



Taquanta

Enhanced Cash Fund

Fund Objective

The primary objective of the Taquanta Enhanced Cash Fund is to achieve superior returns in excess of a typical money market fund with an emphasis on capital preservation.

Investment Philosophy and Strategy

Employs a conservative approach to enhance yields through extracting the liquidity risk premium primarily in longer-dated bank paper with a maximum maturity up to 5 years. Our fundamental credit review process is robust, combining qualitative and quantitative analysis, overlaid with institutional memory to question convention, operating within a strong risk and compliance framework. Our portfolio construction process builds a well-diversified fund targeting up to 20 counterparties to further reduce risks.

Performance

The fund continues to outperform the targeted return of STeFI Composite. The Fund has a superior running yield which is currently in excess of STeFI Composite +1%

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% 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 election 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.

Fund Information

Portfolio Manager:

Taquanta Asset Managers (Pty) Ltd

Fund Size:

R5.19 billion

Benchmark:

STeFI Composite

Fund Classification:

Similar to Varied Specialist

Inception Date:

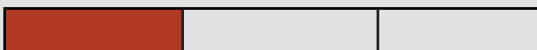
1 March 2005

Valuation Method:

Accrual

Risk Profile

Conservative Moderate Aggressive





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Fund Performance

Period	Fund	Benchmark	Active Return
Month	0.73%	0.61%	0.12%
Quarter	2.16%	1.77%	0.39%
1 Year (naca)	8.80%	7.26%	1.54%
3 Years (naca)	8.94%	7.42%	1.52%
5 years (naca)	8.18%	7.00%	1.18%
Inception (naca)	8.35%	7.32%	1.03%

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Fund Information

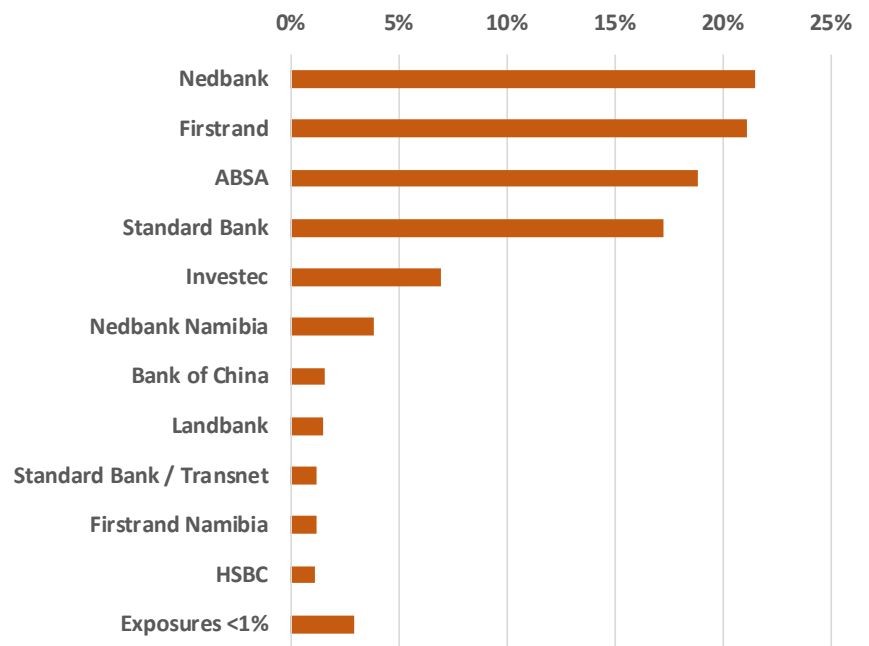
Compliance:
Medical Aid and Regulation 28

Instrument Maximum Term:
5 Years

Maximum Weighted Average Duration:
120 Days

Portfolio Details:
The investment portfolio is a market-linked fund policy (interms of the Long-Term Insurance Act) issued by the Nedgroup Structured Life Limited

Credit Exposures



Instrument Type Breakdown

