

December 2021

# General Investor Report

Cordatus Worldwide Flexible Prescient Fund A1



Return for the quarter ending 31 December 2021			All figures in ZAR		
		%			%
<b>CORDATUS</b>	<b>WORLDWIDE FLEXIBLE FUND A1</b>	<b>13.2</b>	Offshore Equity	MSCI World Index	14.3
SA Equity	FTSE/JSE All Share	15.1	Offshore Property	FTSE EPRA Nareit Global	15.6
SA Property	FTSE/JSE SA Listed Property	8.3	Offshore Bonds	FTSE WGBI	4.9
SA Bonds	BEASSA All Bond	2.9	Offshore Inflation	US BLS Urban All Areas	13.2
SA Preference shares	FTSE/JSE Preference Share	17.3	Offshore Cash	ICE BofA Overnight	6.1
SA Cash	STeFI Call Deposit	0.9	ZAR	vs USD	-5.9
SA Inflation	Urban, All Areas	1.0	ZAR	vs GBP	-6.1

% Change in Top 10 holdings over quarter	12.2021	09.2021
Palo Alto Networks Inc	4.7	4.4
Microsoft Corp	3.7	3.4
Alphabet Inc-A	3.6	3.6
Glencore International PLC	3.5	3.6
Simon Property Group	3.3	3.0
ING Groep NV	2.9	3.3
Pfizer	2.8	2.2
GEA Groep NV	2.7	2.5
UBS AG	2.6	2.5
Brookfield AM Inc	2.2	2.2

Top & Bottom 5: % contribution for quarter	Return	Contri
Palo Alto Networks Inc	23.3	1.0
Pfizer	46.6	1.0
Simon Property Group	31.8	0.9
Microsoft Corp	26.8	0.9
GEA Group AG	26.4	0.6
VMWARE A	2.2	0.0
eBay Inc	1.5	0.0
United Rentals Inc	0.5	0.0
Medtronic Inc	-11.9	-0.2
Asahi Group Holdings Ltd	-14.3	-0.4

Asset Allocation %	12.2021	09.2021
Equity	84.5	85.2
Property	3.3	3.0
Bonds	0.0	0.0
Prefs	0.0	0.0
Cash	12.2	11.8
Other	0.0	0.0
Domestic	4.1	4.2
Offshore	95.9	95.8

#### Risk: Drawdown since inception



Risk: Rolling period returns at 12.2021	5 yrs	3 yrs	1 yr
% Maximum return over	16.1	22.4	30.8
% Average return over	10.9	11.0	12.9
% Minimum return over	8.0	2.1	-7.4

**Activity during the quarter**

Existing domestically domiciled positions in AngloGold Ashanti and Prosus had small additions during the quarter and the margin of safety relative to fair value increased. Globally, ASML and Herc were sold & reduced respectively as prices advanced far in excess of fair value. New positions in Admiral Plc, BorgWarner and JD.com were established during the period offering an uptick in the portfolio discount to fair value.

**Contributions to Fund quarterly return**

Those counters that contributed the most to the quarterly return of the Fund were once again varied in their profile from cyber security to retail property to food processing. Detractors from performance were similarly varied ranging from online trading to equipment hiring to alcoholic beverages. Having your biggest positions in those shares expected to deliver the best return over longer periods remains core to the portfolio construction process within the Fund.

**Changes in asset allocation**

In the process of rotating out of or reducing positions where the price of counters had exceeded fair value into those trading at a discount, the net equity exposure of the Fund dropped slightly.

**A note on portfolio risk**

Drawdown measures the peak-to-trough decline during a specific period, quoted as a percentage between the latest peak and subsequent trough of the FoF, before a new peak is achieved. It is instructive when measuring the loss to the portfolio during a period and the subsequent return required to return to the previous peak of the portfolio. The drawdown profile shown alongside depicts the increased volatility being experienced in risk markets over the past 5 years. Asset allocation intervention during such periods is necessary to compress the recovery time factor and/or limit further downside. The appropriate period over which to measure performance of the Fund is rolling 5-year periods, given the risk profile and recommended holding period. Shorter measurement periods are linked to a higher variance in returns (see

**Adherence to Fund Policy Objective**

The Fund has adhered to its Policy Objective, as stated in the Supplemental Deed, in all respects during the quarter. There are no unresolved breaches to report from prior periods.

Total Investment Charge (TIC) %	09.2021	09.2000	09.2019	Income Distribution (cpu)	03.2021	03.2020	03.2019
Worldwide Flex Fund Class A1	0.92	0.94	0.89	Worldwide Flex Fund Class A1	1.17	2.63	3.38
Worldwide Flex Fund Class A2	1.32	1.34	1.29	Worldwide Flex Fund Class A2	0.28	1.89	2.46

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