

# STAR Cautious Income & Growth



Return Date: 2021/05/31

South African Rand

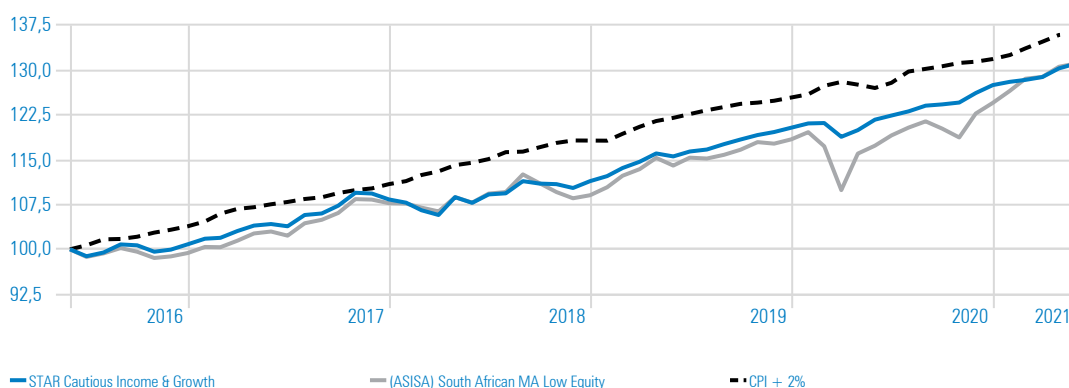
## Local Manager Commentary

South African fixed income securities were the stand-out performers during May with declining yields and tightening credit spreads leading to a strong performance of +3.7%. The local equity market experienced a volatile bout of performance for most of the period, however a strong month end surge caused equities to end the month up +1.6%. Locally listed property showed weakness throughout the month amid a low growth & inflation environment that is not conducive to high performance of the asset class. The South African Rand ended the month at a value of R13.71 per USD, an appreciation of 5.2% in May.

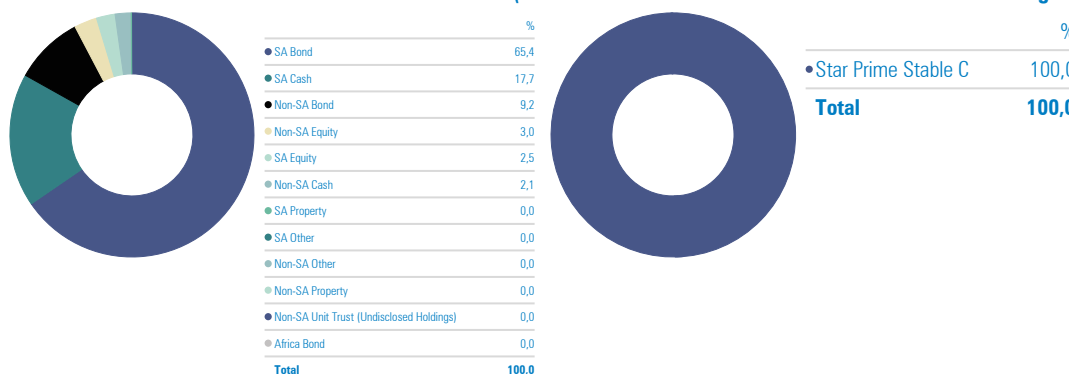
## Investment Objective & Strategy

Deliver a return equal to or greater than CPI + 2% p.a. over rolling two year periods with a Standard Deviation of less than 4%. Over any rolling one year period the portfolio should always deliver a positive return. The Portfolio is a Multi-Manager solution and will comprise at least two underlying funds and ideally a maximum of six underlying funds. Fund selection will be biased towards funds that have high Sortino Ratios, low downside expectations and have been managed through significant negative equity market conditions. The portfolio will invest in funds that allow the manager to make as many of the asset allocation decisions as possible. Manager selection will balance growth and value management styles. This portfolio is Regulation 28 compliant.

## Investment Growth



## STAR Cautious Income & Growth - Asset Allocation (S) STAR Cautious Income & Growth - Portfolio Holdings



## STAR Cautious Income & Growth - Trailing Returns

Calculation Benchmark: (ASISA) South African MA Low Equity

|          | Return | Excess Return |
|----------|--------|---------------|
| 3 Months | 2,13   | 0,15          |
| YTD      | 2,82   | -2,46         |
| 1 Year   | 7,72   | -4,01         |
| 3 Years  | 6,75   | 0,01          |
| 5 Years  | 5,57   | 0,00          |

## STAR Cautious Income & Growth - Risk

Risk-free Rate: JIBAR 1 Month ZAR

|                   | Inv   | Bmk1  |
|-------------------|-------|-------|
| Std Dev           | 2,99  | 5,42  |
| Sharpe Ratio      | 0,37  | 0,23  |
| Loss Deviation    | 1,46  | 3,37  |
| Sortino Ratio     | 0,54  | 0,32  |
| Up Period Percent | 75,00 | 65,00 |

## STAR Cautious Income & Growth - Monthly Returns

|      | Jan   | Feb   | Mar   | Apr  | May   | Jun   | Jul  | Aug  | Sep   | Oct   | Nov   | Dec   | Year |
|------|-------|-------|-------|------|-------|-------|------|------|-------|-------|-------|-------|------|
| 2021 | 0,43  | 0,25  | 0,37  | 1,13 | 0,62  |       |      |      |       |       |       |       | 2,82 |
| 2020 | 0,59  | 0,06  | -1,90 | 0,94 | 1,46  | 0,57  | 0,57 | 0,78 | 0,17  | 0,25  | 1,28  | 1,05  | 5,93 |
| 2019 | 0,76  | 1,21  | 0,93  | 1,21 | -0,43 | 0,71  | 0,29 | 0,77 | 0,66  | 0,63  | 0,42  | 0,61  | 8,03 |
| 2018 | -0,50 | -1,18 | -0,75 | 2,83 | -0,88 | 1,31  | 0,17 | 1,87 | -0,37 | -0,08 | -0,58 | 1,04  | 2,83 |
| 2017 | 0,92  | 0,14  | 1,12  | 0,88 | 0,25  | -0,36 | 1,82 | 0,24 | 1,23  | 2,02  | -0,12 | -0,91 | 7,44 |
| 2016 | -0,73 | 0,85  | 1,32  | 0,29 | 2,33  | -1,16 | 0,63 | 1,36 | -0,15 | -1,07 | 0,35  | 0,90  | 4,98 |

Source: Morningstar Direct

## Portfolio Information

### Portfolio Managers:

Star Investment Partners

Portfolio Launch March 2013

Target Return CPI + 2%

### Benchmark

(ASISA) South African MA Low Equity

### Risk Rating

Low ○ ● ○ ○ ○ High

Regulation 28 Compliant

## Fees

TER\*: 1.43%

\* Includes VAT. The TER has been calculated over 12 month period ending July 2020

## Disclaimer

The Portfolio may be closed to new investments at any time in order to be managed in accordance with its mandate. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges and trustee fees. The portfolio only invests funds with managers regulated by the FSB. The portfolio is a long-term investment. Performance figures are produced by STAR Investment Partners (Pty) Ltd, supplied by independent service providers, and are for lump sum investments with income distributions reinvested. STAR Investment Partners (Pty) Ltd is an Authorised Financial Services Provider. The previous month's change in inflation is used as an estimate for the current month (since inflation numbers are released one month in arrears). \*Returns are based on the strategic underlying weightings of the funds and will not exactly reflect individual client returns. All returns are net of fund management fees, but exclude advice and administration fees. Prior to portfolio launch date, the performance is pro-forma using the actual underlying fund performances and is net of all fees and expenses

## Contact STAR

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