

FNB Namibia Unit Trusts

FNB Namibia Corporate Fund

31 August 2019



Fund Details

| | |
|---------------------------------------|--|
| Sector | Domestic - Money Market |
| Inception Date | 22 September 2010 |
| Fund Manager | Ralf Düvel |
| Fund Size | N\$ 638,514,724 |
| Benchmark | Namibian Repo Rate - 0.50% |
| ISIN Code | ZAE000146148 |
| Nature of Distributions | Dividends |
| Income Declaration | Accrued Daily, Paid Monthly |
| Weighted Average Duration | 161 days |
| Weighted Average Legal Maturity | 161 days |
| Minimum Lump Sum | N\$ 5,000 |
| Minimum Additional Contribution | N\$ 1,000 |
| Minimum Debit Order | N\$ 500 |
| Annual Management Fee | 0.60% |
| Total Expense Ratio (TER) | 0.66% |
| Total Investment Charge (TIC) | 0.66% |
| Client Service Centre Contact Details | FNB Namibia Unit Trusts 1st Floor, Parkside Building 130 Independence Avenue Windhoek |
| Fund Manager Contact Details | Ashburton Investments Namibia Pointbreak Building c/o Schanzen & Sinclair Street Windhoek |
| Trustee Contact Details | Standard Bank Nominees Standard Bank Centre c/o Werner List & Post Street Windhoek |

Who Should Invest?

The FNB Namibia Corporate Fund is suitable for investors seeking a low risk investment that maximises income. It offers a high income yield, capital stability and good liquidity.

Investment Objective

The fund's objective is to achieve an investment return in excess of general money market instruments and funds, while ensuring a high degree of liquidity, capital preservation and below average risk. The fund invests with the four major banking groups in Namibia, the five major banking groups in South Africa, Nampost Namibia and the Namibian,- and South African Reserve Bank. Securities to be included in the portfolio consist of money market instruments, participatory interests in unit trust schemes, bank call and fixed deposits, fixed income securities, government bills and bonds, quality commercial paper and repurchase agreements.

Historical Distributions

| Month | Sep-18 | Oct-18 | Nov-18 | Dec-18 | Jan-19 | Feb-19 | Mar-19 | Apr-19 | May-19 | Jun-19 | Jul-19 | Aug-19 |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Distribution (cents per unit) | 0.5330 | 0.6317 | 0.5795 | 0.5895 | 0.5951 | 0.5330 | 0.5618 | 0.6132 | 0.5882 | 0.5297 | 0.6167 | 0.5564 |
| Average naca Rate | 7.17% | 7.21% | 7.28% | 7.17% | 7.24% | 7.17% | 7.31% | 7.22% | 7.15% | 7.13% | 7.04% | 6.98% |

Fund Commentary

Namibian and South African inflation kept on surprising on the downside, slowing to 3.6% in Namibia and 4.0% in South Africa, during July.

Global recessionary fears and the effect of the Eskom debt restructure (implying a higher risk of possible ratings downgrade), have lifted the long end of the South African yield curve by 40bps. The South African money market curve followed the long rates up, closing the spread between Namibian and South African sovereign and commercial paper in the twelve month area. As expected the Bank of Namibia cut its Repo Rate in August, to promote growth, in-line with South African and global quantitative easing measures.

Forward rates in the money market industry point to further rate cuts of 25-50bps within the next twelve months.

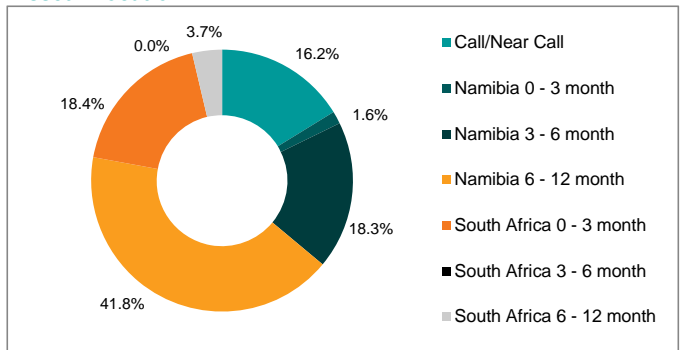
Past Performance

For the period ended 31 August 2019, annualised net of fees

| Period | 1-month | 3-month | 6-month | 1-year | 3-year |
|------------------|---------|---------|---------|--------|--------|
| Fund Performance | 6.98% | 7.05% | 7.14% | 7.17% | 7.16% |
| Benchmark* | 5.40% | 5.55% | 5.59% | 5.61% | 5.69% |

*Adjusted for Withholding Tax on Interest

Asset Allocation



Top 10 Holdings

| | |
|-----------------------|--------|
| Nedbank Namibia | 17.88% |
| Bank Windhoek Limited | 17.59% |
| FNB Namibia Limited | 15.25% |
| Investec Bank Limited | 14.63% |
| Bank of Namibia | 9.09% |
| Nampost | 8.66% |
| ABSA Bank Limited | 8.29% |
| Standard Bank Namibia | 5.20% |
| Nedbank South Africa | 1.91% |
| Other | 1.49% |

Collective Investment Schemes in Securities (unit trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Unit Trust prices are calculated on a net asset value basis, which is the total capital value invested including any income accrual and less any permissible deductions from the portfolio divided by the number of units in issue. Income accruals are made daily and paid out monthly. Purchase and repurchase requests may be received by the manager by 10h00 each business day. Permissible deductions may include management fees, brokerage, NAMFISA levies, auditor's fees, bank charges, trustee fees and RSC levies. A schedule of fees and charges is available on request from Ashburton Unit Trust Management Company. Commission and incentives may be paid and if so, would be included in the overall costs. The FNB Namibia Corporate Fund is managed by Ashburton Unit Trust Management Company Ltd (89/485), a NAMFISA registered (25/9/5/3) Unit Trust Management Company.