

# Aeon Active Equity Prescient Fund

Class A1

Minimum Disclosure Document and General Investor Report as at 31 March 2024

Issue date: 15 April 2024

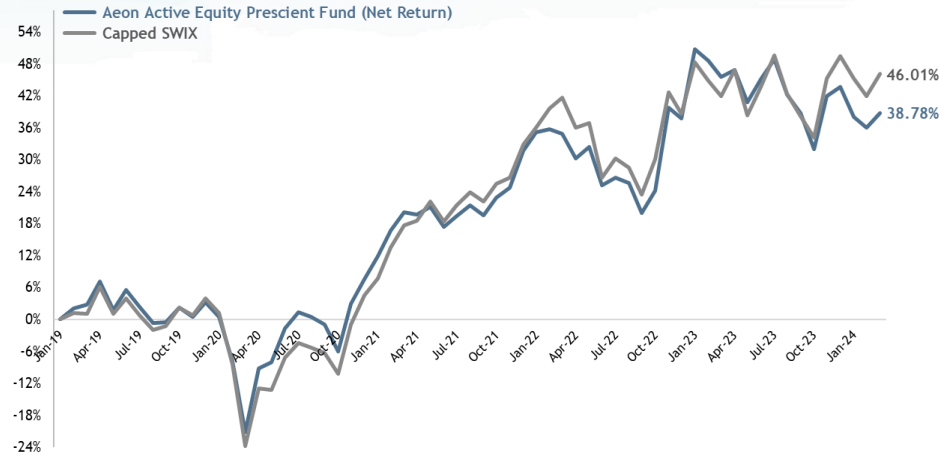
Assets managed by: Aeon Investment Management



**aeon**  
investment management  
long term wealth creation

## Fund Performance

Cumulative Performance - since inception - Net Return



| Monthly - Net Gross | Jan | Feb    | Mar    | Apr          | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | YTD    |
|---------------------|-----|--------|--------|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>2019</b>         |     |        |        |              |        |        |        |        |        |        |        |        |        |
| Fund                |     | 1.99%  | 0.70%  | 4.28%        | -5.04% | 3.71%  | -2.99% | -2.94% | 0.20%  | 2.62%  | -1.59% | 2.69%  | 3.20%  |
| Benchmark           |     | 1.23%  | -0.18% | 5.00%        | -4.75% | 2.88%  | -3.13% | -2.70% | 0.67%  | 3.64%  | -1.47% | 3.09%  | 3.85%  |
| <b>2020</b>         |     |        |        |              |        |        |        |        |        |        |        |        |        |
| Fund                |     | -2.65% | -8.39% | -14.40%      | 15.20% | 1.28%  | 6.90%  | 3.06%  | -0.78% | -1.44% | -5.06% | 9.41%  | 4.49%  |
| Benchmark           |     | -2.57% | -9.55% | -16.69%      | 14.18% | -0.41% | 6.98%  | 3.01%  | -0.88% | -1.07% | -4.24% | 10.38% | 5.47%  |
| <b>2021</b>         |     |        |        |              |        |        |        |        |        |        |        |        |        |
| Fund                |     | 4.03%  | 4.36%  | 2.87%        | -0.33% | 1.25%  | -3.14% | 1.75%  | 1.66%  | -1.57% | 2.85%  | 1.45%  | 5.62%  |
| Benchmark           |     | 3.08%  | 5.33%  | 3.71%        | 0.81%  | 2.93%  | -3.02% | 2.59%  | 2.02%  | -1.41% | 2.69%  | 0.94%  | 4.85%  |
| <b>2022</b>         |     |        |        |              |        |        |        |        |        |        |        |        |        |
| Fund                |     | 2.59%  | 0.40%  | -0.59%       | -3.39% | 1.59%  | -5.46% | 1.14%  | -0.73% | -4.56% | 3.57%  | 12.50% | -1.38% |
| Benchmark           |     | 2.39%  | 2.69%  | 1.49%        | -3.95% | 0.54%  | -7.48% | 2.83%  | -1.33% | -3.84% | 5.33%  | 9.62%  | -2.81% |
| <b>2023</b>         |     |        |        |              |        |        |        |        |        |        |        |        |        |
| Fund                |     | 9.40%  | -1.48% | -1.97%       | 0.86%  | -4.10% | 3.01%  | 2.64%  | -4.49% | -2.46% | -4.83% | 7.51%  | 1.25%  |
| Benchmark           |     | 6.96%  | -2.32% | -1.95%       | 3.43%  | -5.81% | 3.84%  | 4.13%  | -4.79% | -2.97% | -2.93% | 8.33%  | 2.90%  |
| <b>2024</b>         |     |        |        |              |        |        |        |        |        |        |        |        |        |
| Fund                |     | -3.95% | -1.50% | <b>2.11%</b> |        |        |        |        |        |        |        |        | -3.39% |
| Benchmark           |     | -2.84% | -2.27% | <b>2.89%</b> |        |        |        |        |        |        |        |        | -2.30% |

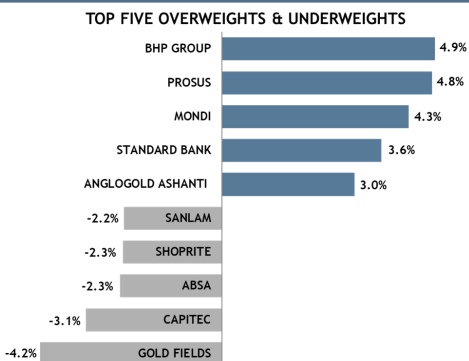
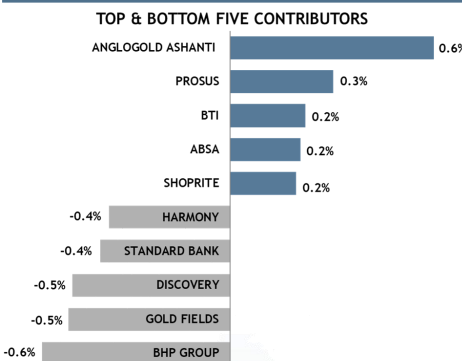
| Performance Summary - Net Return | Fund   | Benchmark | Active Return |
|----------------------------------|--------|-----------|---------------|
| 1 month                          | 2.11%  | 2.89%     | -0.78%        |
| 3 months                         | -3.39% | -2.30%    | -1.09%        |
| 6 months                         | 0.08%  | 5.72%     | -5.64%        |
| Year to date                     | -3.39% | -2.30%    | -1.09%        |
| 1 Year                           | -4.66% | 2.87%     | -7.53%        |
| 3 Year (annualised)              | 4.95%  | 7.48%     | -2.52%        |
| 5 Year (annualised)              | 6.20%  | 7.64%     | -1.44%        |
| 7 Year (annualised)              |        |           |               |

| Since Inception (cumulative) | Fund   | Benchmark | Active Return |
|------------------------------|--------|-----------|---------------|
| Since Inception (cumulative) | 38.78% | 46.01%    | -7.24%        |
| Since Inception (annualised) | 6.55%  | 7.60%     | -1.05%        |

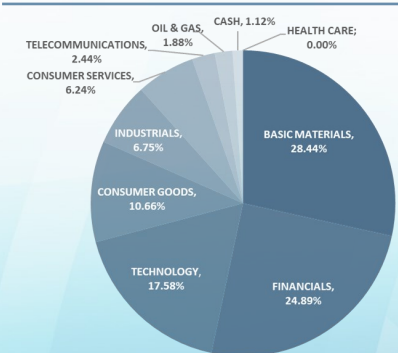
  

| Net Return:      | Highest Rolling One Year Return | Lowest Rolling One Year Return |
|------------------|---------------------------------|--------------------------------|
| Last 12 months:  | 17.64%                          | -8.47%                         |
| Since Inception: | 52.39%                          | -23.30%                        |

## Fund Holdings (for the quarter as at 31 March 2024)



## Sector Allocation



## Top Ten Holdings (as a % of Total AUM)

|                   |      |
|-------------------|------|
| Naspers           | 9.72 |
| Standard Bank     | 8.24 |
| Prosus            | 7.87 |
| BHP Group         | 6.79 |
| FirstRand         | 6.17 |
| Anglo American    | 6.06 |
| AngloGold Ashanti | 5.98 |
| Mondi             | 5.66 |
| BTI               | 5.59 |
| Richemont         | 4.09 |

## Fund Description

Aeon Investment Management's equity investment style is Growth At a Reasonable Price (GARP). Our adaptation of the GARP style seeks to combine the best of growth and value investing, by buying companies with long term sustainable growth rates in earnings per share greater than that implied by the company's market valuation.

## Fund Objectives

The Aeon Active Equity Prescient Fund seeks to achieve:

- Invest in high quality businesses at attractive prices that are positioned for long term growth.
- Outperform the client's equity benchmark over different investment cycles.
- Consistently apply our implied growth methodology.
- Manage risk through disciplined portfolio construction.
- Employ low cost trading techniques.

The portfolio has adhered to its fund objectives.

## Fund Managers



**Asief Mohamed**  
Chief Investment Officer



**Jay Vomacka**  
Senior Portfolio Manager

## Fund Information

**Benchmark:** Capped SWIX (J433T)

**Inception date:** 21 January 2019

**Fund size:** R 1,326.41 million

**Number of Units for Class A1:** 427 032

**Price (net asset value per unit for Class A1):** 120.91 cpu

**Investment horizon:** Five years plus

**Classification:** South African - Equity - General

**Asset Allocation:**

|                  | 31-Mar-24    | 31-Dec-23    |
|------------------|--------------|--------------|
| Equity           | 98.9         | 97.5         |
| Cash             | 1.1          | 2.5          |
| <b>Total (%)</b> | <b>100.0</b> | <b>100.0</b> |

## 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

**Retail (Minimum lumpsum R10 000 or Debit Order R1000):**

**Flat Fee:** 0.75% p.a. plus VAT

**Total Expense Ratio (TER) & Transaction Costs (31-Dec-2023):**

TER - Retail: 0.89

| Fund Class                           | Retail (%)  |
|--------------------------------------|-------------|
| Management Fee (excl. VAT)           | 0.75        |
| Performance Fee                      | -           |
| Other Fees*                          | 0.14        |
| <b>Total Expense Ratio (TER)</b>     | <b>0.89</b> |
| Transaction Costs (TC)               | 0.17        |
| <b>Total Investment Charge (TIC)</b> | <b>1.06</b> |

**Income distribution:** Annually (March)

2024 cpu of 3.91 (retail)

## Administration

**Fund auditor:** Ernst & Young Incorporated

**Fund trustee & custodian:** Nedbank Limited

**Fund administration:** Prescient Fund Services (Pty) Ltd

## Contact Details

www.aeonim.co.za

Email: funds@aeonim.co.za

Tel: +27 (0)21 204 6061/2

4th Floor, The Citadel, 15 Cavendish Street, Claremont, 7708

P.O. Box 24020, Claremont, 7735

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

# Aeon Active Equity Prescient Fund

Class A1

Minimum Disclosure Document and General Investor Report as at 31 March 2024

Issue date: 15 April 2024

Assets managed by: **Aeon Investment Management**

## Fund Performance Review & Market Commentary

The Aeon Active Equity Prescient Fund (CIS) underperformed its benchmark by 109 bps on a net return basis for the first quarter of 2024 and is underperforming its benchmark by 753 bps over a one-year period.

Overweight positions in AngloGold Ashanti and Prosus were the main positive contributors to return for the first quarter of 2024. Underweight positions in BHP Group and Gold Fields were the main detractors. The benchmark equity index was down 2.30% for the first quarter of 2024.

The first quarter of this year was positive for global equities. This optimism was fuelled by the growing anticipation of a 'soft landing' or even the possibility of no economic slowdown at all. The US produced largely positive economic data, which helped alleviate fears of an impending recession. The Bank of Japan (BoJ) has put an end to its negative interest rate policy by raising its policy rate for the first time in 17 years. On the other hand, in China, the government has established a GDP growth target of 5% for 2024. However, there has been no additional communication about aggressive strategies to stimulate the Chinese economy, which left investors disappointed. For the quarter ended March, the Consumer sector emerged as the top performer led by index heavyweight Richemont followed by the Mr Price Group. On the other hand, Financials experienced the most significant decline during the quarter, led by First Rand and Standard Bank.

US inflation generally exceeded expectations in the first quarter. The commodity market saw a significant rise, particularly in Brent crude oil, copper and cocoa. The surge in copper prices, driven by supply risks and an increased demand for energy transition metals, shows no signs of abating. The escalation in commodity prices contributes to inflationary pressures, dampening investor sentiment and reducing the likelihood of the aggressive rate cuts previously anticipated by the market. This sustains the "higher-for-longer" narrative which tends to be negative for equity markets.

Locally, the GDP figures for the fourth quarter of 2023 revealed that the economy underperformed, growing a mere 0.1%. This led to an overall growth of 0.6% for 2023. The disappointing performance was attributed to supply-side issues, including issues at Eskom and Transnet. In February, inflation reached a four-month peak of 5.6% year-on-year, pushing back the timeline to achieve the targeted 4.5% inflation objective. In light of these factors, the SARB decided to keep its key repo rate steady at 8.25%.

Looking ahead, South Africa's financial future remains challenging, marked by sluggish GDP growth rates and high unemployment. These conditions are likely to lead to reduced consumer spending and a widening gap in income inequality. A significant event to watch in 2024 is the South African elections scheduled for May. These highly contested elections bring with them considerable political uncertainty and tension. Our strategy focuses on astute stock selection, guided by our Growth at a Reasonable Price philosophy (GARP), which seeks value throughout economic cycles. We prioritise companies with strong cash flows that can support earnings, aiming to benefit our portfolios in the coming period.

As part of showcasing our portfolio, we aim to provide you insight into our portfolio counters. This quarter, we highlight an existing portfolio counter, AngloGold Ashanti (ANG). ANG is the world's 5th largest gold producer with 11 geographically diverse operations across the globe. ANG has implemented the Full Asset Potential program (FAP) leading to decisive action being taken at loss-making assets, resulting in tangible operational efficiencies, such as a lower all-in-sustaining cost (AISC) predicted over the next two years. Geopolitical risk has propelled the gold price to all-time highs causing this levered gold producer to deliver exceptional returns year-to-date. ANG's restructuring to a primary listing on the NYSE provides further re-rating potential, to be comparable with global peers. ANG's disciplined management, the life of mine extensions, and the lower AISC all provide tailwinds for a continued share price rally. The current gold tailwinds being experienced enhance sector conviction. We look forward to seeing a continued gold price rally benefiting both ANG and all Aeon Investment Management stakeholders.



**aeon**  
investment management  
long term wealth creation

## 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.

#### Portfolio Managers:

Asief Mohamed – Chief Investment Officer  
B.Com, CA (SA), CFA  
asief.mohamed@aeonim.co.za

Jay Vomacka – Senior Portfolio Manager  
CFA, MSc(Eng)(Ind), BSc(Eng)(Elec), CFTe (IFTA)  
jay@aeonim.co.za

**Registration number:** 2005/013315/07

**Physical Address:** 4th Floor, The Citadel, 15 Cavendish Street, Claremont, 7708

**Postal Address:** PO Box 24020, Claremont, 7735

**Telephone Number:** +27 (0) 21 204 6061/2

**Email Address:** [funds@aeonim.co.za](mailto:funds@aeonim.co.za)

**Website:** [www.aeonim.co.za](http://www.aeonim.co.za)

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

## Management Company

### Prescient Management Company (RF) (Pty) Ltd

**Registration number:** 2002/022560/07

**Physical address:** Prescient House, Westlake Business Park, Otto Close, Westlake, 7945

**Postal address:** PO Box 31142, Tokai, 7966

**Telephone number:** 0800 111 899

**E-mail address:** [info@prescient.co.za](mailto:info@prescient.co.za)

**Website:** [www.prescient.co.za](http://www.prescient.co.za)

### Custodian/Trustee

#### Nedbank Investor Services

**Physical address:** 2<sup>nd</sup> Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709

**Telephone number:** +27 11 534 6557

**Website:** [www.nedbank.co.za](http://www.nedbank.co.za)

The Management Company and Trustee are registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). Prescient is a member of the Association for Savings and Investments SA.

This document is for information purposes only and does not constitute or form part of any offer to issue or sell or any solicitation of any offer to subscribe for or purchase any particular investments. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable directly or indirectly to the use of or reliance upon the information.

## Third Parties

This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.

**Prescient**

# Aeon Active Equity Prescient Fund

Class A1

Minimum Disclosure Document and General Investor Report as at 31 March 2024

Issue date: 15 April 2024

Assets managed by: Aeon Investment Management



**aeon**  
investment management  
long term wealth creation

## Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. 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 basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (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 cannot 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.

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.

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. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 13:00 (SA), to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut off time Prescient shall not be obliged to transact at the net asset value price as agreed to. Funds are priced at either 3pm or 5pm depending on the nature of the fund. Prices are published daily and are available on the Prescient website.

Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend *withholding* tax. Full performance calculations are available from the manager on request.

For any additional information such as fund prices, brochures and application forms please go to [www.aeonim.co.za](http://www.aeonim.co.za)

## 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.

#### Portfolio Managers:

Asief Mohamed – Chief Investment Officer  
B.Com, CA (SA), CFA  
[asief.mohamed@aeonim.co.za](mailto:asief.mohamed@aeonim.co.za)

Jay Vomacka – Senior Portfolio Manager  
CFA, MSc(Eng)(Ind), BSc(Eng)(Elec), CFTe (IFTA)  
[jay@aeonim.co.za](mailto:jay@aeonim.co.za)

**Registration number:** 2005/013315/07

**Physical Address:** 4th Floor, The Citadel, 15 Cavendish Street, Claremont, 7708

**Postal Address:** PO Box 24020, Claremont, 7735

**Telephone Number:** +27 (0) 21 204 6061/2

**Email Address:** [funds@aeonim.co.za](mailto:funds@aeonim.co.za)

**Website:** [www.aeonim.co.za](http://www.aeonim.co.za)

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

## Management Company

**Prescient Management Company (RF) (Pty) Ltd**

**Registration number:** 2002/022560/07

**Physical address:** Prescient House, Westlake Business Park, Otto Close, Westlake, 7945

**Postal address:** PO Box 31142, Tokai, 7966

**Telephone number:** 0800 111 899

**E-mail address:** [info@prescient.co.za](mailto:info@prescient.co.za)

**Website:** [www.prescient.co.za](http://www.prescient.co.za)

**Prescient**

### Custodian/Trustee

**Nedbank Investor Services**

**Physical address:** 2<sup>nd</sup> Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709

**Telephone number:** +27 11 534 6557

**Website:** [www.nedbank.co.za](http://www.nedbank.co.za)

The Management Company and Trustee are registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). Prescient is a member of the Association for Savings and Investments SA.

This document is for information purposes only and does not constitute or form part of any offer to issue or sell or any solicitation of any offer to subscribe for or purchase any particular investments. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable directly or indirectly to the use of or reliance upon the information.

### Third Parties

This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.

## Glossary

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

**Highest & Lowest return:** The highest and lowest returns for any one year over the period since inception have been shown.

**NAV:** The net asset value represents the assets of a Fund less its liabilities.

**cpu:** cents per unit.

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

**% Positive Month:** The percentage of months since inception where the Fund has delivered positive return.

**Dividend Yield:** The weighted average dividend yield of all the underlying equity in the Fund. The dividend yield of each company is the dividends per share divided by the price.

**PE Ratio:** The weighted average price earnings ratio of all the underlying equity in the Fund. The price earnings ratio of each company is the price divided by the earnings per share.

**High Water Mark:** The highest level of performance achieved over a specified period.