

ASHBURTON PREFERENCE SHARE PORTFOLIO

Fact sheet as at 31 July 2018



Investment objectives & strategy

The portfolio consists of a selection of JSE listed preference shares. It aims to provide investors with an attractive interest rate linked income in the form of dividends. This portfolio is not for investors seeking long term capital growth.

Investor profile

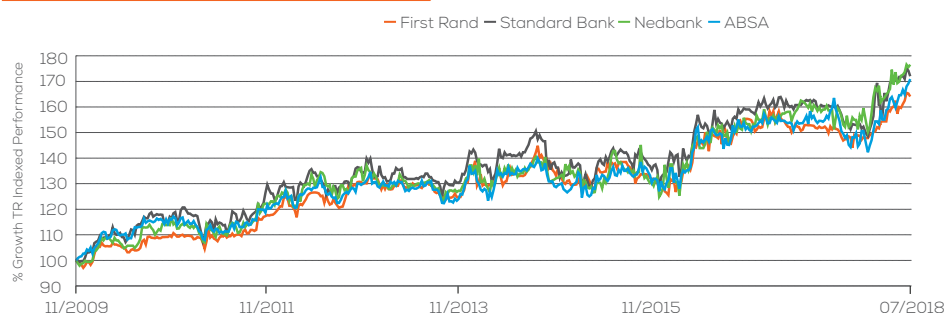
This portfolio is suited to investors:

- who require exposure to listed preference share
- requiring an interest rate linked dividend income
- who are prepared to invest for 3 years or longer

Fund activity

- The Preference Share Index declined marginally for the month.
- Preference shares within the portfolio declined by 0.20% while inflation-linked bonds gained 1%.
- Imperial, Grindrod and PSG preference share outperformed the preference share benchmark while Absa, FirstRand and Nedbank underperformed.
- Preference shares at trading on a forward yield of about 11% and still regarded a good value at current levels.

Preference share price movement

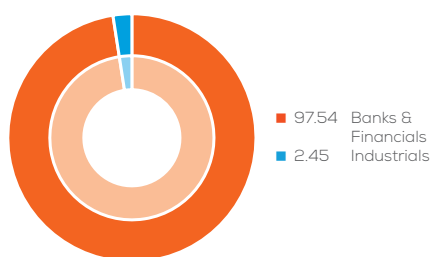


Income distributions are re-invested. Performance is based on a model portfolio which is managed by Ashburton Fund Managers. Performance is calculated net of a portfolio management fee of 0.7% (excluding VAT) and charged on a monthly basis. The composition of the portfolio is periodically reviewed and rebalanced. Varying market conditions, timing of portfolio changes and the level of client discretion may result in some variance between actual and model portfolio performance.

Key information

Dividend yield	Yield
Percentage of prime	105.81
Yield before costs	10.58
Yield after costs	9.88

Sector allocation (%)



Source: Ashburton

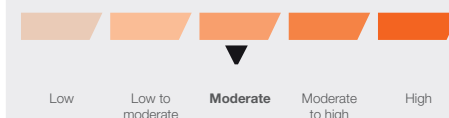
Holdings (%)

	Weight	Price	Yield
Absa Bank Ltd Pref	18.83	700.00	10.48
FirstRand Ltd B Pref	19.41	80.00	9.87
Grindrod Ltd Pref	0.78	71.50	13.33
Imperial Holdings Pref	0.88	75.55	11.72
Investec Bank Ltd Pref	5.97	74.50	11.68
Investec Ltd Pref	7.36	69.49	11.68
Nedbank Ltd Pref	19.80	8.75	10.12
Netcare Limited Pref	1.56	68.80	12.55
PSG Financial Serv Pref	2.43	71.50	12.31
Standard Bank Group Pref	22.95	78.00	10.57

South African portfolio management

Key facts

Risk profile



General information

Launch date	1 January 2014
Domicile	South Africa
Reporting currency	ZAR
Investment manager	Ashburton Investments Portfolio Management
Benchmark	N/A
Investment horizon	3 - 7 years
Minimum investment	R3 million

Fee structure (%)

Initial fee	0.00%
Annual management fee	0.7% (excluding VAT)

Contact us

Please speak to your financial advisor or contact us for more information:

Client service: +27 (0) 11 282 8401

Email: pm@ashburton.co.za

Website: www.ashburtoninvestments.com

Disclaimer

Ashburton Fund Managers (Proprietary) Limited (Reg No 2002/013187/07) ("Ashburton") is a licensed Financial Services Provider ("FSP") in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 ("FAIS Act"), with FSP number 40169, regulated by the Financial Services Board.

This document is for information purposes only and it must not be regarded as a prospectus for any security, financial product or transaction. Ashburton does not in any way represent, recommend or propose that the securities and/or financial or investment products or services ("the products") referred to in this document are appropriate and/or suitable for a particular investment objective or financial situation or need. This document is not advice in respect of any other financial, investment, trading, tax, legal, accounting, retirement, actuarial or other professional advice or service whatsoever ("advice as defined in terms of FAIS"). While all care has been taken by Ashburton in the preparation of the information contained in this document, Ashburton does not make any representations or give any warranties as to the correctness, accuracy or completeness, nor does Ashburton assume liability for loss arising from errors in the information irrespective of whether there has been any negligence by Ashburton, its affiliates or any other employees of Ashburton, and whether such losses be direct or consequential. Ashburton disclaims any liability for any direct, indirect or consequential damage or losses that may be sustained from using or relying on this document or information contained herein.