

ASHBURTON DEFENSIVE HEDGE

Fund fact sheet as at 31 October 2019



Investment objective

The Defensive Hedge Product ("the Product") is a linked alternative asset product designed to produce cash plus returns over a long term investment horizon whilst minimizing downside risk.

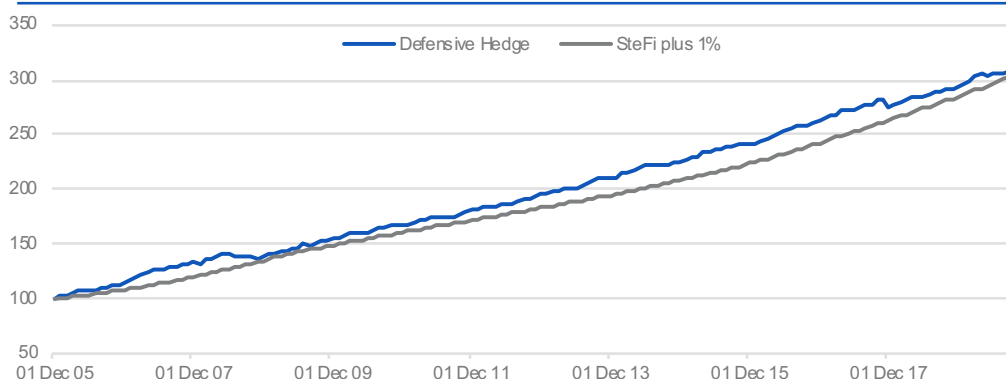
Investment strategy

The Product provides exposure to alternative assets, currently consisting of hedge funds only. Great emphasis is placed on volatility and correlation of the underlying assets when reference asset allocation decisions are made within the Product.

Monthly actual net returns since inception

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	0.80%	0.55%	0.61%	0.41%	0.33%	0.51%	0.53%	0.66%	0.93%	0.80%	0.88%	0.69%	7.97%
2013	1.14%	0.11%	1.09%	0.22%	0.51%	0.40%	1.16%	1.06%	1.06%	0.68%	0.39%	0.36%	8.49%
2014	-0.05%	1.19%	1.00%	0.68%	1.09%	0.59%	0.34%	-0.26%	0.44%	0.23%	0.40%	0.72%	6.55%
2015	0.95%	1.13%	0.19%	1.28%	0.62%	0.44%	0.47%	0.52%	0.31%	0.96%	0.16%	0.05%	7.32%
2016	-0.02%	0.60%	1.32%	1.18%	0.81%	0.56%	0.88%	1.12%	-0.10%	0.47%	0.57%	0.72%	8.40%
2017	1.20%	0.73%	0.34%	1.34%	0.51%	0.05%	0.83%	0.37%	0.12%	1.46%	-0.04%	-1.88%	5.11%
2018	0.57%	1.27%	0.70%	0.79%	-0.08%	0.18%	0.61%	0.82%	0.33%	0.15%	0.58%	0.41%	6.50%
2019	0.97%	0.84%	1.20%	1.08%	-0.56%	0.48%	-0.13%	0.37%	0.57%	0.92%			5.52%

Performance graph (net to the investor) (cumulative vs SteFi + 1%)



All performance numbers are for the B1 share class (capped) and are net of all fees and expenses. The above is purely for illustrative purposes. The above portfolio performance is calculated on a NAV to NAV basis and does not take any initial fees into account. For reinvesting funds, income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date, the date of reinvestment of income and dividend withholding tax. Past performance is not necessarily an indication of future performance.

Disclaimer

Ashburton Management Company (RF) (Proprietary) Limited (Reg No 1996/002547/07) ("Ashburton") is an approved collective investment schemes manager of the Ashburton Collective Investment Scheme ("Ashburton CIS") Ashburton is regulated by the Financial Services Board 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 & 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 each business day (17h00 at month and quarter end). Instructions to redeem or repurchase must reach Ashburton before 14h00 to ensure same day value. 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. 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. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

Additional 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.

Key facts

Risk profile



General information

Launch date	January 2006
Investment horizon	1-year plus
Liquidity	The product has a 60 day notice period, dependent on the ultimate liquidity of the underlying reference portfolio. Should there be any delays in the linked liquidity of any of the underlying reference funds, the redemption for the portion linked to these funds will be processed as the underlying fund liquidity permits.
Benchmark	SteFi plus 1%
Domicile	South Africa
Reporting currency	Rand
Management company	Ashburton Management Company (RF) (PTY) LTD
Investment manager	Ashburton Fund Managers (PTY) LTD
Portfolio manager	Ashburton Fund Solutions
Underlying fund managers	Nitrogen FM Abax Investments X-Chequer FM Bateleur Capital Coronation FM Terebinth Capital

Portfolio risk parameters

Largest single fund size	16.12%
Number of funds	9
Sortino ratio	-0.15
Sharpe ratio	1.26
Maximum drawdown	-3.04%
Annualised volatility	2.34%

Contact us

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