Sanlam Hybrid Capital Bond Fund - An Introduction

With quantitative easing and negative real rates the Fixed Income market has been a challenging one recently. In this short presentation Peter Doherty, Head of Fixed Income, explains the benefits of Hybrid Capital and how the Sanlam Hybrid Capital Fund could be a great Fixed Income addition to portfolios.

Recorded during a Sanlam Business Breakfast at Home event.

Past performance is not a reliable indicator of future returns. The value of investments and any income from them can fall and you may get back less than you invested.

Fund Risks
The fund will invest in debt securities. The government or company issuer of a bond might not be able to repay either the interest or the original loan amount and therefore default on the debt. This would affect the credit rating of the bond and, in turn, the value of the fund. Investment in bonds and other debt instruments (including related derivatives) is subject to interest rate risk. If long-term interest rates rise, the value of your shares is likely to fall. The yield is gross and could be higher than what you will receive in the future. The Fund may engage in transactions in financial derivative instruments for hedging purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The Fund may invest in Contingent Convertible Securities (CoCo's). The value of CoCos is unpredictable and will be influenced by many factors including, without limitation (i) the creditworthiness of the issuer and/or fluctuations in such issuer's applicable capital ratios; (ii) supply and demand for the CoCos; (iii) general market conditions and available liquidity and (iv) economic, financial and political events that affect the issuer, its particular market or the financial markets in general. The investor may not receive a return of principal if expected on a call date or indeed at any date.