



# Taquanta

## Fund Objective

The objective of the Taquanta Absolute Return Fund is to target 3% per annum above CPI over rolling 3 year periods. Constructed on a sound investment philosophy and process, an optimal combination of capital preservation and alpha seeking strategies, the fund aims to minimize the probability of receiving negative returns over a 12 month period.

## Outlook

Moody's again opted not to change South Africa's credit rating, following the same stance from October 2018. They remain the only rating agency that has SA on investment grade (with a stable outlook). The National Energy Regulator of South Africa approved electricity hikes of 9.41%, 8.1% and 5.2% for the next three financial years, this was below Eskom's tariff increase application. This could put more pressure on consumers and companies, and needless to say Eskom - bringing in to question if Moody's will not downgrade in November.

Spreads continue to tighten with trading in the secondary market moving market spreads to new lows. SOE issuance has also picked up in the last quarter with issuance from Denel, IDC, DBSA and Landbank. A return of the SOE's to the market should see some upward pressure return to credit spreads. The market awaits the elections in May, with the outlook on interest rates, credit spreads and growth remaining flat. The fund is well positioned to take advantage of the current economic climate.

# Absolute Return Fund

## Fund Information

**Portfolio Manager:**

Taquanta Asset Managers (Pty) Ltd

**Compliance:**

Medical Aid and Regulation 28

**Fund Size:**

R274 million

**Benchmark:**

CPI + 3%

**Inception Date:**

01 June 2001

**Valuation Method:**

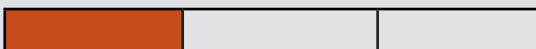
Mark to Market

**Fund Type:**

Segregated / Pooled

## Risk Profile

**Conservative      Moderate      Aggressive**





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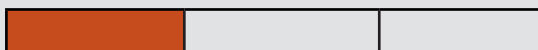
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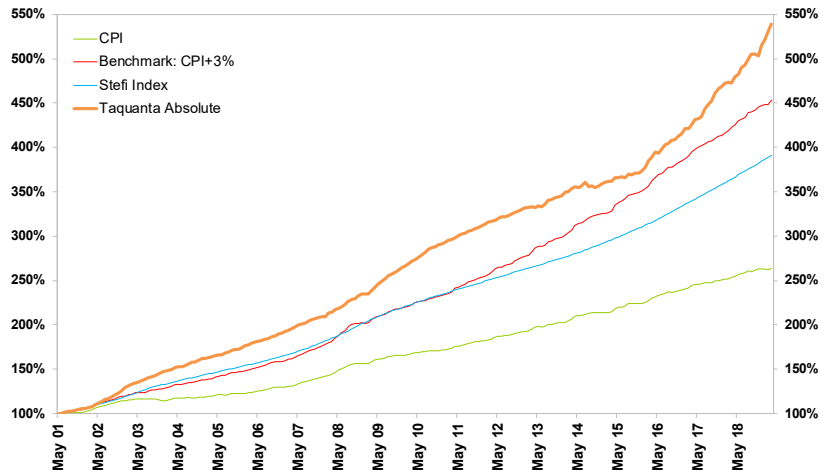
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### Fund Performance

Returns	Fund Return	CPI	CPI +3%	STeFI Cash	All Share	All bond
1 year	14.1%	4.1%	7.1%	6.6%	5.0%	3.5%
3years	11.5%	4.8%	7.8%	6.8%	5.7%	10.1%
5 years	8.8%	5.1%	8.1%	6.4%	6.5%	8.3%
7 years	7.9%	5.3%	8.3%	6.0%	11.0%	8.0%
Inception (16.3yrs)	9.9%	5.6%	8.6%	7.5%	14.0%	9.8%
Volatility (Inception)	1.9%	1.5%	1.5%	0.6%	15.9%	7.2%

Fund Performance



### Effective Asset Allocation

