

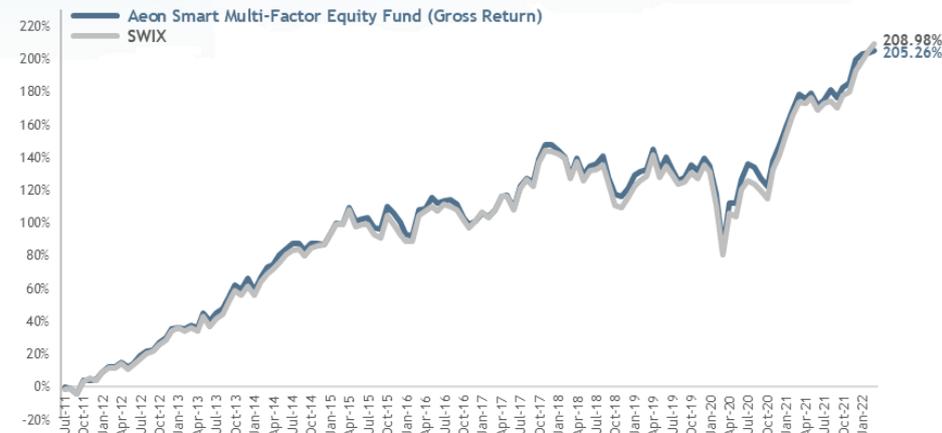
Aeon Smart Multi-Factor Equity Fund

Fund information as at 31 March 2022



Fund Performance

Cumulative Performance - since inception - Gross Return

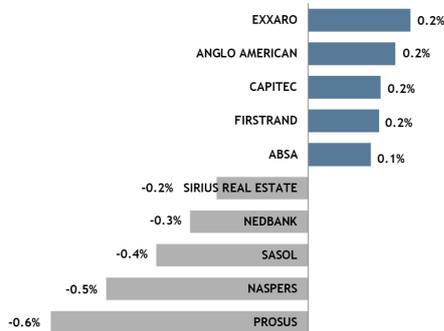


Monthly - Gross Return	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017 Fund	2.47%	-1.09%	2.28%	3.91%	0.33%	-3.72%	6.34%	2.20%	-1.03%	6.35%	3.68%	-0.14%	23.24%
2017 Benchmark	2.57%	-1.49%	2.24%	4.06%	-0.07%	-3.83%	6.34%	2.42%	-1.73%	6.51%	3.09%	-0.16%	21.21%
2018 Fund	-1.24%	-1.85%	-4.76%	4.89%	-4.21%	2.34%	0.41%	2.16%	-5.32%	-4.56%	-0.69%	2.08%	-10.81%
2018 Benchmark	-0.68%	-1.18%	-5.00%	4.29%	-4.73%	2.74%	0.10%	1.15%	-4.54%	-6.12%	-0.61%	2.90%	-11.67%
2019 Fund	3.95%	0.71%	0.81%	5.26%	-5.53%	3.63%	-2.73%	-3.41%	0.99%	3.27%	-1.48%	3.40%	8.55%
2019 Benchmark	3.09%	1.57%	1.25%	5.72%	-5.64%	3.12%	-2.21%	-2.50%	0.37%	2.64%	-1.55%	3.68%	9.32%
2020 Fund	-2.16%	-7.22%	-15.29%	15.28%	-0.09%	6.78%	4.30%	-1.11%	-2.71%	-2.19%	6.95%	4.13%	3.38%
2020 Benchmark	-1.78%	-9.00%	-14.15%	14.07%	-0.97%	8.07%	2.37%	-1.03%	-1.63%	-2.38%	8.31%	3.95%	2.61%
2021 Fund	4.42%	4.05%	3.45%	-0.85%	1.17%	-2.70%	1.21%	2.13%	-1.68%	2.20%	1.14%	4.91%	20.91%
2021 Benchmark	4.97%	4.61%	3.16%	-0.31%	1.31%	-2.79%	1.59%	0.38%	-1.44%	2.82%	0.68%	4.62%	21.06%
2022 Fund	1.27%	0.17%	0.54%										1.99%
2022 Benchmark	2.30%	1.93%	1.35%										5.69%

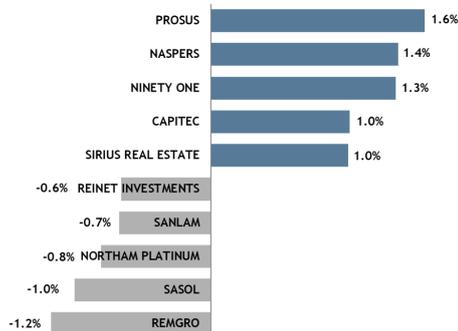
Performance Summary - Gross Return	Fund	Benchmark	Active Return
1 month	0.54%	1.35%	-0.81%
3 month	1.99%	5.69%	-3.70%
6 month	10.61%	14.47%	-3.86%
Year to date	1.99%	5.69%	-3.70%
1 Year	9.71%	12.95%	-3.24%
3 Year (annualised)	9.45%	10.63%	-1.17%
5 Year (annualised)	7.97%	8.27%	-0.30%
7 Year (annualised)	6.29%	6.47%	-0.18%
10 Year (annualised)	10.52%	10.74%	-0.22%
Since Inception (cumulative)	205.26%	208.98%	-3.72%
Since Inception (annualised)	10.94%	11.06%	-0.13%

Fund Holdings (for the quarter as at 31 March 2022)

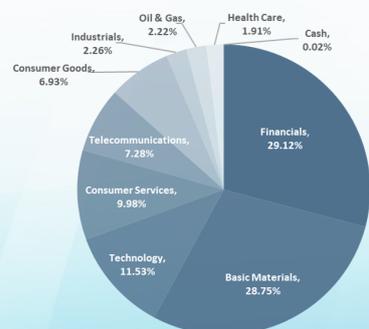
TOP & BOTTOM FIVE CONTRIBUTORS



TOP FIVE OVERWEIGHTS & UNDERWEIGHTS



Sector Allocation



Top Ten Holdings (%)

Naspers	6.86
Firstrand	6.85
Anglo American	6.42
MTN Group	5.39
Prosus	4.26
Capitec Bank	4.25
Impala Platinum	3.42
British American Tobacco	3.33
Standard Bank	3.05
Absa Group	2.85

Fund Description

Aeon Investment Management's Smart Multi-Factor Equity Fund strategy employs a multiple fundamental factor model as its base. Systematic security selection and trading models are used to achieve the fund's objective of outperforming the SWIX benchmark at low cost and tracking error. The portfolio is constructed in a risk managed framework.

Investors should consider the Aeon Smart Multi-Factor Equity Fund if they have a long term investment horizon (5-years or longer), and are looking for capital gains at low cost.

Fund Objectives

Aeon Smart Multi-Factor Equity Fund seeks to achieve:

- Achieve consistent outperformance of the benchmark
- Generate excess returns that are positive, stable, explainable and replicable
- Target tracking error below 2%
- Manage risk through disciplined portfolio construction.

Fund Managers



Asief Mohamed
Chief Investment Officer



Jay Vomacka
Senior Portfolio Manager

Fund Information

Benchmark: SWIX

Inception date: 1 July 2011

Fund size: R 255.80 million

Investment horizon: Five years plus

Classification: South African - Equity - General

Asset Allocation: 100.0% Equity and 0.0% Cash

Risk Profile

Conservative	Moderate	Aggressive

- Generally these portfolios hold more equity exposure than any other risk profiled portfolios therefore tend to carry higher volatility.
- Expected potential long term returns could be higher than other risk profiles, in turn potential losses of capital could be higher.

Fees & Charges

Institutional clients have the option of a flat fee or performance fee structure:

- **Flat Fee:** 0.35% p.a. plus VAT.
- **Performance Fee:** Base fee of 0.25% p.a. plus VAT, plus Outperformance fee share participation rate of 20%. Out-performance capped at 300 bps based on a rolling three-year performance period.

Administration

Fund trustee & custodian: Nedbank Investor Services

Fund administration: Prescient Fund Services (Pty) Ltd

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Aeon Smart Multi-Factor Equity Fund

Fund information as at 31 March 2022



aeon
investment management
long term wealth creation

Fund Performance Review & Market Commentary

The Aeon Smart Multi-Factor Equity Fund underperformed its benchmark by 370 bps for the first quarter of 2022 and is underperforming its benchmark by 324 bps over a one-year period.

Overweight positions in Exxaro Resources and Anglo American were the main positive contributors to return for the first quarter of 2022. Overweight positions in Prosus and Naspers were the main detractors. The benchmark equity index was up 5.69% for the first quarter of 2022.

The quarter ended March was overshadowed by market volatility due to the Russian invasion of Ukraine, which weighed on global markets. The West responded by imposing strict sanctions on Russia resulting in an increase in oil and commodity prices. The FTSE and MSCI removed Russian stocks from most of their indices. The result of higher energy prices, together with higher inflation expectations resulted in many investors adopting a global risk-off stance. The sector that fared best for the quarter ended March was Banks led by FirstRand and Standard Bank. Consumer Discretionary was the weakest sector for the quarter led by index heavyweight Richemont.

Previously, global central banks and governments have been accommodative as a reactionary measure to tackle the Covid-19 pandemic. This resulted in positive market sentiment with continuous assurances from the Fed in an environment of low-interest rates. However, this stance, global supply issues, heightened global demand and now surging commodity prices have resulted in concern over increasing inflation. More recently, the Eurozone's inflation figures have been above expectations while an inversion of the US treasury yield curve was observed raising concerns that the tightening of monetary policy could negatively impact economic growth. The Fed's focus has now shifted towards managing this inflation. This has resulted in the expectation for more aggressive rate hikes. Market participants now think there could be as many as six rate increases this year. This, combined with an increasing European refugee crisis, the potential for the lack of energy supply, and the expectation of a prolonged war resulted in investor sentiment dampening with a sell-off in equity markets. Lastly, China has also moved to increase regulations within the Technology sector as outlined by the CCP in 2021.

Locally, sentiment has somewhat improved following improved trade balances because of strong commodity prices. However, the country still faces structural growth obstacles. South Africa's fiscal position remains constrained by poor legacy policy decisions and ineffective implementation by the government. Eskom had to implement load-shedding as power generation decreased. Financial conditions may be difficult for South Africa in the years ahead with low GDP growth rates and high unemployment translating into weak consumer spending.

Looking forward, growth expectations for the local economy seem to be dependent on global growth, commodity prices, improving confidence, positive local government action, Covid-19 containment measures, and general inflation expectations and management. Astute stock picking with our Growth at Reasonable Price (GARP) philosophy that delivers superior value through the cycle and a focus on companies whose cash flows support earnings is expected to benefit the portfolios moving forward.

As part of showcasing our portfolio, we aim to provide you with some insight into portfolio companies on a regular basis. This quarter, Mondi is discussed, as a core investment within our funds. Mondi is an integrated paper and packaging company that has experienced strong tailwinds as a result of the structural shifts to e-commerce and a global move to sustainable and environmentally friendly packaging. Recently though, Mondi has been significantly impacted by the ongoing Russia/Ukraine war. Mondi's assets within Russia include a high margin integrated corrugated packaging and paper mill which supplies the local market. The plant generates approximately 20% of Mondi's current EBITDA. We believe the market has been overly harsh on the counter with the share price retreating over 30% and screens well in terms of value. Mondi has exposure to growing markets and has low-cost and large-scale assets and is fully vertically integrated. This implies the counter has market-leading margins. Furthermore, it is consistent with respect to dividends and has a strong balance sheet. We are confident in the long-term investment case.

Disclaimer

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Glossary

Annualised performance: Annualised performance show longer term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.

Active Return / Alpha: Denoted the outperformance of the fund over the benchmark.

Contact Details

Investment Management

Aeon Investment Management (Pty) Ltd is an authorised Financial Services Provider (FSP No: 27126) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No.37 of 2002). Please be advised that there may be representatives acting under supervision.

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**Aeon Investment Management (Pty) Ltd is an authorised FSP.
FSP Number: 27126 | Level-1 BBBEE Contributor.**

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