



PORTFOLIOMETRIX
Investment Management **by Design**

PORTFOLIOMETRIX ACTIVE INCOME PRESCIENT AMETF

Strategy Profile and Market Update
March 2024

PORTFOLIOMETRIX ACTIVE INCOME PRESCIENT AMETF

PMX

STRATEGY UPDATE – MARCH 2024

FUND OBJECTIVE AND SUITABILITY

- To provide a high level of income for investors with a focus on capital preservation.
- The fund is suitable for low-to-moderate risk investors with an investment horizon of 12 months and longer.

DYNAMIC MANDATE

- The team manages the fund by dynamically investing across the broad universe of income generating investments, whilst actively managing the risk.
- The fund provides investors with diversified exposure to conservative, high income yielding investments typically only accessible by large institutional investors.
- We aim to generate a similar return to the ALBI with less volatility.
- The fund does not have exposure to equity, property, or foreign exchange risk.
- The fund is Regulation 28 compliant.

PORTFOLIOMETRIX FIXED INCOME TEAM

- Experienced Fund Management team with a multiple award-winning track record.
- The team works closely with the global PortfolioMetrix Asset Management team that collectively manages approximately R75bn in assets under management.



PHILIP BRADFORD
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SA Head of Investments
Portfolio Manager



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CFA®, CAIA, FDP
Portfolio Manager



RICCARDO PERETTI
BCom (Hons), CFA®
Investment Analyst

MARKET UPDATE & OUTLOOK – MARCH 2024

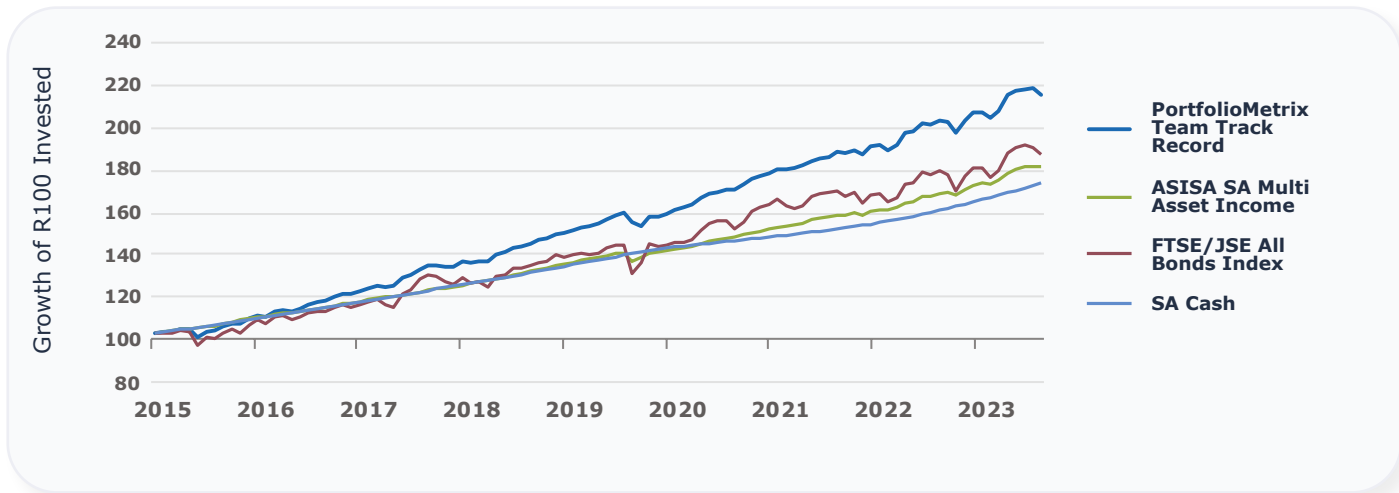
- In a macro environment of uncertainty some positive policy moves in South Africa are taking hold. Amongst these was the reappointment of Lesetja Kganyago as SARB governor for another five-year term, reinforcing the independence and continuity of the Reserve Bank.
- South African inflation printed higher however the SARB held rates at their latest meeting in March. Indicators of future moves in inflation include the easing of producer price inflation.
- The global scene saw interesting central bank action as both Switzerland and Mexico cut rates by 25bps, hope in the UK for a cut increased, and the US held steady but continued to signal three cuts in 2024. The central bank of Japan took a significant step as they raised their policy rate by 25 bps, their first hike in 17 years.
- Whilst SA bonds have had a difficult period since its rally late last year the market does appear to be poised for election risk. Despite this there are many positive developments transpiring in the local economy that will at some point be recognised by the broader fixed income market.
- We remain cautiously optimistic, looking to take advantage of the opportunities on offer. We are closely monitoring global and local events, especially for indications that inflationary pressures could possibly remain higher than expected.
- Despite these concerns we remain quite positive about the return prospects over the next 12 months and longer. As fund managers we have positioned the fund to take advantage of current high interest rates which should benefit investors handsomely over the next few years.
- The fund has a **current gross yield* of 12.5%**, which is significantly higher than both short and long-term expectations for cash and inflation.

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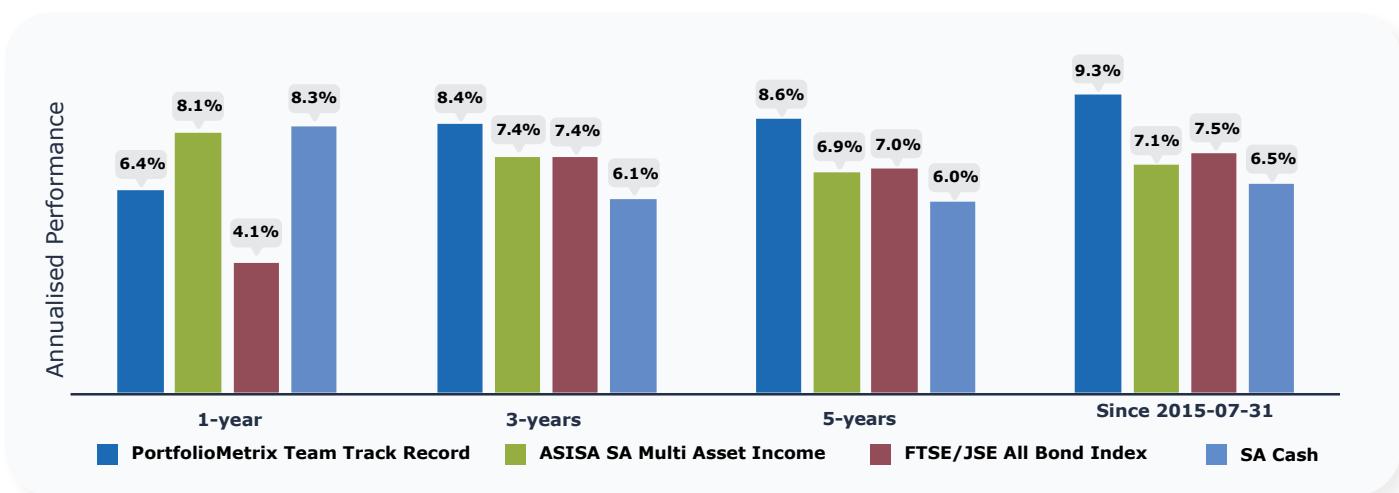


STRATEGY UPDATE – MARCH 2024

PORTFOLIOMETRIX TEAM TRACK RECORD



March 2024	PortfolioMetrix Team Track Record	ASISA SA Multi Asset Income	FTSE / JSE All Bond Index	SA Cash
1 Month	-1.4%	0.0%	-2.0%	0.6%
3 Months	-0.7%	1.0%	-1.8%	2.0%
6 Months	5.7%	5.1%	6.1%	4.1%
1 Year	6.4%	8.1%	4.1%	8.3%
3 Years	8.4%	7.4%	7.4%	6.1%
5 Years	8.6%	6.9%	7.0%	6.0%
Since 2015-07-31	9.3%	7.1%	7.5%	6.5%

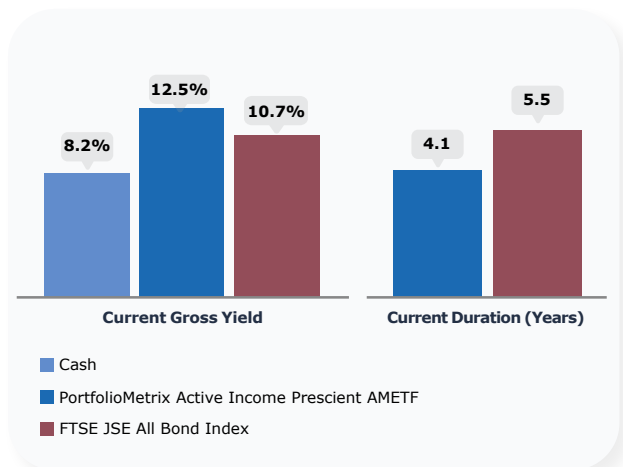


The PortfolioMetrix Team Track Record is the composite of similar fixed income mandates managed since July 2015 to the end of March 2024. Details of this performance track record are available upon request. All performance is on a Net of Fees basis. Data longer than a period of one year has been annualised.

Source: Financial Express, PortfolioMetrix

ETF POSITIONING

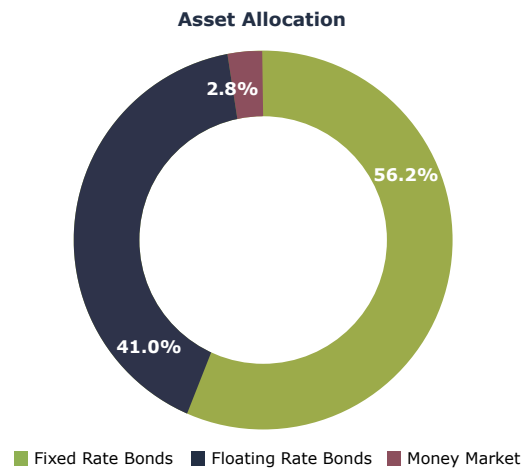
- The Fund’s gross current yield* of 12.5% remains attractive in both absolute terms and relative to cash and the All Bond Index.
- The aggregate duration is currently 4.1, which indicates an interest rate volatility of just under three quarters of the All Bond Index, which has a current duration of 5.5.
- We are confident that the fund is well positioned to provide investors with returns above cash and inflation over the medium-term and into the future.



*The indicated gross forward yield is indicative and fluctuates daily and therefore not guaranteed. As of 2024/03/31. Source: JSE, PortfolioMetrix

ASSET ALLOCATION

- Just under 44% of the portfolio is invested in money market and floating-rate instruments, which continue to benefit from current high interest rates.
- The fixed rate bond exposure of just over 56% is providing high yields for investors by locking in rates at current high levels.
- We continue to maintain a high level of liquidity in the fund to be able to manage the risk in a volatile market environment and take advantage of attractive investment opportunities as they present themselves.



DISCLAIMERS

This portfolio operates as a white label fund under the Prescient ETF Scheme, which is governed by the Collective Investment Schemes Control Act (No.45 of 2002) (CISCA).

Exchange traded funds (ETFs) are listed on an exchange and may incur additional costs. ETFs vs Unit Trusts: Whilst both unit trusts and ETFs are regulated and registered under CISCA as Collective Investment Schemes (CISs), ETFs trade on stock exchanges just like any other listed, tradable security. Unlike a unit trust, which can be bought or sold only at the end of the trading day, an ETF can be traded intraday, during exchange trading hours.

CISs are traded at the ruling price and can engage in scrip lending and borrowing. The portfolio may borrow up to 10% of its net assets on a temporary basis. Such borrowings are permitted only to meet the portfolio's obligations in relation to the administration of the portfolio relating to purchase or sale transactions, and/or the redemption or cancellation of participatory interests in the portfolio. Borrowings in relation to the administration of purchase or sale transactions are permitted for a period of up to 8 calendar days, while borrowings for redemption or cancellation of participatory interests are limited to a period of 61 calendar days. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate.

CIS prices 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 deductible expenses such as audit fees, brokerage, and service fees. Forward pricing is used.

Investment performance, including bond yields, is for illustrative purposes only and has been calculated using net NAV to NAV numbers with income reinvested. Where a current yield has been included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest-bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income, as well as dividend withholding tax.

The Fund's Total Expense Ratio (TER) reflects the percentage of the average NAV of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

A schedule of fees, charges and maximum commissions is available on request from the Manager. The Manager retains full legal responsibility for any third party-named portfolio. Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks, and potential limitations on the availability of market information. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees.

For any additional information such as fund prices, brochures and application forms please go to www.prescient.co.za.



COMPANY INFORMATION

PortfolioMetrix Asset Management SA (Pty) Ltd (registration number 2006/026054/07) is an Authorised Financial Services Provider (FSP No: 42383) authorized in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 Act to provide Cat II Discretionary Financial Services. It is a limited liability company registered in South Africa, located at Corner Main Office Park, 2 Payne Road, Bryanston, 2191. Tel: 011 568 3400.

The Manager, Prescient Management Company (RF) (Pty) Ltd (registration number 2002/022560/07) is registered and approved under Cisca. Prescient is a member of the Association for Savings and Investments South Africa. Prescient is a Ring-Fenced limited liability company registered in South Africa, located at Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 Postal address: PO Box 31142, Tokai, 7966. Tel: +27 800 111 899.

The Trustee and Custodian is the Standard Bank of South Africa (registration number 1962/000738/06) and is registered under Cisca. It is a public company with limited liability registered in South Africa, located at Standard Bank Centre, 5 Simmonds Street Johannesburg South Africa, 2001. Tel: 021 441 4100.

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