

# FOORD EQUITY FUND – CLASS A

The fund aims to maximise long-term capital growth from an actively managed portfolio of JSE-listed securities and to thereby outperform the FTSE/JSE Capped All Share Index over rolling five-year periods, without assuming greater risk. The fund is appropriate for investors with a long investment horizon and who can withstand bouts of investment volatility in the short to medium term. Available as a tax free investment account.

## DOMICILE

South Africa

## MANAGEMENT COMPANY

Foord Unit Trusts (RF) (Pty) Ltd  
VAT Registration Number: 4560201594

## FUND MANAGERS

Nick Balkin, Nancy Hossack and Wim Murray

## INCEPTION DATE

1 September 2002

## BASE CURRENCY

South African rand

## EQUITY INDICATOR

Indicates the relative weight of equities in the portfolio. A higher weight could result in increased volatility of returns.

## CATEGORY

South African – Equity – General

## BENCHMARK

Total return of the FTSE/JSE Capped All Share Index (prior to 1 July 2018 FTSE/JSE All Share Index).

## MINIMUM LUMP SUM / MONTHLY

R50 000 / R1 000

## PORTFOLIO SIZE

R3.4 billion

## UNIT PRICE

8770.52 cents

## NUMBER OF UNITS

5.8 million

## LAST DISTRIBUTIONS

29/09/2023 116.00 cents  
31/03/2023 66.60 cents

## INCOME DISTRIBUTIONS

End-March and end-September each year.

## INCOME CHARACTERISTICS

Low gross yield, similar to FTSE/JSE Capped All Share Index dividend yield. Income distributions are reduced by the annual service charge, which varies with the relative performance of the fund against its benchmark.

## PORTFOLIO ORIENTATION

A portfolio of quality JSE shares that present compelling long-term investment value.

## SIGNIFICANT RESTRICTIONS

SA equity exposure between 80% and 100%, with balance invested in cash and other JSE listed securities.

## RISK OF LOSS

High in periods shorter than one year.  
Lower in periods greater than three years.

## TIME HORIZON

Longer than five years.

## ISIN NUMBER

ZAE00042180

## EQUITY SECTOR ALLOCATION %

Change since 30 September 2023

Media	22	▼ 0.4
Financials	17	▲ 0.2
Health	15	▲ 0.1
Consumer/services	14	▲ 0.0
Overseas companies	12	▲ 0.2
Commodity cyclical	10	▼ 0.7
Industrials/transport	6	▲ 0.1
Capital goods/construction	4	▲ 0.2
Precious metals	1	▲ 0.3

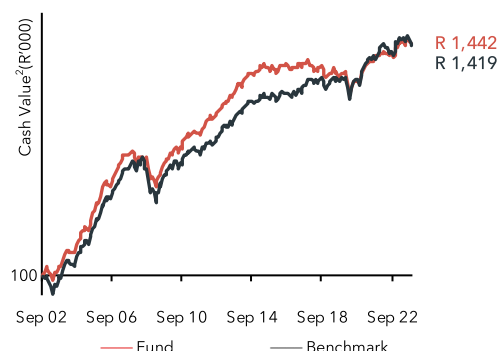
## ASSET ALLOCATION %

	31 OCT 2023	30 SEP 2023
JSE equity securities	80	81
– Resources	9	10
– Financials	14	14
– Industrials	58	58
JSE property	4	4
Commodities	1	1
Money market	14	14
<b>TOTAL</b>	<b>100</b>	<b>100</b>

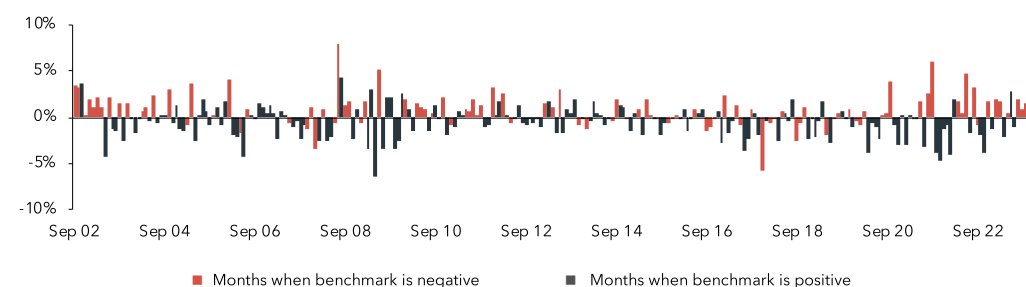
## TOP 10 INVESTMENTS

SECURITY	% OF FUND
Naspers -N-	9.5
Prosus	8.2
Aspen	6.7
FirstRand	5.6
Anheuser-Busch	5.1
British American Tobacco	3.6
Life Healthcare	3.4
Standard Bank	3.2
WBHO	2.8
Anglo American	2.8

## PORTFOLIO PERFORMANCE VS BENCHMARK



## MONTHLY PORTFOLIO PERFORMANCE VS BENCHMARK



In managing South African equity portfolios, Foord aims to construct a diversified portfolio of quality companies bought at reasonable prices to achieve long-term returns with minimum risk of capital loss. The chart above depicts the monthly returns of the portfolio relative to the monthly returns of its benchmark. Bars above the x-axis show months of outperformance against the benchmark, while bars below the x-axis show months of underperformance. Orange bars represent months when the benchmark was negative and navy bars represent months when the benchmark was positive. The chart illustrates that the portfolio has outperformed the benchmark 71% of the time when the market was down (orange bars above the x-axis).

## PORTFOLIO PERFORMANCE % (PERIODS GREATER THAN ONE YEAR ARE ANNUALISED<sup>1</sup>)

	CASH VALUE <sup>2</sup>	SINCE INCEPTION	15 YRS	10 YRS	7 YRS	5 YRS	3 YRS	1 YR	THIS MONTH
Fund <sup>3</sup>	R 1,441,640	13.4	10.8	4.7	4.2	7.4	16.2	12.7	-1.9
Benchmark <sup>4</sup>	R 1,418,506	13.3	11.9	8.0	8.6	9.6	16.5	7.2	-3.4
Fund highest <sup>3,5</sup>		75.4	47.6	42.4	42.4	42.4	37.9	12.7	
Fund lowest <sup>3,5</sup>		-29.9	-22.5	-22.5	-22.5	-22.5	-0.7	12.7	

<sup>1</sup> Converted to reflect the average yearly return for each period presented

<sup>2</sup> Current value of R100 000 notional lump sum invested at inception, distributions reinvested (graphically represented in R'000s above)

<sup>3</sup> Net of fees and expenses

<sup>4</sup> Source: IRESS MD RSA

<sup>5</sup> Highest and lowest actual 12 month rand return achieved in the period

Note: Totals may not cast perfectly due to rounding



## IMPORTANT INFORMATION FOR INVESTORS

Foord Unit Trusts (RF) (Pty) Ltd (Foord) is an approved CISC Management Company (#10), regulated by the Financial Sector Conduct Authority. Portfolios are managed by Foord Asset Management (Pty) Ltd, an authorised Financial Services Provider (FSP: 578). The custodian/trustee of Foord Unit Trusts is RMB Custody and Trustee Services (a division of FirstRand Bank Limited), contactable on T: 0877361732, [www.rmb.co.za](http://www.rmb.co.za).

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. Performance is calculated for the portfolio. Individual investor performance may differ as a result of the actual investment date, the date of reinvestment and withholding taxes. Performance may be affected by changes in the market or economic conditions and legal, regulatory and tax requirements. Foord does not provide any guarantee either with respect to the capital or the performance return of the investment. Unit trusts are traded at ruling prices and can engage in borrowing. Foord does not engage in scrip lending. Commission and incentives may be paid and if so, this cost is not borne by the investor. A schedule of fees and charges and maximum commissions is available on request. Distributions may be subject to mandatory withholding taxes. Portfolio information is presented using effective exposures. A fund of funds invests only in other Collective Investment Scheme portfolios, which may levy their own charges, which could result in a higher fee structure. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of units in a single portfolio of a Collective Investment Scheme which could result in a higher fee structure. Foord is authorised to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio. Forward pricing is used. Prices are determined at 15h00 each business day and are published daily on [www.foord.co.za](http://www.foord.co.za). The cut-off time for instruction is 14h00 each business day.

The portfolio may include underlying foreign investments. Fluctuations or movements in exchange rates may cause the value of underlying foreign investments to go up or down. The underlying foreign investments may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls that may be imposed by the relevant authorities in the relevant countries.

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This is a Minimum Disclosure Document.

Additional detailed analysis is published in the Quarterly Portfolio Report available on [www.foord.co.za](http://www.foord.co.za).

Published on 03 November 2023.

### FEE RATES

Initial, exit and switching fees	0.0%
Standard annual fee for equalling benchmark	1.0% plus VAT
Performance fee sharing rate	15% (over- and under-performance)
Minimum annual fee	0.5% plus VAT
Maximum annual fee	Uncapped

The annual fee is based on portfolio performance with the daily rate being adjusted up or down based on the portfolio's one-year rolling return relative to that of its benchmark and is subject to a minimum fee rate.

### TOTAL INVESTMENT CHARGE %

	12 MONTHS	36 MONTHS
Total expense ratio (TER)	1.38	1.01
– Manager's charge (basic)	1.00	1.00
– Performance charge	0.19	-0.14
– VAT and sundry costs	0.20	0.15
Transaction costs (incl VAT)	0.18	0.16
<b>Total investment charge</b>	<b>1.56</b>	<b>1.17</b>

A TER is a measure of a portfolio's annual expenses, fees and charges, expressed as a percentage of the average daily value of the portfolio. These expenses include the annual fee, VAT, audit fees, bank charges and costs (excluding trading costs) incurred in any underlying funds. Included in the TER, but separately disclosed, is a performance fee (or credit) resulting from overperformance (or underperformance) against the benchmark. 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 TERs. Performance return information and prices are always stated net of the expenses, fees and charges included in the TER. The TER for the fund's financial year ended 31 March 2023 was 1.17%.

### PERFORMANCE FEES

Performance fees align investor and manager return objectives by rewarding the manager for outperformance while penalising the manager for underperformance. Foord's performance fee structure increases or decreases the daily fee levied based on the over or underperformance of the Foord unit trust portfolios relative to their benchmarks. When the portfolio return exceeds the benchmark return, the daily performance fee rate is increased proportionately. Similarly, underperformance causes the daily performance fee rate to decrease proportionately. Performance fee rates are not capped because outperformance is generally not earned smoothly.

The annual fee is adjusted up or down daily by the performance fee calculated as the difference between the rolling one-year net-of-fee return and the benchmark return for the same period, multiplied by the performance fee sharing rate, which may vary from fund to fund.

### PERFORMANCE FEE EXAMPLES %

	A	B	C	D
Foord 1-year rolling return	10.0	10.0	10.0	10.0
Benchmark 1-year rolling return	8.0	12.0	10.0	16.0
Relative performance	+2.0	-2.0	0.0	-6.0
Performance fee sharing rate	15.0	15.0	15.0	15.0
Adjustment to 1% annual fee	+0.3	-0.3	0.0	-0.9
<b>Annual fee rate applied (excl. VAT)</b>	<b>1.3</b>	<b>0.7</b>	<b>1.0</b>	<b>0.5*</b>

\* Minimum fees apply

Please visit our website for more information regarding our investment track record, the Foord team, current and archived news items, or forms and documents.

This information is provided free of charge.

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