

# CORESHARES STABLE INCOME FUND MINIMUM DISCLOSURE DOCUMENT



31 July 2019

## OBJECTIVE

The fund is primarily a passively managed, low risk, multi-asset class portfolio. The objective of the portfolio is to generate income and moderate capital growth over the medium to long term, through investing in a combination of asset classes. This strategic asset allocation is decided upon by using a multi asset framework that takes the portfolio through a process anchored on the objective of generating a growing income stream and no loss of capital in the medium to long term.

## HOW TO INVEST

CoreShares Stable Income Fund is available directly via CoreShares and various LISP platforms.

## WHY CHOOSE THIS FUND?

The benefits of the CoreShares Stable Income Fund are the following:

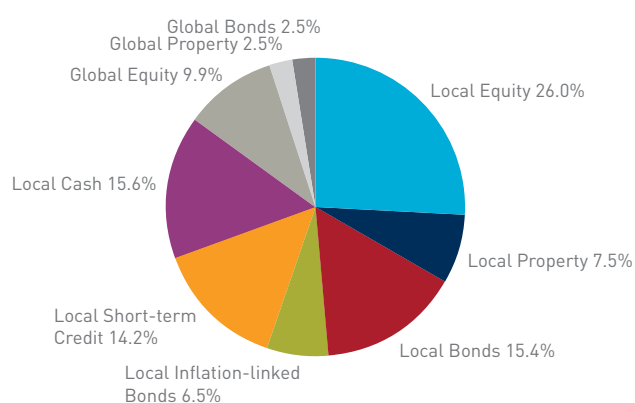
- Stable and growing income stream
- Diversified across multiple asset classes
- Allocation to global assets (developed and developing exposure)
- Access to both short-term credit and long-term bond exposure in fixed income
- Cost efficiency
- Transparency

## RISKS

As with all investments, there are certain risks of investing in CoreShares Stable Income Fund:

- The value of the unit trust is not guaranteed, and so your investment will fluctuate as market conditions change. As a result, there is no guarantee that the fund will deliver to your expectations.
- The unit trust also holds foreign securities, which may come with foreign exchange, macroeconomic, tax, and settlement risks.

## ASSET ALLOCATION



## FUND INFORMATION

|                                   |  |
|-----------------------------------|--|
| Classification                    | South African – Multi-Asset – Low Equity |
| Performance target                | CPI + 3%                                 |
| Inception date                    | 01 May 2019                              |
| Number of holdings <sup>[1]</sup> | 108                                      |
| Size                              | R4 710 174                               |
| NAV                               | 98 cents per unit                        |
| Units in issue                    | 4 806 592                                |
| Historic gross yield              | 6.21%                                    |
| Distribution                      | Quarterly                                |
| Valuation time                    | 17h00                                    |
| Cut off time for transaction      | 14h00                                    |
| Investment Manager                | CoreShares Asset Management              |
| Trustee and Custodian             | Société Générale<br>Johannesburg Branch  |
| Risk profile                      | Cautious (2/5) ●●●●●                     |
| Management fee                    | A Class 0.35% (ex VAT)                   |
| TER <sup>[2]</sup>                | A Class 0.50%                            |
| TIC <sup>[2]</sup>                | A Class 0.70%                            |

## TOP TEN HOLDINGS

| Constituents            | Weight (%) | Constituents                       | Weight (%) |
|-------------------------|------------|------------------------------------|------------|
| R186 10.50% 211226      | 2.7        | R2030 Republic of South Africa     | 1.4        |
| R2048 8.75% 280248      | 2.2        | R2044 Republic of South Africa     | 1.3        |
| Naspers Limited         | 2.1        | Firststrand Bank Ltd 01/10/26 9.5% | 1.3        |
| Com Finance Richmond SA | 2.0        | Anglo American Plc                 | 1.3        |
| BHP Group Plc           | 1.5        | R197 5.50% 071223                  | 1.2        |

## MANAGER INFORMATION

CoreShares Index Tracker Managers (RF) (Pty) Ltd  
4<sup>th</sup> Floor, Grindrod Tower, 8A Protea Place, Sandton.  
PO Box 78011, Sandton, 2146.

[1] The look-through underlying holdings is 8969.

[2] The TER and TIC figures are expected figures. Once the fund reaches a one year track record, the actual figures will be published.

## DISCLOSURES

CoreShares Index Tracker Managers (RF) (Pty) Ltd ("the Manager"), Registration number 2006/006498/07, is a company incorporated in South Africa acting as a manager of collective investments schemes in securities in terms of Section 42 of the Collective Investments Schemes Control Act and is supervised by the Financial Sector Conduct Authority. The registered address of the Manager is 5 Arundel Close, Kingsmead Office Park, Durban, 4001. The Trustee and Custodian is Société Générale Johannesburg Branch. **The Investment Management of the portfolios is outsourced to CoreShares Asset Management (Pty) Ltd, an authorised financial services provider, FSP 46695.** Client administration is outsourced to Maitland Group South Africa Limited, Tel: 021 681 8059; Address: Maitland House 1, River Park, Gloucester Road, Mowbray, 7700, Cape Town. This document and any other information supplied in connection with CoreShares is not "advice" as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act and, therefore, investors are encouraged to obtain their own independent advice prior to buying participatory interests in CIS portfolios issued by the Manager. Participatory interests in the portfolios issued by the manager qualify as investment instruments for the purposes of Tax Free Savings and Investment account by virtue of Section 12T of the Income Tax Act (available on certain LISP's). Collective investment schemes are generally medium to long-term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the manager. There are no performance fees charged in the portfolio. Commission 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 General Investor Report will be published 3 months after the launch of the fund and will be available on request and on our website. 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 (i) the administration of the Fund relating to purchase or sale transactions; and/or (ii) the redemption or cancellation of participatory interests in the portfolio.

Borrowings in relation to (i) above are only permitted for a period of up to 8 calendar days, and 61 calendar days in respect of (ii). Past portfolio performance is measured on a rolling monthly basis. The annual report, brochures, application form is available on our website. The portfolio may be closed to new investments at any time in order to be managed in accordance with its mandate. CoreShares shall, wherever possible, avoid situations causing a conflict of interest. Where it is not possible to avoid such conflict, CoreShares shall advise you of such conflict in writing at the earliest reasonable opportunity and shall mitigate the conflict of interest in accordance with its conflict of interest. Management Policy. You may send a blank email with a subject "conflict of interest" to the compliance officer, should you need a copy of this policy. Complaints should be directed to the Compliance Officer. The Complaints Resolution Policy is available on request. The Compliance Officer's email address is [compliance@coreshares.co.za](mailto:compliance@coreshares.co.za). Total expense ratio (TER) is a measure of a portfolio's assets that have been expended as payment for services rendered in the management of the portfolio or collective investment scheme (CIS), expressed as a percentage of the average daily value of the portfolio or CIS calculated over rolling three year periods coinciding with a calendar quarter end and annualised. Transaction costs (TC) is a measure to determine the costs incurred in buying and selling the underlying assets of a portfolio or CIS, expressed as a percentage of the average daily value of the portfolio or CIS calculated over a period of three years on an annualised basis. TC are a necessary cost in administering the portfolio or CIS and impacts 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 portfolio or CIS, the investment decisions of the investment manager and the TER. Total investment charges is a measure of the total value of portfolio incurred as costs relating to the investment of the portfolio or CIS. **A higher TER / TC does not necessarily imply a poor return, nor does a low TER / TC imply a good return. The current TER may not necessarily be an accurate indication of future TER / TC's.** Trustee and custodian: Société Générale Johannesburg Branch Telephone 011 448 8427 Address: 160 Jan Smuts Avenue, Rosebank. The NAV is published daily and is available on the website [www.coreshares.co.za](http://www.coreshares.co.za) Issued 12 August 2019