of instruments included will be limited to 13 months and the weighted average duration will not exceed three months. The only risk from this fund is reinvestment risk if interest rates fall, inflation risk as well as credit risk

FUND REVIEW

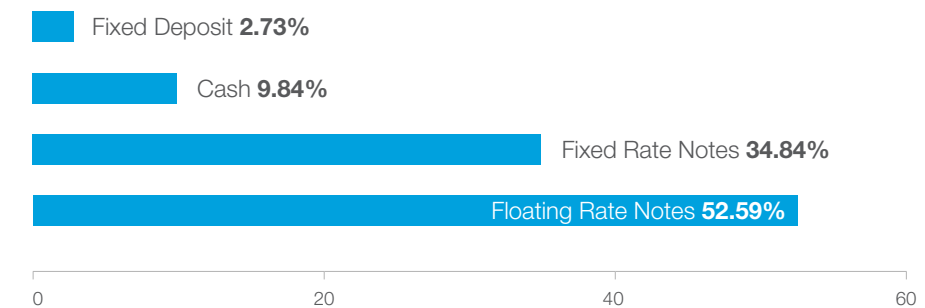
For many investors, income generation is challenging given the backdrop of the global economy. Our country is operating with uncharacteristic economic hardships while balancing the health of her citizens. The emergent reality in South Africa is a country stricken with a health pandemic, a weak economy and financial markets in flux, of which the best investment professionals could not predict.

In response to the Coronavirus (COVID-19) pandemic, we saw unparalleled level of monetary and fiscal stimulus by central banks and governments around the world. The South African Reserve Bank (SARB) reduced its policy rate to historic lows, with its fourth consecutive cut in May 2020 where the Committee, in a split vote, reduced the repo rate by a further 50 basis points to 3.75%. The SARB maintained its view that it would use all available tools within its mandate to support households and businesses during the pandemic.

Against this backdrop, the yield on Treasury Bills and fixed-rate Negotiable Certificates of Deposits (NCDs) tightened in response to the central bank decision on monetary policy. Furthermore, funding spreads contracted across the term structure, signaling the cash-flush position that local banks find themselves in. Given the current interest rate environment, returns remain unpredictable over short horizons.

The fund was strategically positioned to a fixed-rate and longer dated instrument bias over the investment period. For the year under review, the Ashburton Money Market Fund generated an effective return of 7.07%, well ahead of its STeFI 3-month NCD benchmark, which return of 6.38%.

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Bond Fund

INVESTMENT OBJECTIVES AND STRATEGY

The investment objective of the portfolio is to provide investors with a well-diversified exposure to the South African bond market. The portfolio will provide a high level of income and seek to enhance investment returns by the active management of interest rate, credit and duration risk. This portfolio seeks to outperform the ALBI over a rolling 36-month period. The fund will invest in high-yielding, interest bearing securities including public, parastatal, municipal and corporate bonds, inflation linked bonds, loan stock, debentures, fixed deposits and money market instruments. The portfolio will have flexibility to invest across the duration, credit and yield spectrum. Risks include political, economic, interest rate risk, default risk, as well as general market risk which could lead to an increase in bond yields and credit risk.

FUND REVIEW

The Ashburton Bond Fund has had a volatile couple of months into the Coronavirus (COVID-19) crises and during the subsequent months. The portfolio entered the crises in an overweight duration position, which hurt performance both relative to peers and its benchmark. During March the team increased the overweight duration position. This positioning turned out to be correct, but due to much of the bond rally in April occurring at the front end of the yield curve, the fund continued to lag. In the subsequent months the portfolio remained volatile and underperformed its peers at various stages in the recovery.

The fund retains its overweight duration positions, but much of the risk has been moved to shorter maturity bonds as fears of a South African fiscal crises continues to trend.

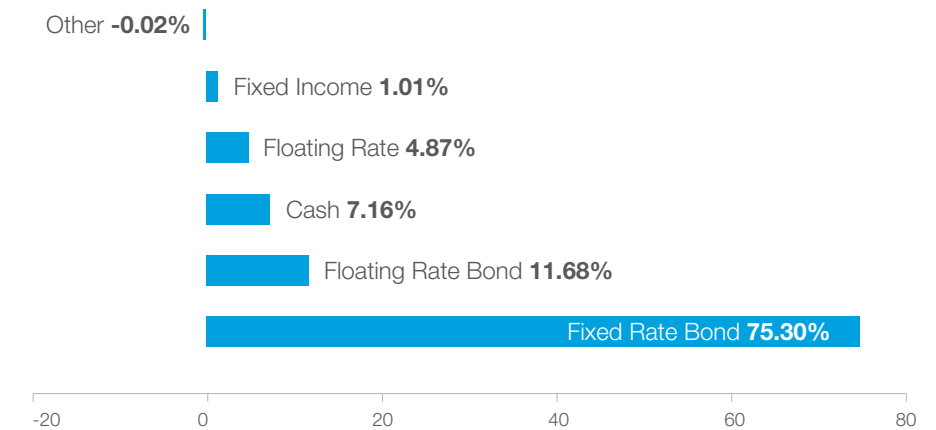
In the long term, the fund performance is still adequate, but work needs to be done to improve the performance going forward.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.00	3.85	0.00	3.85
2019-12-31	0.00	4.80	0.00	4.80
2019-06-28	0.00	4.63	0.00	4.63
2018-12-31	0.00	3.43	0.00	3.43

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Global Flexible Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund offers investors long-term capital growth through a balanced mandate of global asset allocation, with access to emerging market growth opportunities. To achieve this, the fund invests across a broad range of asset classes including international equities, bonds, cash and property markets. Investments are made directly into these markets, and indirectly through participatory interests in other collective investment schemes. The mandate is to have a maximum 75% and a minimum of 45% exposure to equity markets. For the purposes of efficient portfolio management, the fund may also invest its assets in derivatives such as futures, options, forwards and swaps. Risks include market risk, liquidity risk, risk of loss, macroeconomic risk, political risk, exchange rate risk, exchange derivatives risk and settlement risk.

FUND REVIEW

The portfolio delivered 2.83% (gross of fee) in June 2020, outperforming the benchmark, which returned 2.20%.

Within developed markets, the positioning in Japan contributed to relative performance. The underweight stance in US equities also added value. However, the underlying strategy selection in the US weighed on returns. Within emerging markets, bias towards emerging Asia equities strongly contributed to

performance. The fixed income segment contributed to relative performance, primarily due to the underweight allocation to government bonds. Within emerging market debt, allocation to hard currency debt contributed to performance. This was partially offset by underlying India fixed income fund. Elsewhere, the exposure to alternatives added value marginally where contributions from real estate were partially offset by our infrastructure exposure.

As we enter the second half of the year, markets appear to be coming to a crossroads. On the one hand, the policy cycle remains highly supportive, the fiscal policy is largely plugging the wage gap, and economic data is improving as lockdowns ease and activity is picking up. On the other hand, the virus threat has not yet dissipated, and areas of concern persist. Despite a pick-up in economic activity, we believe that the services domain will lag as 'social distancing' policies become the norm for now. In addition, the US election build-up and trade war rhetoric are expected to unsettle markets. As a result, we prefer to have exposure to market segments with more fundamental and valuation support.

From a regional perspective, we have a cautious stance in US equities. Our view is primarily centred on valuations, which have strongly outpaced fundamentals since the depths of the drawdown in late March. Early signs for the economy are promising, but the outlook is largely unclear due to the resurgence of the virus in some pockets. We have a positive view on emerging Asia given the larger share of energy importers, more attractive long-term themes such as China consumption, and positive signs on the virus. There are tentative signs of recovery in the region after the worst of the lockdowns have eased in many countries. Within fixed income, we are positive on emerging market hard currency debt with the asset class likely to participate in oil market upside given the universe's shift in recent years to include a higher allocation to oil exporting countries. We have also closed out the passive

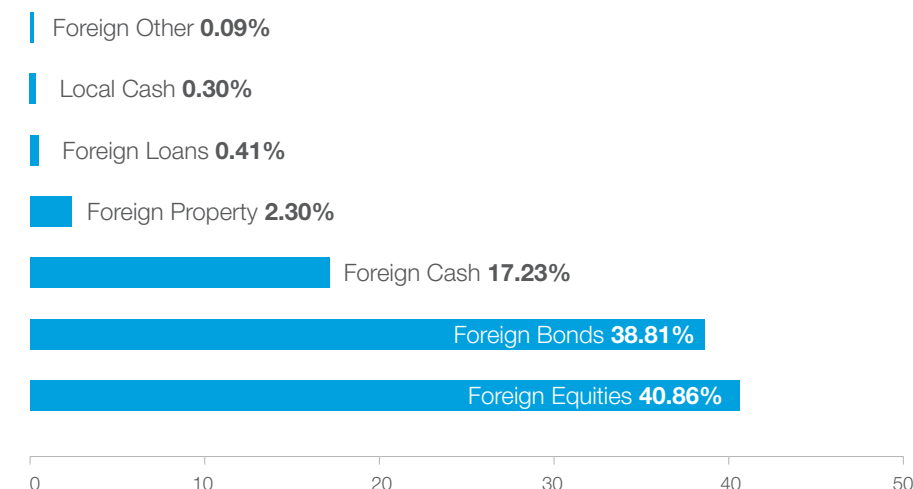
exposure in the Russell 1000 Index. We reduced exposure to the India equity opportunities fund and added to the existing Asian special situations fund to maintain the broader emerging Asia exposure. Within alternatives, the position in iShares Gold Producers ETF was replaced with Amundi Physical Gold ETN. The exposure in iShares Developed Markets Property Yield ETF was also sold. Additionally, we increased our existing JPY currency position which offers defensive qualities.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2019-06-28	0.00	0.00	0.00	0.00
2018-12-31	0.00	0.00	0.00	0.00
2018-06-29	0.00	0.00	0.00	0.00
2017-12-29	0.00	0.00	0.00	0.00

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Property Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund offers investors long-term capital growth through a balanced mandate of global asset allocation, with access to emerging market growth opportunities. To achieve this, the fund invests across a broad range of asset classes including international equities, bonds, cash and property markets. Investments are made both directly into these markets and indirectly through participatory interests in other collective investment schemes.

The fund is suited to investors seeking long-term capital growth through a multi-asset strategy, investing in international assets.

FUND REVIEW

Over the period, the Ashburton Property Fund declined by 38.95% after fees, outperforming the SA Listed Property Index benchmark return of -39.95%. Assets under management at 30 June 2020 amounted to R277 million.

Most of the sector's decline in share prices was experienced in the first quarter of 2020 as global markets including listed property were negatively impacted by uncertainties relating to the Coronavirus (COVID-19) pandemic. It is also important to note that the pandemic also hit at a time when the sector was facing weak fundamentals, a result of the challenging macroeconomic environment. In this uncertain environment, the market's focus has shifted towards liquidity and balance sheet strength. Dividend payments and guidance have either been differed or withheld in order to preserve liquidity. Counters with weak balance sheets and exposed to severely impacted sectors have underperformed over the period.

Amidst the volatility, the sector has rebounded from the lows in the second quarter of 2020, as lockdown restrictions were being eased and economic activity increased.

Counters that performed relatively well over the period include Sirius, Investec Australia, Equites, Stor-age and NEPI Rockcastle. Hyprop, Redefine, Vukile, Attacq and Fortress-B were among the worst performers.

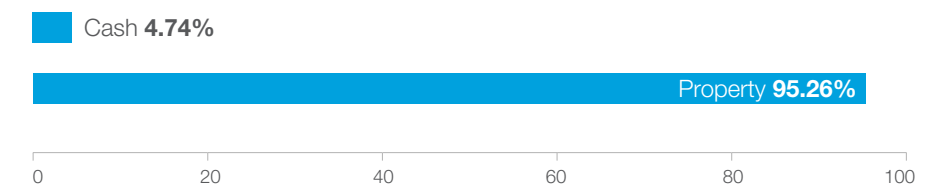
We have tilted the portfolio away from counters with vulnerable balance sheets and retain some liquidity within the fund to reduce volatility.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.00	0.03	0.72	0.75
2020-03-31	0.49	0.03	0.39	0.91
2019-12-31	0.15	0.03	1.76	1.94
2019-09-30	0.02	0.01	0.28	0.31

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Diversified Income Fund

INVESTMENT OBJECTIVES AND STRATEGY

The Ashburton Diversified Income Fund is an actively managed income solution. The primary objective is to utilise the entire opportunity set available to funds in its category. It utilises asset allocation, currency diversification, credit inclusion, duration variation and derivative strategies in order source additional returns for the fund. The goal is to provide a single solution for the fixed income component of a portfolio or the destination for the conservative investor looking for higher returns than can be attained in other income portfolios. The fund will aim to achieve performance returns significantly in excess of money market funds and current account yields. The fund will comply with regulations governing retirement funds. Risks include political, economic, interest rate risk, default risk as well as general market risk which could lead to an increase in bond yields and credit risk.

FUND REVIEW

The Ashburton Diversified Income Fund is a long-term conservative solution for the retirement space. It can invest across the entire spectrum of local and global assets. Coming into 2020, the fund performance was exceptional, but an overweight duration in bonds and overweight in property hurt the portfolio in March. The broad mandate of the fund, active management and consistent hedging, allowed the fund to regain much of the lost ground since the end of March.

While the fund performance during March was not up to expectation, the recovery since then has allowed it to maintain its good long-term track record as well as showing very good short-term performance.

This is the newest fund in the fixed income range and has managed to slowly grow its assets under management over the last 12 months. This type of fund is likely to see significant inflows in the market in the near future given the low interest

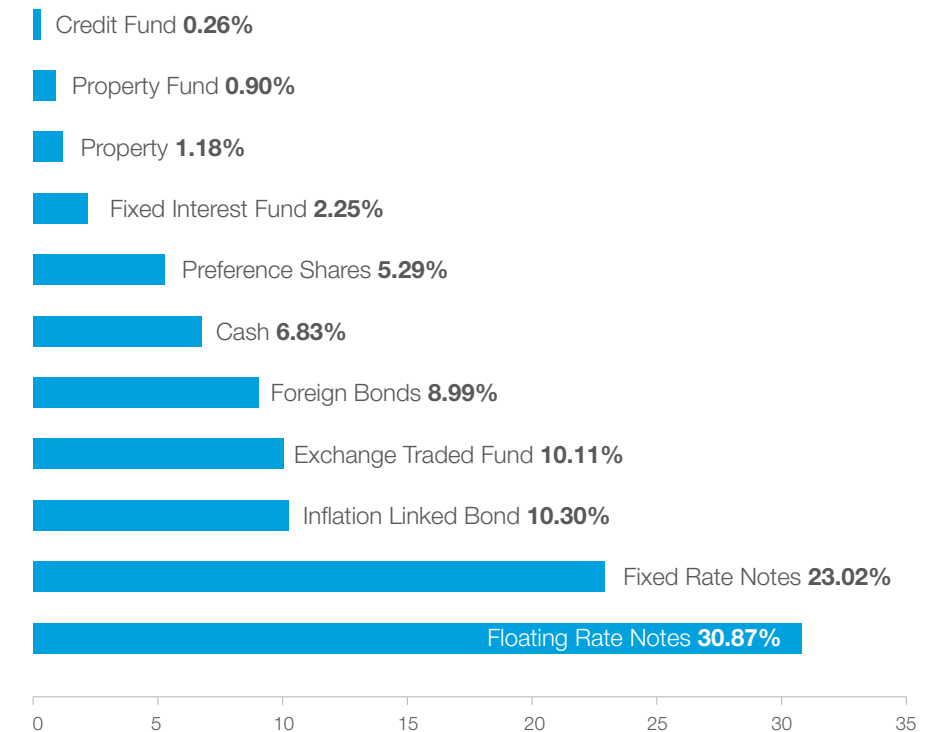
rates at the front end of the curve and the steepness prevalent towards the belly.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.18	1.24	0.08	1.50
2020-03-31	0.04	1.47	0.06	1.57
2019-12-31	0.04	1.57	0.11	1.72
2019-09-30	0.08	1.53	0.04	1.65

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Stable Income Fund

INVESTMENT OBJECTIVES AND STRATEGY

The Ashburton Stable Income Fund is an actively managed cash fund which is designed to deliver returns that are higher than that of a traditional money market unit trust fund. This fund differs from a money market fund due to the fact that the investment manager is able to invest in income generating instruments with a longer maturity than that of a traditional money market fund. The Fund will comply with regulations governing retirement funds. The investment objective of the portfolio is to maximise the current level of income within the restrictions set out in the investment policy, while providing high stability of capital. The portfolio will aim to achieve performance returns in excess of money market yield and current account yields. Risks include political, economic, interest rate risk, default risk as well as general market risk which could lead to an increase in bond yields and credit risk.

FUND REVIEW

The Ashburton Stable Income Fund was tested during March and April of 2020, with a significant expansion in bank credit spreads leading to intermonth mark-to-market losses in the fund. As a result, the fund return in both of these months were lower than normal, lagging behind our benchmark and its peers. Regardless of the difficulties, the fund managed positive return numbers in both of these months, ensuring positive returns for investors.

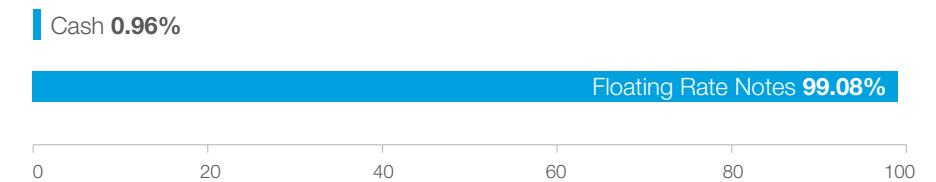
Over a one-year period, the fund has outperformed its benchmark and over longer periods the performance verses both its benchmark and its peers remains very good. The portfolio has also managed to grow significantly over the last year as the assets under management increased to almost R15 billion by the financial year end. The fund continues to perform in line with expectations and remains a good option for capital preservation and income generation over almost any period.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.00	0.48	0.00	0.48
2020-03-31	0.00	0.50	0.00	0.50
2019-12-31	0.00	0.64	0.00	0.64
2019-09-30	0.00	0.61	0.00	0.61

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Global Leaders ZAR Equity Feeder Fund

INVESTMENT OBJECTIVES AND STRATEGY

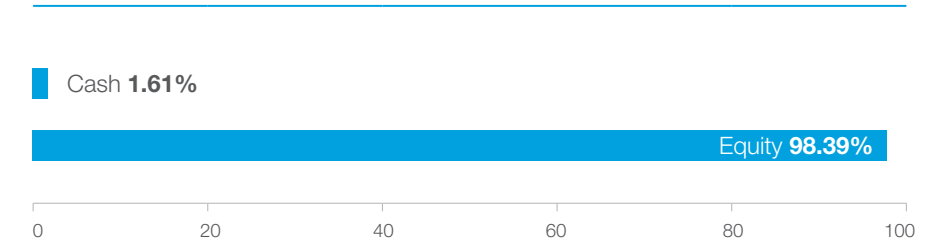
The fund aims to achieve long-term capital growth over the economic cycle by investing in Transferable Securities issued by leading companies listed globally. While the Fund's investments will be denominated in a range of currencies, the Fund will be seeking to maximise total returns on a US dollar basis. The Fund will invest in a focused portfolio of no more than 25 stocks. Please refer to the Prospectus for the full investment strategy.

FUND REVIEW

Over the financial year, in ZAR, the fund returned 26.1% versus the EAA Fund Global - Large Cap Blend Equity peer group performance of 21.9%. Stock selection was the primary driver of outperformance and a weaker ZAR added to overall performance. Share prices of companies with strong balance sheets and generating high returns on capital tend to decline less in market falls. This favoured the quality style of the fund. Sector selection was also positive, with the decision to temporarily increase cash weightings in late February and overweight positions in the Healthcare and Consumer Staples sectors favourable. As markets turned positive in March, more cyclical stocks were added.

Fund activity was considerably higher than in recent years in part due to the significant market moves. Full sales were made of the positions in ABI Inbev, CVS Health, Diageo, Philip Morris and Prudential. New purchases made of AstraZeneca, Berkshire Hathaway, Blackrock, CK Hutchison, Comcast, NXP Semiconductors, Ping An, Reckitt Benckiser, Samsung, CRH PLC and Unilever. We anticipate lower fund turnover over the next twelve months. The fund ended the period with assets under management of R43 million.

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton India Equity Opportunities Feeder Fund

INVESTMENT OBJECTIVES AND STRATEGY

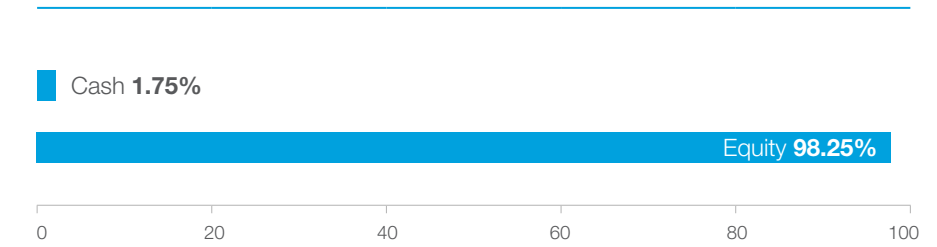
The fund aims to achieve long-term capital growth through equity or equity related investments predominantly in the stock markets of India. It also invests in companies traded in other markets where a significant proportion of growth in their underlying business is set to derive from India. The fund offers access to the equity market of one of the largest and the fastest-growing economies in the world. Our investment approach results in a concentrated and high conviction portfolio of stocks benefitting from the India growth opportunity.

FUND REVIEW

Apart from COVID-19, geopolitics has also been in focus as the India-China border standoff took a deadly turn with clashes leading to more than 20 casualties on both sides. Due to steady uptick in cases, some states including West Bengal, Assam, Jharkhand and Tamil Nadu announced further extension of lockdowns. India's sovereign rating was reviewed, and all three major rating agencies still rated India as investment grade with stable or negative outlook. Despite the headwinds, Indian markets continued to rise due to high foreign inflows and optimism around reopening of the economy.

On a year-to-date basis, the fund marginally underperformed the Index (-16.6% vs -16.9%). Broadly, the fund remains overweight on financials, healthcare, consumer discretionary and industrials compared to the MSCI India. Consumer staples and energy are the two main underweight sectors.

ASSET ALLOCATION (%)



Source: Ashburton Investments

SINGLE MANAGER FUNDS

Ashburton Africa Equity Opportunities Feeder Fund

The Ashburton Africa Equity Opportunities Feeder Fund is going through a closure process following the closure of the principal fund in August 2019.

MULTI MANAGER FUNDS

Ashburton Multi Manager Equity Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to provide investors with above average growth in capital over the medium to long term. The portfolio has an aggressive risk profile and volatility of capital values can occur over the short term. The fund consists of equities in all sectors of the JSE, listed and unlisted financial instruments and assets in liquid form as allowed by legislation. The fund is managed on a multi manager basis. We believe the key to successful investing lies in diversification, which reduces overall risk.

Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets, and adopting an active management approach.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies are constructed with the main objective to maintain the integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet our clients' investment objectives using a multi-manager

strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020. The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As of June 2020, the Ashburton Multi Manager Equity Fund had assets under management (AUM) of R771.45 million. The fund returned -2.93% over the past year, whereas the benchmark FTSE/JSE All Share Index (ALSI) returned -3.30%. Over the same period, the FTSE/JSE Capped SWIX All Share Index reported a 12-month return of -10.78%; underperforming the ALSI due to its lower exposure to the resources sector and larger financials exposure. Financials had returned -34.50% for the 12 months to June 2020.

Over the past 12-month period, resources was the best performing sector within local equities, returning 12.38%. This was followed by the Industrials sector reporting a return of 4.04%. In terms of market cap, the ALSI Top 40 was the top performer with a return of -0.55% followed by the All Share Mid Cap Index returning -17.60% and the All Share Small Cap Index lagging significantly with a return of -22.93%.

Three of the six underlying managers within the Ashburton Multi Manager Equity Fund contributed positively to the fund's performance over the past year. Over one year to June 2020, the managers that had the largest contribution to the fund's performance was Fairtree and Coronation, both of which were top quartile performers in their peer group.

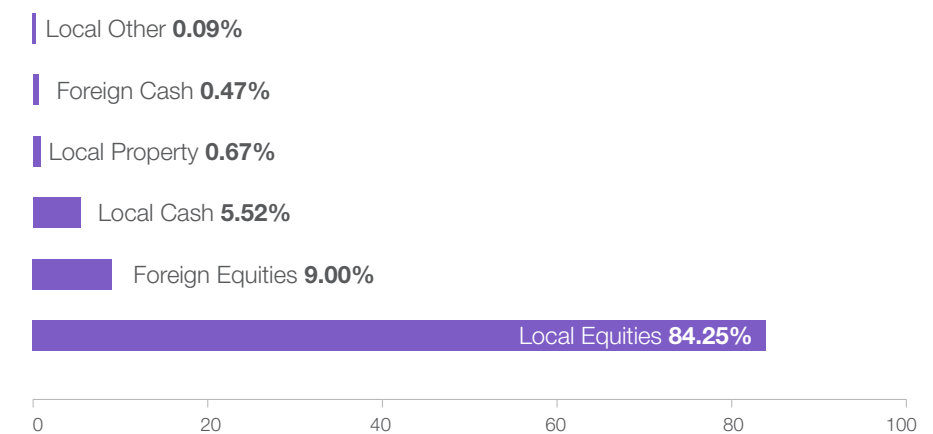
The Ashburton Multi Manager Equity Fund is ranked in the first quartile within the ASISA SA Equity General category over the past 12-month period, outperforming the JSE ALSI over the period.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	30.38	4.88	1.62	36.98
2019-12-31	5.92	0.41	0.12	6.45
2019-06-28	24.83	6.96	1.07	32.86
2018-12-31	8.56	0.61	0.54	9.71

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

MULTI MANAGER FUNDS

Ashburton Multi Manager Property Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to provide investors with inflation beating capital growth with a high-income yield. The fund has an aggressive risk profile and volatility of capital values can occur over the short term. The fund invests in assets in liquid form, including JSE listed property shares and collective investment schemes. The fund is managed on a multi manager basis. We believe the key to successful investing lies in diversification, which reduces overall risk.

Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets, and adopting an active management approach.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies are constructed with the main objective to maintain the integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet

our clients' investment objectives using a multi-manager strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020. The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As at June 2020, the Ashburton Multi Manager Property Fund had assets under management (AUM) of R361.40 million. The Fund returned -35.82% over the past year, outperforming its benchmark, the FTSE/JSE All Property Index (ALPI) which returned -40.24%. In a very difficult year for local listed property, this sector fell to 10-year lows.

Both managers within the Ashburton Multi Manager Property Fund outperformed the ALPI over the past year. The Sesfikile mandate outperformed the Stanlib mandate over the past year.

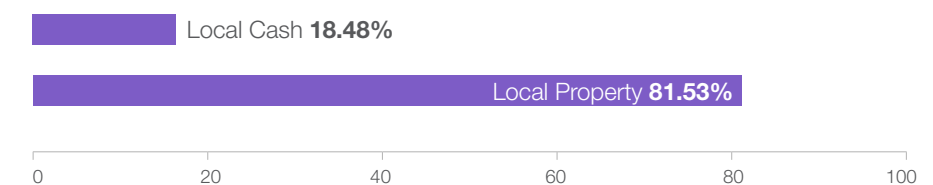
The Ashburton Multi Manager Property Fund is ranked in the second quartile within the ASISA SA Real Estate General category over the past 12-month period, while also outperforming the ALPI and ASISA SA Real Estate General category average over this period.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	5.20	2.15	20.93	28.23
2019-12-31	5.22	2.79	45.30	53.31
2019-06-28	5.40	3.08	42.54	51.02
2018-12-31	12.60	2.68	50.02	65.30

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

MULTI MANAGER FUNDS

Ashburton Multi Manager Prudential Flexible Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to maximise returns in both income and capital over the medium to long term by investing across a range of asset classes in a balanced manner while generating a reasonable level of income. To achieve its objectives, the fund invests in a flexible combination of asset classes ranging from equities, bonds, property, money market instruments and assets in liquid form. The fund may invest in listed and unlisted financial instruments and offshore investments as allowed by legislation. The fund may invest in other collective investment schemes and is managed on a multi manager basis.

We believe the key to successful investing lies in diversification, which reduces overall risk. Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets, and adopting an active management approach.

The fund complies with regulation 28 of the Pension Funds Act, 1956.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies

are constructed with the main objective to maintain the integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet our clients' investment objectives using a multi-manager strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020.

The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As of June 2020, the Ashburton Multi Manager Prudential Flexible Fund had asset under management (AUM) of R178.09 million. The fund has produced modest returns of 0.54% over the past 12 months. Over this period, peers within the same ASISA Multi-Asset High Equity category have produced wide ranging returns of between -6.03% and +9.54%.

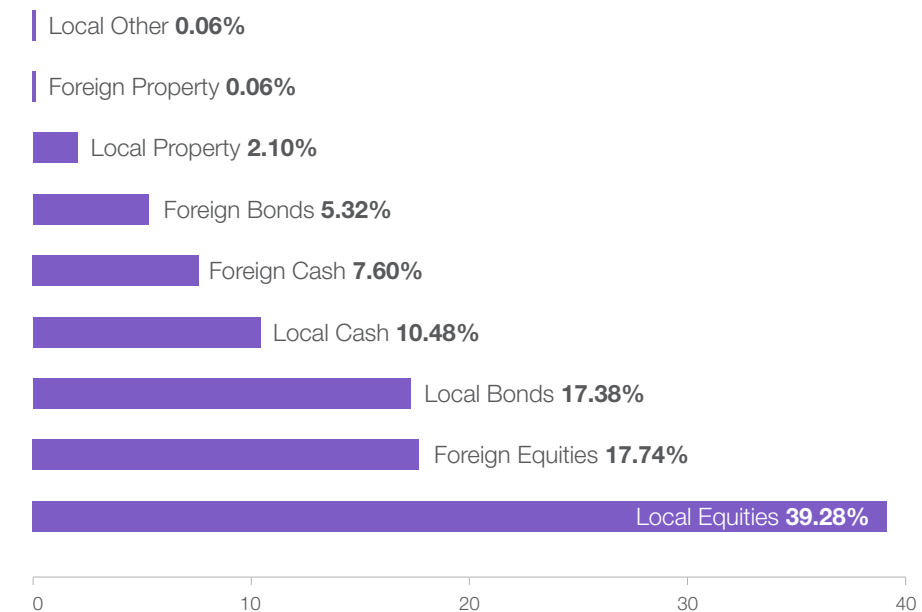
Two of the underlying managers within the Ashburton Multi Manager Prudential Flexible Fund contributed positively to the fund's performance over the past year. The Truffle flexible mandate was the top performing underlying component.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	11.90	9.75	0.61	22.26
2019-12-31	16.18	12.38	0.89	29.45
2019-06-28	16.93	12.27	0.78	29.98
2018-12-31	12.98	13.59	1.09	27.66

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

MULTI MANAGER FUNDS

Ashburton Multi Manager Bond Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to provide investors with well diversified exposure to the South African bond market. The fund will provide a higher level of income and seek to enhance investment returns by the active management of interest rate exposure, credit and liquidity risk. The fund invests in assets in liquid form, and in high yielding non-equity securities and interest-bearing securities. The average maturity profile will vary from time to time depending on market conditions and the fund has the flexibility to invest across the duration, credit and yield spectrum. The fund will seek to protect capital in times of bond market weakness.

The fund is managed on a multi manager basis. We believe the key to successful investing lies in diversification, which reduces overall risk. Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets, and adopting an active management approach.

The fund complies with Regulation 28 of the Pension Funds Act, 1956.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies are constructed with the main objective to maintain the integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet our client's investment objectives using a multi-manager strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020.

The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As of June 2020, the Ashburton Multi Manager Bond Fund had assets under management(AUM) of R155.67 million. The Ashburton Multi Manager Bond Fund returned 0.98% over the past 12-month period, whereas the benchmark (ALBI) returned 2.85%.

Three of the four underlying managers in the Ashburton Multi Manager Bond Fund contributed positively to the fund's

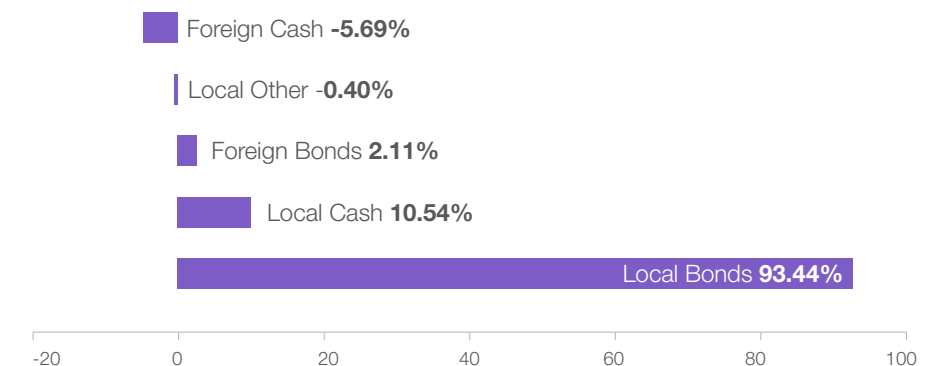
performance over the past year. The Vunani mandate was the top performing component, outperforming the ALBI, and followed closely by Stanlib.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.00	40.51	0.00	40.51
2019-12-31	0.00	40.88	0.00	40.88
2019-06-28	0.00	42.46	0.00	42.46
2018-12-31	0.00	42.12	0.00	42.12

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

MULTI MANAGER FUNDS

Ashburton Multi Manager Income Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to provide investors with a high level of income and maximise returns by actively positioning the fund between income yielding and inflation protecting securities.

The fund invests in assets in liquid form, including high yielding securities, corporate and government bonds and other fixed interest securities, money market instruments, preference shares, listed property (including international property) to a maximum of 25%, equities (including international equity) up to 10%, including listed and unlisted financial instruments as allowed by legislation. The fund may invest in other collective investment schemes and is managed on a multi manager basis.

We believe the key to successful investing lies in diversification, which reduces overall risk. Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets, and adopting an active management approach.

The fund complies with regulation 28 of the Pension Funds Act, 1956.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies are constructed with the main objective to maintain the integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet our client's investment objectives using a multi-manager strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020.

The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As of June 2020, the Ashburton Multi Manager Income Fund had assets under management (AUM) of R647.08 million. The Ashburton Multi Manager Income Fund returned 4.64% over 12-month period.

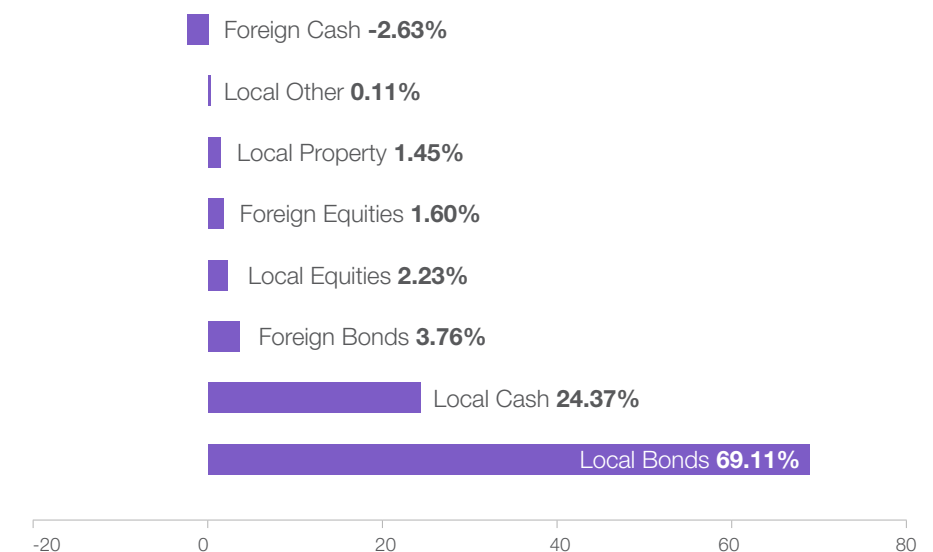
The Ashburton Multi Manager Income Fund had a positive return for the one-year period ending June 2020. Over this period the top performing managers were Prescient Investment Management, followed by Abax Investments.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	1.27	16.83	0.58	18.68
2020-03-31	0.35	17.52	0.79	18.66
2019-12-31	1.26	17.19	1.00	19.45
2010-09-30	1.28	18.27	0.81	20.36

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SOLUTIONS

Ashburton Growth Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to achieve capital growth over the longer term by investing in equities. The fund seeks to outperform CPI + 4% over rolling five-year periods. Given the relatively aggressive benchmark and high equity exposure the fund may experience volatility over shorter time periods. The fund maintains an overweight asset allocation to local equities. The fund may invest in listed and unlisted financial instruments as allowed by legislation. The fund is managed on a multi manager basis.

Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets while adopting an active management approach.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies are constructed with the main objective to maintain the integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet our client's investment objectives using a multi-manager

strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020. The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As at June 2020, the Ashburton Growth Fund had asset under management (AUM) of R365.80 million. The Ashburton Growth Fund returned -4.12% over the 12-month period, compared to the FTSE/JSE All Share Index (ALSI) that returned -3.30%. Over the same period, the FTSE/JSE Capped SWIX All Share Index reported a 12-month return of -10.78%; underperforming the ALSI due to its lower exposure to the resources sector and larger financials exposure. Financials had returned -34.50% for the 12 months to June 2020.

Over the past 12-month period, resources was the best performing sector within local equities, returning 12.38%. This was followed by the Industrials sector reporting a return of 4.04%. In terms of market cap, the ALSI Top 40 was the top performer with a return of -0.55% followed by the All Share Mid Cap Index returning -17.60% and the All Share Small Cap Index lagging significantly with a return of -22.93%.

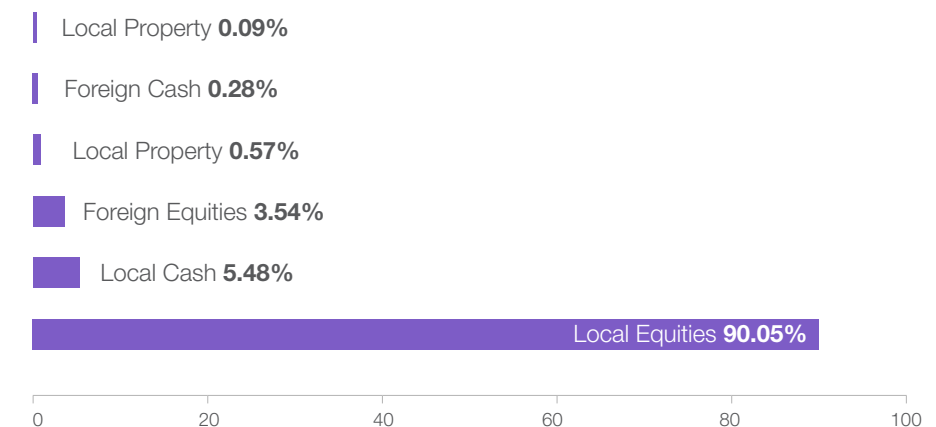
Over the past year, four of the six underlying managers in the Ashburton Growth Fund contributed positively to the fund's performance. The manager that had the largest contribution to the fund's return is Fairtree, followed by Truffle Asset Management and Coronation.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	3.97	0.56	0.20	4.73
2019-12-31	0.46	0.02	0.01	0.49
2019-06-28	3.73	0.86	0.19	4.78
2018-12-31	1.19	0.05	0.07	1.31

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SOLUTIONS

Ashburton Defensive Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to generate positive returns over the medium term, irrespective of market conditions, by way of blending fixed income, property and equity instruments. The fund will have an absolute return performance objective over the medium term but will still be relatively conservatively managed by diversifying across a wide range of asset classes. The fund's performance objective is to outperform CPI + 2% over rolling three-year periods. The fund has an active asset allocation strategy across different asset classes and may invest in listed and unlisted financial instruments as allowed by legislation. The fund also has the ability to reduce the potential volatility of the equity instruments by employing equity hedging strategies through derivatives. The fund may invest into other collective investment schemes and is managed on a multi manager basis.

Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets while adopting an active management approach.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies are constructed with the main objective to maintain the integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet our clients' investment objectives using a multi-manager strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020. The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As at June 2020, the Ashburton Defensive Fund had assets under management (AUM) of R350.35 million. The Ashburton Defensive Fund returned -10.68% over the 12-month period, with this drawdown mostly caused by the decimation in the listed property market. Although the exposure to listed property was a detractor, the Ashburton Multi-Manager Property fund that is used as a building block for this asset class managed to outperform its benchmark.

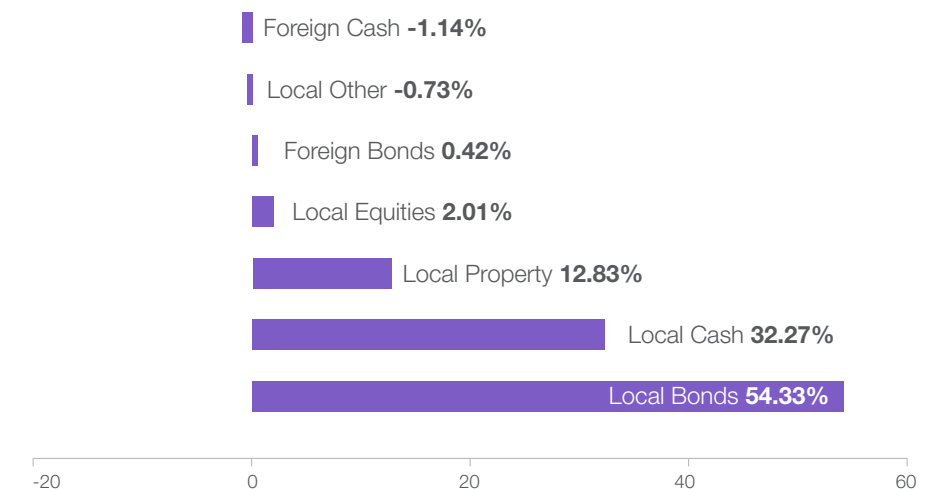
Exposure to bonds contributed positively to the Fund's performance. The protected equity component also added to performance, with the Prescient Positive Return Quants Plus fund returned -2.93% for the year.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.78	4.20	1.16	6.14
2019-12-31	0.15	2.74	1.09	3.98
2019-06-28	0.44	4.68	1.21	6.33
2018-12-31	0.20	2.11	0.92	3.23

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

SOLUTIONS

Ashburton Stable Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to provide capital preservation in real terms while generating income through exposure to mainly interest-bearing assets. The fund's performance objective is for total returns to match consumer price index (CPI) over rolling two-year periods. The fund has an active asset allocation strategy across money market instruments, bonds, income, property instruments and with a maximum 10% exposure to equity securities (including international equity) and preference shares. The fund may invest in listed and unlisted financial instruments as allowed by legislation and can include investment into other collective investment schemes. This conservative approach should provide stable returns at low volatility. The fund is managed on a multi manager basis.

Our multi management investment philosophy is based on the belief that the potential for alpha generation comes from selecting the finest managers, combining them in a way that optimises their skillsets while adopting an active management approach.

INVESTMENT PROCESS

We follow a disciplined investment process applied within a risk conscious investment framework. Investment strategies are constructed with the main objective to maintain the

integrity of investment capital. A disciplined manager research process helps to source quality building blocks for such strategies. Designing investment solutions according to a robust portfolio management process, the fund aims to meet our client's investment objectives using a multi-manager strategy. The underlying principle is that multi management is primarily a risk tool. Through accessing differentiated skillsets and carefully blending selected investment strategies, styles and processes, we construct portfolios that offer a better risk-adjusted performance.

FUND REVIEW

Local equities as measured by the FTSE/JSE All Share Index returned -3.30% for the 12-months ending June 2020. The FTSE/JSE All Bond Index returned 2.90% over the same period. The three- to seven-year area of the yield curve was the strongest, returning 11.27%, whereas the 12+ years area was negative for the past year. Cash, as measured by the STeFI, was up 6.90% over the same period and inflation linked bonds ended the 12-month period with a return of -2.88%. South African listed property, as measured by the FTSE/JSE All Property Index was the worst performing asset class with a return of -40.24% for the year ending June 2020.

As of June 2020, the Ashburton Stable Fund had assets under management (AUM) R52 million. The Ashburton Stable Fund returned 4.89% over a 12-month period and has outperformed its benchmark of CPI.

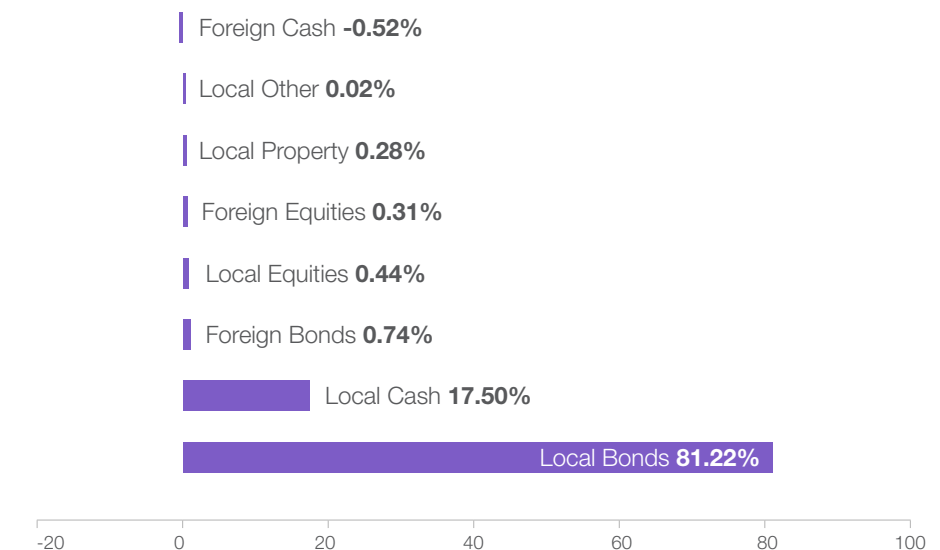
All the underlying managers in the Ashburton Stable Fund contributed positively to the fund's performance over the past year, with Ashburton Investments and Prescient the best performers. The largest contribution to the fund came from these mandates, followed by Abax Investments.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.05	3.31	0.07	3.43
2019-12-31	0.09	3.53	0.06	3.68
2019-06-28	0.07	3.46	0.07	3.60
2018-12-31	0.11	3.28	0.05	3.44

Source: Finswitch, Ashburton Investments

ASSET ALLOCATION (%)



Source: Ashburton Investments

EXCHANGE TRADED FUNDS

Ashburton Top40 Exchange Traded Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to provide investors with exposure to the South African equities market through the purchase of a Johannesburg Stock Exchange (JSE) listed Exchange Traded Funds (ETF). The Ashburton Top40 ETF invests in the 40 biggest companies listed on the JSE based on their market capitalisation providing returns linked to the performance of the FTSE/JSE Top40 Index.

The ETF tracks the component equities of the index in proportion to the index weightings. The FTSE/JSE Top40 index contains 40 largest companies in terms of market capitalisation.

Ashburton Investments' index tracking investment philosophy is to ensure that the index performance and constituents are fully replicated within the fund, reporting minimal tracking errors in the most cost-efficient manner. The investment process ensures that the full economic performance of the fund is in line with that of the index by buying only constituent securities in the same weightings in which they are included in the index and selling only securities which are excluded from the index from time to time as a result of index reviews or corporate actions.

FUND REVIEW

For the 12-month period ended 30 June 2020, the fund delivered a return of -0.82% after fees and administrative expenses relative to the FTSE/JSE Top 40 Index performance of -0.55%.

Assets under management (AUM) fell by 22.42% to R1.28 billion. Units in issue amount to 25 338 352. Income distributions are done on a quarterly basis (March, June, September, December). The portfolio is rebalanced quarterly in line with the benchmark index.

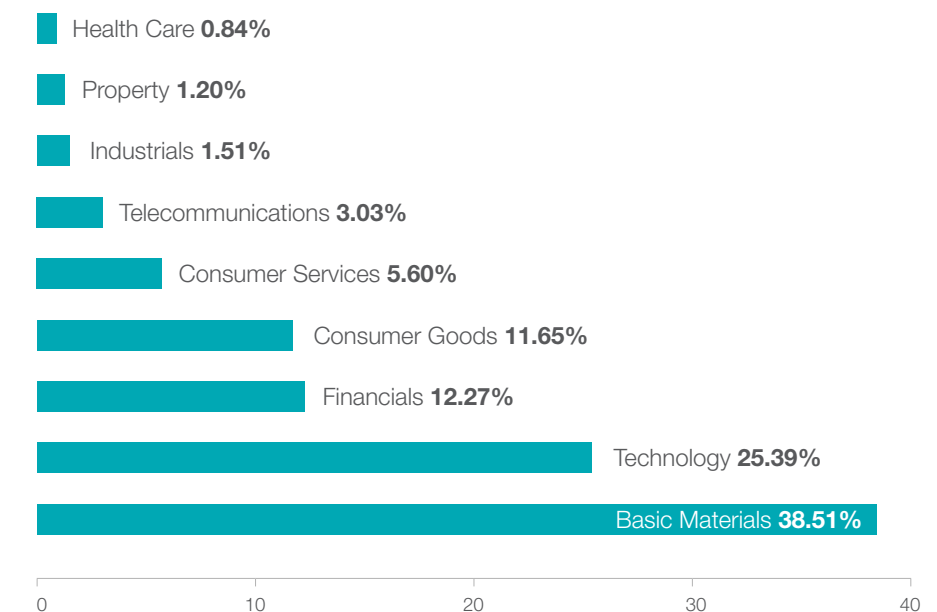
This is the newest portfolio in the fixed income range and has managed to slowly grow its AUM over the last 12 months. This type of fund is likely to see significant inflows in the market in the near future given the low interest rates at the front end of the curve and the steepness prevalent towards the belly.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	41.44	0.47	2.64	44.55
2020-03-31	26.44	0.69	0.00	27.13
2019-12-31	16.65	0.46	0.00	17.11
2019-09-30	66.08	0.85	0.00	66.93

Source: Finswitch, Ashburton Investments

SECTOR ALLOCATION (%)



Source: Ashburton Investments

EXCHANGE TRADED FUNDS

Ashburton Inflation Exchange Traded Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to provide investors with a real rate of return above inflation, through exposure to a diversified portfolio of government inflation-linked bonds. Effective 1 July 2020 the fund's benchmark was changed to the FTSE/JSE IGOV Index.

Ashburton Investments' index tracking investment philosophy is to ensure that the index performance and constituents are fully replicated within the fund, reporting minimal tracking errors in the most cost-efficient manner. The investment process ensures that the full economic performance of the fund is in line with that of the index by buying only constituent securities in the same weightings in which they are included in the index and selling only securities which are excluded from the index from time to time.

FUND REVIEW

For the 12-month period ended 30 June 2020, the fund delivered a negative return of -3.79% after fees and administrative expenses relative to the benchmark performance of -3.42%.

Assets under management decreased by 6.52% to R308.18 million. The units in issue amounted to 16 034 948. Income distributions are done on a quarterly basis (March, June, September, December). The portfolio is re-weighted monthly and reconstituted on a quarterly basis in line with the benchmark index.

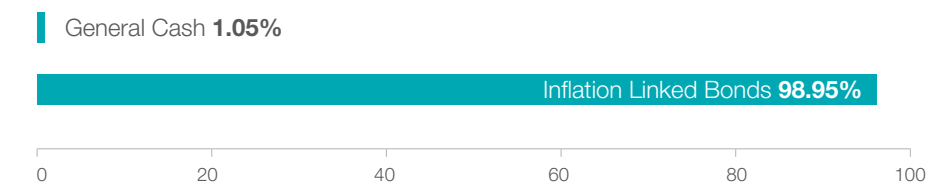
The Ashburton Inflation ETF won the 2020 SALTA Award for Tracking Efficiency over three years.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-03-31	0.00	12.81	0.00	12.81
2019-12-31	0.00	16.00	0.00	16.00
2019-09-30	0.00	12.33	0.00	12.33
2019-06-30	0.00	16.70	0.00	16.70

Source: Finswitch, Ashburton Investments

SECTOR ALLOCATION (%)



Source: Ashburton Investments

EXCHANGE TRADED FUNDS

Ashburton Midcap Exchange Traded Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund provides investors with exposure to the South African equities market through the purchase of a JSE listed ETF. The Ashburton MidCap ETF aims to replicate the performance of the FTSE/JSE MidCap Index. The index is represented by securities which fall within the 85% to 96% range of all securities comprising the FTSE/JSE All Share Index. The Ashburton MidCap ETF invests in the component equities of the underlying index in proportion to their index weights.

Ashburton Investments' index tracking investment philosophy is to ensure that the index performance and constituents are fully replicated within the fund, reporting minimal tracking errors in the most cost-efficient manner. The investment process ensures that the full economic performance of the fund is in line with that of the index by buying only constituent securities in the same weightings in which they are included in the index and selling only securities which are excluded from the index from time to time as a result of index reviews or corporate actions.

FUND REVIEW

For the 12-month period ended 30 June 2020, the fund delivered a negative return of -18.18% after fees and administrative expenses relative to the FTSE/JSE MidCap Index performance of -17.60%.

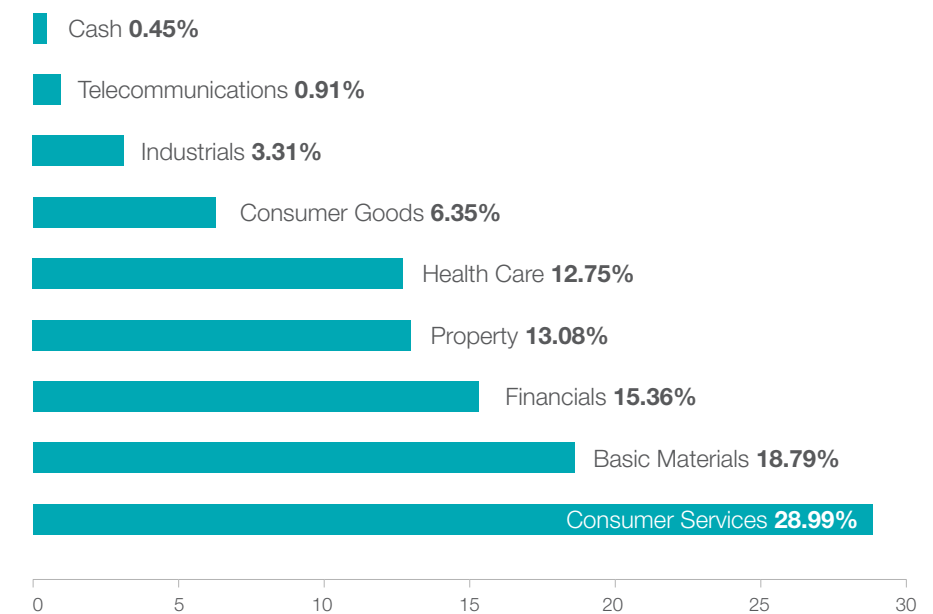
Assets Under Management decreased by 10.11% to R328 million. The units in issue amounted to 58 000 000. Income distributions are done on a quarterly basis (March, June, September, December). The portfolio is rebalanced quarterly in line with the benchmark index.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	1.77	0.26	1.17	3.20
2020-03-31	4.68	0.17	0.54	5.39
2019-12-31	0.00	0.06	0.00	0.06
2019-09-30	4.15	0.22	1.22	5.59
2019-06-30	5.80	0.00	0.00	5.80

Source: Finswitch, Ashburton Investments

SECTOR ALLOCATION (%)



Source: Ashburton Investments

EXCHANGE TRADED FUNDS

Ashburton Global 1200 Equity Exchange Traded Fund (ETF)

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to replicate the performance of the S&P Global 1200 Index. The index provides exposure to global equity markets, capturing approximately 70% of global equity universe by market capitalisation. The S&P Global 1200 Index is a composite of 7 headline indices, namely the S&P 500® (US), S&P Europe 350, S&P TOPIX 150 (Japan), S&P/TSX 60 (Canada), S&P/ASX All Australian 50, S&P Asia 50 and S&P Latin America 40.

The Ashburton Global 1200 Equity ETF is suitable for investors seeking a cost efficient, convenient investment with exposure to international equities across developed and emerging markets. The fund invests in the component equities of the underlying index on an optimised basis. The ETF can also be used as a building block by investors who wish to construct their own portfolios.

FUND REVIEW

For the 12-month period ended 30 June 2020, the fund delivered a return of 26.13% after fees and administrative expenses relative to the S&P Global 1200 Index performance of 26.31%.

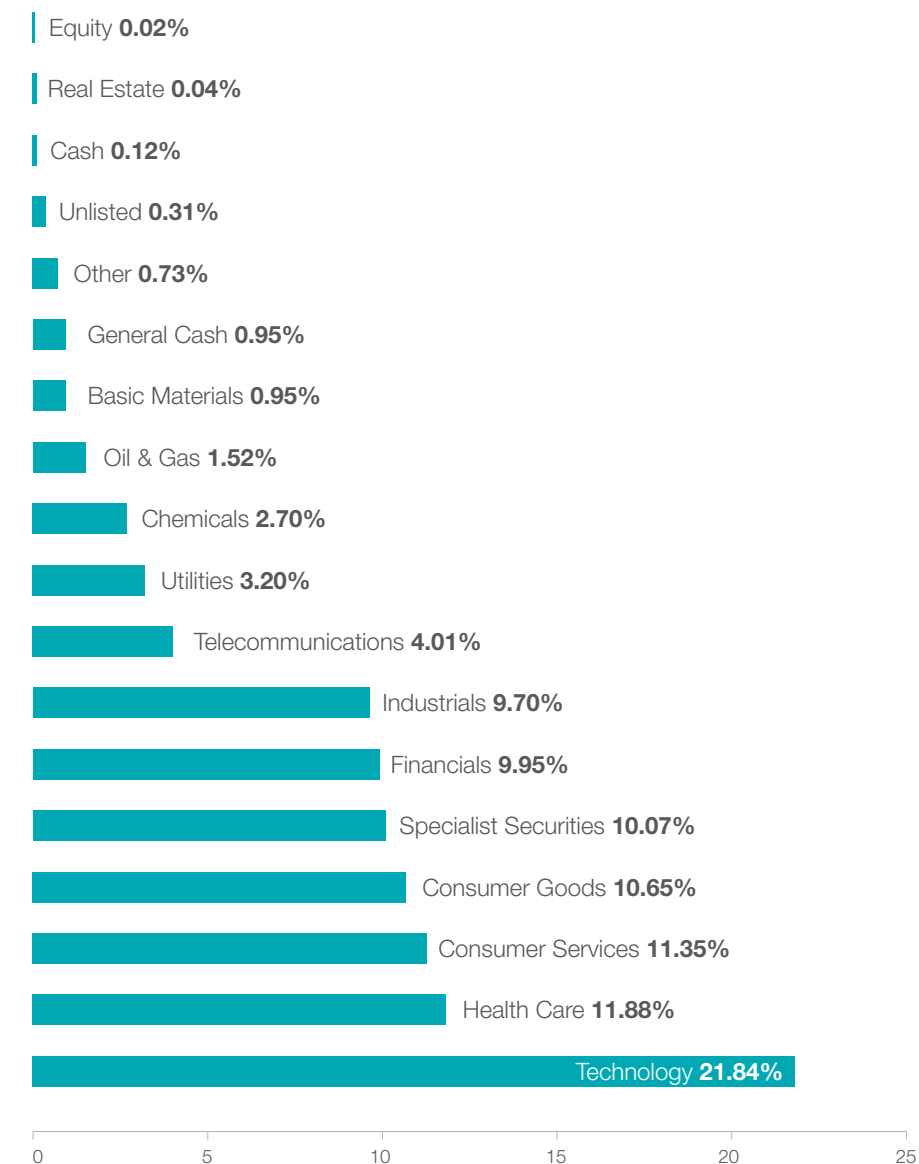
Assets under management increased by 42.12% to R755 million. The units in issue amounted to 13 579 000. Income distributions are done on a quarterly basis (January, April, July, October). The portfolio is rebalanced quarterly in line with the benchmark index.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-04-30	19.04	0.05	0.83	19.92
2020-01-31	19.76	0.51	0.00	20.27
2019-10-31	16.67	0.08	0.00	16.75
2019-07-31	28.19	0.00	0.00	28.19

Source: Finswitch, Ashburton Investments

SECTOR ALLOCATION (%)



Source: Ashburton Investments

EXCHANGE TRADED FUNDS

Ashburton World Government Bond Index Exchange Traded Fund (ETF)

INVESTMENT OBJECTIVES AND STRATEGY

The fund provides investors with cost efficient exposure to global bond markets by tracking the FTSE World Government Bond Index (WGBI). The WGBI measures the performance of fixed rate, local currency, investment grade sovereign bonds. It consists of countries that meet specific criteria for market size, credit quality, and barriers to entry. The Ashburton World Government Bond ETF invests in the underlying bonds directly and not via any synthetic exposures. The fund is managed on an optimised basis to ensure that trading efficiencies are realised. Risks in the portfolio include, but are not limited to; currency risk, general market conditions and market volatility, economic and political risk.

FUND REVIEW

For the 12-month period ended 30 June 2020, the fund delivered a return of 27.95% after fees and administrative expenses relative to the FTSE World Government Bond Index performance of 28.88%.

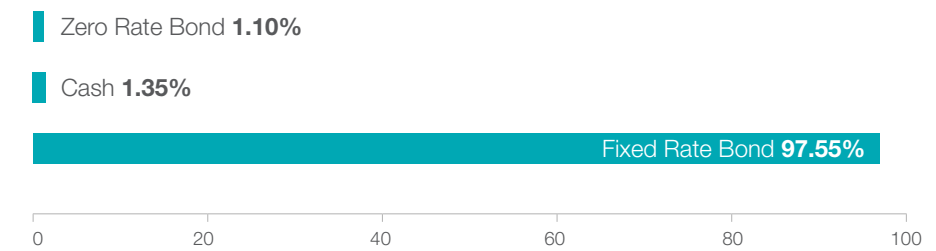
Assets Under Management increased by 25.98% to R145 million. The units in issue amounted to 16 134 790. Income distributions are done on a quarterly basis (January, April, July, October). The portfolio is rebalanced monthly in line with the benchmark index.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-04-30	0.00	4.12	0.00	4.12
2020-01-31	0.00	2.35	0.00	2.35
2019-10-31	0.00	3.45	0.00	3.45
2019-07-31	0.00	2.77	0.00	2.77

Source: Finswitch, Ashburton Investments

SECTOR ALLOCATION (%)



Source: Ashburton Investments

TRACKER FUNDS

Ashburton GOVI Tracker Fund

INVESTMENT OBJECTIVES AND STRATEGY

The fund aims to replicate the performance of the FTSE/JSE GOVI Index, thus providing investors with a cost effective exposure to a diversified portfolio of government bonds.

The GOVI index comprises of the top 10 South African (SA) bonds in the All Bond Index (ALBI) universe. The fund invests in the component bonds of the index in proportion to their weightings.

Ashburton Investments' index tracking investment philosophy is to ensure that the index performance and constituents are fully replicated within the fund, reporting minimal tracking errors in the most cost-efficient manner. The investment process ensures that the full economic performance of the fund is in line with that of the index by buying only constituent securities in the same weightings in which they are included in the index and selling only securities which are excluded from the index from time.

FUND REVIEW

For the 12-month period ended 30 June 2020, the fund delivered a return of 2.84% after fees and administrative expenses relative to the GOVI Index performance of 2.65%.

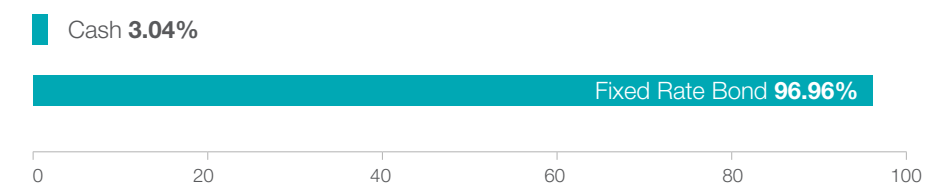
Assets under management decreased by 19.08% to R244 million. Income distributions are done on a bi-annually basis (June, December). The portfolio is re-weighted monthly and reconstituted on a quarterly basis in line with the benchmark index.

INCOME DISTRIBUTION HISTORY

Distribution date	Dividend distribution (cpu)	Interest distribution (cpu)	REIT income (cpu)	Total distribution (cpu)
2020-06-30	0.00	4.29	0.00	4.29
2019-12-31	0.00	4.39	0.00	4.39
2019-06-28	0.00	4.24	0.00	4.24
2018-12-31	0.00	4.39	0.00	4.39

Source: Finswitch, Ashburton Investments

SECTOR ALLOCATION (%)



Source: Ashburton Investments



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For the year ended 30 June 2020

GROUP/INVESTMENT	ANNUAL MANAGEMENT FEE (EXCL. VAT)	TOTAL EXPENSE RATIO
Ashburton Multi Manager Bond Fund	0.85%	1.09%
Ashburton Multi Manager Equity Fund	1.25%	1.99%
Ashburton Equity Fund	1.00%	1.19%
Ashburton Balanced Fund	1.00%	1.27%
Ashburton Multi Manager Prudential Flexible Fund	1.25%	1.76%
Ashburton Multi Manager Property Fund	1.20%	1.45%
Ashburton Multi Manager Income Fund	0.95%	1.41%
Ashburton Stable Fund	0.75%	1.34%
Ashburton Money Market Fund	0.30%	0.36%
Ashburton SA Income Fund	0.65%	0.77%
Ashburton Targeted Return Fund	1.10%	1.32%
Ashburton Defensive Fund	1.25%	1.39%
Ashburton Growth Fund	1.50%	1.73%
Ashburton Global Flexible Fund	1.50%	1.91%

GROUP/INVESTMENT	ANNUAL MANAGEMENT FEE (EXCL. VAT)	TOTAL EXPENSE RATIO
Ashburton Stable Income Fund	0.45%	0.75%
Ashburton Diversified Income Fund	1.00%	1.27%
Ashburton Inflation Exchange Traded Fund	0.32%	0.40%
Ashburton Top40 Exchange Traded Fund	0.09%	0.13%
Ashburton Midcap Exchange Traded Fund	0.44%	0.61%
Ashburton Global 1200 Equity Exchange Traded Fund	0.37%	0.57%
Ashburton World Government Bond Exchange Traded Fund	0.34%	0.51%
Ashburton GOVI Tracker Fund	0.55%	0.70%
Ashburton Property Fund	1.10%	1.45%
Ashburton Bond Fund	0.85%	1.01%
Ashburton Global Leaders ZAR Equity Feeder Fund	0.55%	1.91%
Ashburton India Equity Opportunities Feeder Fund	0.55%	0.00%

Source: Ashburton Investments



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PERFORMANCE SUMMARY

Returns over the last 12 months have been impacted by the recent market crash due to the Coronavirus (COVID-19) pandemic.

PERFOR-
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SUMMARY

PERFORMANCE SUMMARY

	1 MTH	3 MTHS	6 MTHS	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	10 YRS
SOUTH AFRICAN MULTI ASSET – HIGH EQUITY									
Ashburton Balanced Fund	2.87	13.32	-1.82	-1.19	0.99	3.14	3.48	6.35	6.35
Ashburton Multi Manager Prudential Flexible Fund	3.77	12.40	-4.13	0.54	2.27	3.60	3.91	6.83	6.83
<i>Benchmark: Peer group average (201 funds)</i>	3.03	13.42	-1.91	0.49	1.86	3.61	3.51	6.21	6.21
<i>Benchmark: MV weighted average return _MA High Equity</i>	3.13	14.78	-1.24	0.85	0.72	3.42	4.27	6.80	6.80
SOUTH AFRICAN MULTI ASSET – LOW EQUITY									
Ashburton Targeted Return Fund	2.68	11.59	-6.56	-6.02	-0.46	1.21	2.68	4.68	4.68
<i>Benchmark: CPI + 3.5</i>	-0.30	0.10	2.43	5.56	6.76	7.13	8.00	8.31	8.31
SOUTH AFRICAN MULTI ASSET – INCOME									
Ashburton Multi Manager Income Fund	0.71	4.57	1.15	4.64	6.78	6.87	7.32	7.17	7.17
<i>Benchmark: 110 of STEFI 3 month deposit</i>	0.41	1.45	3.23	7.04	7.36	7.48	7.52	7.13	7.13
Ashburton Stable Fund	0.46	2.93	1.47	4.89	6.56	7.08	7.25	6.84	6.84
<i>Benchmark: CPI (1 month lag)</i>	-0.30	0.10	2.43	5.56	6.76	7.13	8.00	8.31	8.31
Ashburton Diversified Income Fund	0.89	6.32	0.27	3.43	6.81	N/A	N/A	N/A	N/A
<i>Benchmark: 110% of Stefi Composite ZAR</i>	0.48	1.61	3.51	7.57	7.82	N/A	N/A	N/A	N/A
SOUTH AFRICAN MULTI ASSET – FLEXIBLE									
Ashburton Defensive Fund	1.89	9.07	-11.52	-10.68	-2.67	-1.00	1.52	3.56	3.56
<i>Benchmark: CPI + 2</i>	-0.43	-0.27	1.70	4.06	5.26	5.63	6.50	6.81	6.81
Ashburton Growth Fund	5.74	22.07	-7.55	-4.12	-2.24	0.46	1.14	5.62	5.62
<i>Benchmark: CPI + 4</i>	-0.26	0.23	2.68	6.06	7.26	7.63	8.50	8.81	8.81

Source: Ashburton Investments

PERFORMANCE SUMMARY

	1 MTH	3 MTHS	6 MTHS	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	10 YRS
SOUTH AFRICAN INTEREST BEARING – VARIABLE TERM									
Ashburton Multi Manager Bond Fund	-1.34	7.19	-0.97	0.98	5.67	7.12	6.86	6.78	6.78
<i>Benchmark: FTSE/JSE ALB GOV TR ZAR</i>	-1.23	10.00	0.30	2.65	6.87	7.78	7.39	7.15	7.15
SOUTH AFRICAN INTEREST BEARING – SHORT TERM									
Ashburton SA Income Fund	0.53	1.41	1.42	5.44	7.14	7.69	7.91	7.34	7.34
Ashburton Stable Income	0.50	1.19	2.71	6.96	7.74	8.08	8.09	7.65	7.65
<i>Benchmark: STEFI Composite Index</i>	0.44	1.46	3.18	6.86	7.08	7.17	7.20	6.81	6.81
SOUTH AFRICAN INTEREST BEARING – MONEY MARKET									
Ashburton Money Market Fund	0.42	1.44	3.20	7.07	7.38	7.49	7.47	6.99	6.99
<i>Benchmark: STEFI 3 month deposit</i>	0.38	1.32	2.95	6.42	6.69	6.80	6.83	6.47	6.47
SOUTH AFRICAN REAL ESTATE – GENERAL									
Ashburton Multi Manager Property Fund	10.16	16.64	-34.38	-35.82	-20.30	-16.98	-8.07	-1.51	-1.51
<i>Benchmark: FTSE/JSE Listed Property Index</i>	13.41	20.43	-37.56	-39.98	-22.22	-18.33	-9.06	-2.51	-2.51
SOUTH AFRICAN EQUITY – GENERAL									
Ashburton Equity Fund	5.78	18.10	-6.57	-8.50	-4.61	-0.85	0.13	4.60	4.60
Ashburton Multi Manager Equity Fund	5.93	22.10	-6.91	-2.93	-1.40	1.05	1.37	5.88	5.88
<i>Benchmark: FTSE/JSE All Share Index (TR)</i>	7.74	23.18	-3.16	-3.30	0.48	5.11	4.16	7.93	7.93
EMERGING MARKET EQUITY – GENERAL									
Ashburton India Equity Opportunities Feeder Fund	3.13	12.53	-2.87	N/A	N/A	N/A	N/A	N/A	N/A
EAA Fund India Equity	7.48	16.77	0.04	N/A	N/A	N/A	N/A	N/A	N/A

Source: Ashburton Investments

PERFORMANCE SUMMARY

	1 MTH	3 MTHS	6 MTHS	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	10 YRS
EXCHANGE TRADED FUNDS									
Ashburton Inflation Exchange Traded Fund	-1.04	4.53	-2.71	-3.80	-0.17	0.28	1.60	3.37	3.37
<i>Benchmark: GILBx Total Return Index</i>	-1.02	4.70	-2.52	-3.42	0.22	0.69	2.03	3.83	3.83
Ashburton Top40 Exchange Traded Fund	7.76	23.85	0.18	-0.81	1.82	6.49	4.59	8.24	8.24
<i>Benchmark: FTSE/JSE Top 40 TR ZAR</i>	7.85	24.18	0.37	-0.55	1.98	6.68	4.82	8.49	8.49
Ashburton MidCap Exchange Traded Fund	5.97	15.08	-25.91	-18.18	-7.51	-4.15	-1.24	3.04	3.04
<i>Benchmark: FTSE/JSE Mid Cap TR ZAR</i>	6.06	15.37	-25.67	-17.60	-6.90	-3.50	-0.62	3.75	3.75
Ashburton GOVI Tracker Exchange Traded Fund	-1.28	9.78	0.63	2.87	6.79	7.51	N/A	N/A	N/A
<i>Benchmark: FTSE/JSE ALB GOV TR ZAR</i>	-1.23	10.00	0.30	2.65	6.87	7.78	7.39	7.15	7.15
Ashburton World Government Bond Exchange Traded Fund	-0.95	-1.20	28.60	27.95	16.82	N/A	N/A	N/A	N/A
<i>Benchmark: FTSE WGBI ZAR</i>	-0.81	-0.73	29.33	28.88	18.27	N/A	N/A	N/A	N/A
Ashburton Global 1200 Equity Exchange Traded Fund	1.24	15.52	16.42	26.13	16.58	N/A	N/A	N/A	N/A
<i>Benchmark: S&P Global 1200 (WM) (NTR) ZAR</i>	1.32	15.35	16.44	26.31	17.59	N/A	N/A	N/A	N/A
(ASISA) WORLDWIDE EQUITY GENERAL									
Ashburton Global Leaders ZAR Equity Feeder Fund	1.01	9.12	18.44	26.08	N/A	N/A	N/A	N/A	N/A
EAA Fund Global Large-Cap Blend Equity	0.87	12.49	13.36	21.85	N/A	N/A	N/A	N/A	N/A

Source: Ashburton Investments

We only expect the South African economy to stage a recovery at the beginning of 2021.

OUR
FINANCIALS

OUR
FINANCIALS

STATEMENT OF **COMPREHENSIVE INCOME**

For the year ended 30 June 2020

SINGLE MANAGER FUNDS

	Ashburton Equity Fund	Ashburton Balanced Fund	Ashburton Targeted Return Fund	Ashburton SA Income Fund	Ashburton Stable Income Fund	Ashburton Diversified Income Fund	Ashburton Money Market Fund	Ashburton Global Flexible Fund	Ashburton Property Fund	Ashburton Bond Fund
Income	14 571 348	20 545 810	16 152 670	150 771 804	1 146 575 594	17 518 138	325 565 496	5 237 795	5 815 837	57 123 268
Expenditure	(2 370 066)	(3 598 646)	(2 471 405)	(10 809 557)	(55 505 465)	(2 175 258)	(11 883 653)	(1 638 340)	(60 649)	(2 419 669)
Fair value gains/(losses)	(42 829 481)	(24 121 368)	(30 502 097)	(46 692 956)	(136 090 418)	(11 925 279)	1 466 466	115 262 215	(12 946 434)	(25 790 857)
Net income/(loss) for the period	(30 628 199)	(7 174 204)	(16 820 832)	93 269 291	954 979 711	3 417 601	315 148 309	118 861 670	(7 191 246)	28 912 742

MULTI MANAGER FUNDS

	Ashburton Multi Manager Equity Fund	Ashburton Multi Manager Property Fund	Ashburton Multi Manager Prudential Flexible Fund	Ashburton Multi Manager Bond Fund	Ashburton Multi Manager Income Fund
Income	28 177 236	34 745 984	9 445 931	15 823 099	51 747 038
Expenditure	(10 687 041)	(4 351 126)	(3 545 720)	(1 786 494)	(6 093 760)
Fair value gains/(losses)	(36 421 044)	(244 436 682)	(4 831 135)	(12 610 977)	(14 801 185)
Net income/(loss) for the period	(18 930 849)	(214 041 824)	1 069 076	1 425 628	30 852 093

SOLUTIONS FUNDS

	Ashburton Growth Fund	Ashburton Defensive Fund	Ashburton Stable Fund
Income	15 792 027	38 071 768	4 433 677
Expenditure	(7 686 994)	(10 325 835)	(766 728)
Fair value gains/(losses)	(27 841 203)	(80 096 772)	(1 157 073)
Net income/(loss) for the period	(19 736 170)	(52 350 839)	2 509 876

STATEMENT OF **COMPREHENSIVE INCOME**

For the year ended 30 June 2020

EXCHANGE TRADED FUNDS

	Ashburton Top40 Exchange Traded Fund	Ashburton Inflation Exchange Traded Fund	Ashburton MidCap Exchange Traded Fund	Ashburton Global 1200 Equity Exchange Traded Fund	Ashburton World Government Bond Exchange Traded Fund
Income	796 596	105 743	384 219	45 276	13 586
Expenditure	(1 731 323)	(1 350 237)	(2 032 737)	(2 776 785)	(610 677)
Fair value gains/(losses)	(44 187 613)	(10 950 714)	(67 132 423)	146 464 288	32 596 917
Net income/(loss) for the period	(45 122 340)	(12 195 208)	(68 780 941)	143 732 779	31 999 826

TRACKER FUNDS

	Ashburton Govi Tracker Fund
Income	23 143 056
Expenditure	(910 502)
Fair value gains/(losses)	(4 795 081)
Net income/(loss) for the period	17 437 473

FEEDER FUNDS

	Ashburton Africa Equity Opportunities Feeder Fund	Ashburton Global Leaders ZAR Equity Feeder Fund	Ashburton India Equity Opportunities Feeder Fund
Income	35 707	55 450	22 595
Expenditure	(31 090)	(189 683)	(27 576)
Fair value gains/(losses)	(82 022)	6 101 746	(971)
Net income/(loss) for the period	(77 405)	5 967 513	(5 952)

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2020

SINGLE MANAGER FUNDS

	Ashburton Equity Fund	Ashburton Balanced Fund	Ashburton Targeted Return Fund	Ashburton SA Income Fund	Ashburton Stable Income Fund	Ashburton Diversified Income Fund	Ashburton Money Market Fund	Ashburton Global Flexible Fund	Ashburton Property Fund	Ashburton Bond Fund
ASSETS										
Investments designated at fair value through profit or loss	321 039 245	427 277 982	189 726 422	1 676 350 555	14 746 614 680	222 671 671	9 082 136 145	514 001 479	267 945 127	692 297 292
Trade and other receivables	42 705	16 200	28 121	9 452	16 598	4 245	500	14 225	32 314	1 218
Cash and cash equivalents	7 631 867	12 487 451	18 501 848	1 396 787	10 673 676	8 364 732	308 713	110 506 559	9 624 328	1 269 831
Total assets	328 713 817	439 781 633	208 256 391	1 677 756 794	14 757 304 954	231 040 648	9 082 445 358	624 522 263	277 601 769	693 568 341
LIABILITIES										
Net assets attributable to participatory interest holders	328 472 330	439 437 048	208 023 494	1 676 816 949	14 752 074 022	230 810 349	9 046 574 150	622 603 517	277 600 820	693 481 335
Trade and other payables	241 487	344 585	232 897	939 845	5 230 932	230 299	35 871 208	1 918 746	949	87 006
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-
Bank overdraft	-	-	-	-	-	-	-	-	-	-
Total liabilities	328 713 817	439 781 633	208 256 391	1 677 756 794	14 757 304 954	231 040 648	9 082 445 358	624 522 263	277 601 769	693 568 341

Source: Ashburton Investments

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2020

MULTI MANAGER FUNDS

	Ashburton Multi Manager Equity Fund	Ashburton Multi Manager Property Fund	Ashburton Multi Manager Prudential Flexible Fund	Ashburton Multi Manager Bond Fund	Ashburton Multi Manager Income Fund
ASSETS					
Investments designated at fair value through profit or loss	764 750 843	341 805 826	164 188 462	150 510 224	638 830 262
Trade and other receivables	159 362	754 690	389 268	853 631	6 569
Cash and cash equivalents	8 511 613	19 001 797	14 210 828	4 596 463	10 802 768
Total assets	773 421 818	361 562 313	178 788 558	155 960 318	649 639 599
LIABILITIES					
Net assets attributable to participatory interest holders	771 446 447	361 395 626	178 087 447	155 666 412	647 078 189
Trade and other payables	1 975 371	166 687	701 111	293 906	2 561 410
Financial liabilities at fair value through profit or loss	-	-	-	-	-
Bank overdraft	-	-	-	-	-
Total liabilities	773 421 818	361 562 313	178 788 558	155 960 318	649 639 599

SOLUTIONS FUNDS

	Ashburton Growth Fund	Ashburton Defensive Fund	Ashburton Stable Fund
	364 353 579	347 624 430	51 081 493
	81 506	78 636	1 532
	2 432 895	3 266 147	1 036 312
	366 867 980	350 969 213	52 119 337
	365 803 505	350 354 517	52 003 900
	1 064 475	614 696	115 437
	-	-	-
	-	-	-
	366 867 980	350 969 213	52 119 337

Source: Ashburton Investments

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2020

EXCHANGE TRADED FUNDS

	Ashburton Top40 Exchange Traded Fund	Ashburton Inflation Exchange Traded Fund	Ashburton MidCap Exchange Traded Fund	Ashburton Global 1200 Equity Exchange Traded Fund	Ashburton World Government Bond Exchange Traded Fund
ASSETS					
Investments designated at fair value through profit or loss	1 272 340 270	304 953 927	325 143 538	744 339 678	142 734 281
Trade and other receivables	40 703	11 625	176 207	620 234	261
Cash and cash equivalents	11 792 892	3 593 643	2 351 779	10 433 882	2 626 480
Total assets	1 284 173 865	308 559 195	327 671 524	755 393 794	145 361 022
LIABILITIES					
Net assets attributable to participatory interest holders	1 283 765 069	308 182 320	327 199 623	754 578 304	145 216 333
Trade and other payables	408 796	376 875	471 901	815 490	144 689
Financial liabilities at fair value through profit or loss	-	-	-	-	-
Bank overdraft	-	-	-	-	-
Total liabilities	1 284 173 865	308 559 195	327 671 524	755 393 794	145 361 022

Source: Ashburton Investments

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2020

TRACKER FUNDS

	Ashburton Govi Tracker Fund
ASSETS	
Investments designated at fair value through profit or loss	238 199 756
Trade and other receivables	7 980 831
Cash and cash equivalents	-
Total assets	246 180 587
LIABILITIES	
Net assets attributable to participatory interest holders	244 073 926
Trade and other payables	419 568
Financial liabilities at fair value through profit or loss	-
Bank overdraft	1 687 093
Total liabilities	246 180 587

FEEDER FUNDS

	Ashburton Africa Equity Opportunities Feeder Fund	Ashburton Global Leaders ZAR Equity Feeder Fund	Ashburton India Equity Opportunities Feeder Fund
ASSETS			
Investments designated at fair value through profit or loss	-	42 568 274	977 744
Trade and other receivables	-	1 600	28
Cash and cash equivalents	14 562	718 954	17 758
Total assets	14 562	43 288 828	995 530
LIABILITIES			
Net assets attributable to participatory interest holders	3 771	43 266 522	995 171
Trade and other payables	791	22 306	359
Financial liabilities at fair value through profit or loss	-	-	-
Bank overdraft	-	-	-
Total liabilities	4 562	43 288 828	995 530

Source: Ashburton Investments

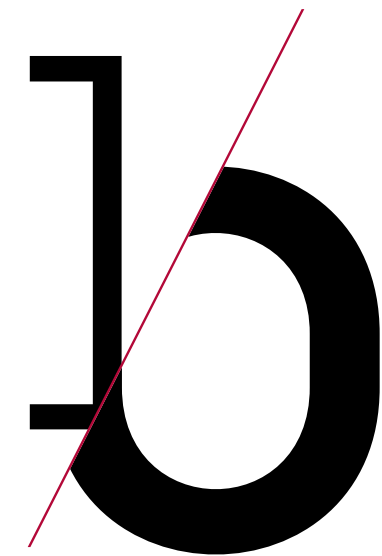


**TRUSTEE'S
REPORT**



**TRUSTEE'S
REPORT**

TRUSTEES' REPORT



We, the Standard Bank of South Africa Limited, in our capacity as Trustee of the Ashburton Collective Investment Scheme (“the Scheme”) have prepared a report in terms of Section 70(1)(f) of the Collective Investment Schemes Control Act, 45 of 2002, as amended (“the Act”), for the financial year ended 30 June 2020.

In support of our report we have adopted certain processes and procedures that allow us to form a reasonable conclusion on whether the Manager has administered the Scheme in accordance with the Act and the Scheme Deed.

As Trustees of the Scheme we are also obliged to in terms of Section 70(3) of the Act to satisfy ourselves that every statement of comprehensive income, statement of financial position or other return prepared by the Manager of the Scheme as required by Section 90 of the Act fairly represents the assets and liabilities, as well as the income and distribution of income, of every portfolio of the Scheme.

The Manager is responsible for maintaining the accounting records and preparing the annual financial statements of the Scheme in conformity with International Financial Reporting Standards. This responsibility also includes appointing an external auditor to the Scheme to ensure that the financial statements are properly drawn up so as to fairly represent the financial position of every portfolio of its collective investment scheme are in accordance with International Financial Reporting Standards and in the manner required by the Act.

Our enquiry into the administration of the Scheme by the Manager does not cover a review of the annual financial statements and hence we do not provide an opinion thereon.

Based on our records, internal processes and procedures we report that nothing has come to our attention that causes us to believe that the accompanying financial statements do not fairly represent the assets and liabilities, as well as the income and distribution of income, of every portfolio of the Scheme administered by the Manager.

We confirm that according to the records available to us, no losses were suffered in the portfolios and no investor was prejudiced as a result thereof.

We conclude our report by stating that we reasonably believe that the Manager has administered the Scheme in accordance with:

- (i) the limitations imposed on the investment and borrowing powers of the manager by this Act;
- (ii) and the provisions of this Act and the deed;

Melinda Mostert
**Standard Bank of
South Africa Limited**

Seggie Moodley
**Standard Bank of
South Africa Limited**

14 August 2020

TRUSTEES' REPORT

Abridged Report of the Trustee: Standard Chartered Bank Johannesburg Branch

We, Standard Chartered Bank, Johannesburg Branch, in our capacity as trustee of the

ASHBURTON COLLECTIVE INVESTMENT SCHEME IN SECURITIES EXCHANGE TRADED FUNDS (THE “SCHEME”)

have prepared a report in terms of Section 70(1)(f) of the Collective Investment Schemes Control Act, 45 of 2002, as amended (“the Act”), for the period 01 July 2019 up to and including 30 June 2020 (“the Report”). The Report is available from us and/or

ASHBURTON MANAGEMENT COMPANY (RF) PROPRIETARY LIMITED (THE “MANAGER”)

This letter is an abridged version of the Report.

Having fulfilled our duties as required by the Act, we confirm that the Manager of the Scheme has in general administered the Scheme:

- (i) within the limitations on the investment and borrowing powers of the Manager imposed by the Act, and
- (ii) in accordance with the provisions of the Act and the deed.



Charl Steyn
**Manager,
Trustee Services**



Chantal Kruger
**Senior Manager,
Trustee Services**

31 July 2020



**LEGAL
NOTES**

LEGAL NOTES

Management Company

Ashburton Management Company (RF) Proprietary Limited

Registration number: 1996/002547/07

3rd Floor, 4 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, Gauteng, 2196

PO Box 653780
Benmore, 2010

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Fax +27 (0)11 384 3939
Email ashburtonquery@investoradmin.co.za
Web www.ashburtoninvestments.com

Directors

Executive Directors

Application still under review.

Independent Non-Executive Directors

S Yates
G Carter
S Price
M Wahome

Company Secretary

C Low

Investment Manager

Ashburton Fund Managers (Proprietary) Limited

Trustees of the Ashburton Collective Investment Scheme

Standard Bank of South Africa Limited

19th Floor Main Tower Standard Bank Centre
Heerengracht Street
Cape Town, 8001

Trustee for ETFs

Standard Chartered Bank

5th Floor, No. 4 Sandown Valley Crescent
Sandton, Gauteng, 2196

Auditors

PricewaterhouseCoopers

Ashburton Management Company (RF) Proprietary Limited is an approved collective investment schemes manager in terms of the Collective Investment Scheme Control Act 45 of 2002. Ashburton CIS is regulated by the Financial Sector Conduct Authority and is a full member of the Association for Savings and Investment SA (ASISA).

This document and any other information supplied in connection with the Ashburton CIS is not "advice" as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 ("the FAIS Act") and investors are encouraged to obtain their own independent advice prior to buying participatory interests in CIS portfolios issued under the Ashburton CIS. Any investment is speculative and involves significant risks and therefore, prior to investing, investors should fully understand the portfolios and any risks associated with them.

Collective investment schemes in securities are generally medium to long term investments. In the event a potential investor requires material risks disclosures for the foreign securities included in a portfolio, the manager will upon request provide such potential investor with a document outlining: potential constraints on liquidity and repatriation of funds; Macroeconomics risk; Political risk; Foreign Exchange risk; Tax risk; Settlement risk; and Potential limitations on the availability of market information.

The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. Forward pricing is used and portfolio valuations take place at approximately 15h00 (14h00 for money market funds) each business day (17h00 at month and quarter end). Instructions to redeem or repurchase must reach Ashburton before 14h00 (11h00 for money market funds) to ensure same day value. For money market and short term debt portfolios the price of each participatory interest is aimed at a constant value. While a constant price is maintained the investment capital or the return of a portfolio is not guaranteed. The total return to the investor is primarily made up of interest received but may also include any gain or loss made on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in extreme case, e.g. defaults by underlying issuers, it can have the effect of reducing the capital value of the portfolio. The yield is calculated using an annualised seven day rolling average as at 30 June 2018. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. For bond and income portfolios, this is a historic/current yield as at 30 June 2018. CIS portfolios are traded at ruling prices and can engage in borrowing and scrip lending. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. A CIS portfolio may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity.

Participatory interests are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the CIS portfolio divided by the number of participatory interests in issue.

All fees quoted exclude VAT except where stated differently.

The **Total Expense Ratio (TER)** is expressed as an annualised percentage of the charges, levies and fees incurred by the portfolio related to its management, for the period under review against the average NAV of the portfolio over this period. A higher TER does not necessarily imply a poor return, nor does a lower TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A full detailed schedule of fees, charges and commissions is available from Ashburton on request and incentives may be paid and if so, would be included in the overall costs.

Information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the manager, free of charge, and from the website: www.ashburtoninvestments.com
Ashburton Fund Managers (Pty) Ltd is an authorised Financial Services Provider.