

# IFSL Sanlam Conservative Fund

## March 2021



Phil Smeaton  
Fund Manager

Phil is the Chief Investment Officer for Sanlam Private Wealth UK. He graduated with a first-class honours degree in Mathematics from Oxford University and has extensive investment experience. He has a track record running a market neutral hedge fund as well as global long only funds. His career began in 2000 as an analyst on the European Equity team at Tokyo Mitsubishi Asset Management. In 2006 he joined the Global Equity team at Batterymarch. Phil has been a CFA Charterholder since 2003.

### Key information

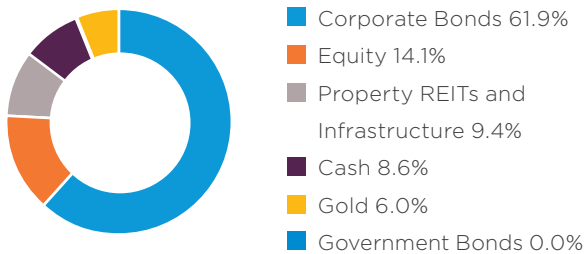
Assets under management	£13.0 million
Number of holdings	62
Yield*	3.0%
Fund manager	Phil Smeaton
Benchmark	IA Mixed Investments 0-35% Shares
Fund launch date	7 September 2020
Domicile	UK
Base currency	GBP
Fund type	OEIC, UCITS V
Dealing deadline	Midday
Valuation point	Midday
Settlement	T+4
Distribution dates	31 March, 30 June, 30 September, 31 December

\*This figure is an estimate

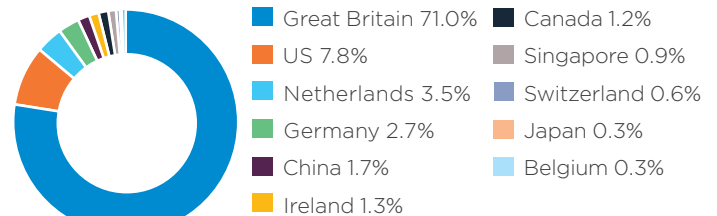
### Objective

The aim of the Fund is to grow the value of your investment over a period of at least 5 years. This growth is expected to come from a combination of profit on investments and income paid out of investments, such as interest and dividends.

### Asset class exposure



### Country exposure\*\*



\*\*excludes cash exposure

The Fund has holdings which are denominated in currencies other than sterling and may be affected by movements in exchange rates. Consequently the value of an investment may rise or fall in line with the exchange rates.

The Fund may invest in derivatives for the purposes of efficient portfolio management (including hedging) and for meeting the investment objectives of the fund. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions.

Part of the fund is invested in fixed income. 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 value of this portfolio is subject to fluctuation and past performance is not necessarily a guide to future performance. The performance is calculated for the portfolio and the actual individual investor performance will differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. All terms exclude costs. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Do remember that the value of participatory interests or the investment and the income generated from them may go down as well as up and is not guaranteed, therefore, you may not get back the amount originally invested and potentially risk total loss of capital. Therefore, the Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager has the right to close any Portfolios to new investors to manage them more efficiently in accordance with their mandates. Collective Investment Schemes are traded at ruling prices and can engage in borrowing and scrip lending. Collective Investment Schemes (CIS) are generally medium to long term investments. A schedule of fees and charges and maximum commissions is available on request free of charge from the Authorised Corporate Director, the Investment Manager or at [www.ifslfunds.com](http://www.ifslfunds.com).

## Commentary

With vaccination programmes being rolled out across the developed world, economic conditions are favourable for financial assets. Despite a recent sell-off in government bonds and continued strength in equity markets, equities remain the asset class with the greatest potential to compound wealth over the longer term – especially combined with careful stock selection. An underweight position in government bonds has protected portfolios against rising yields this year. With credit spreads still tight, some high-yielding fixed income exposure has been exchanged for property, an asset whose income stream is akin to high-yielding inflation-linked fixed income and can hence offer protection in an inflationary environment. Some of the government bond weight remains invested in low-duration investment grade bonds, infrastructure and gold.

## Top 10 holdings

Royal Mint Physical Gold ETC	6.0
Pension Insurance Corp PLC 7.375% Perp	3.7
BP Capital Markets PLC 4.25% Perp	3.7
Barclays PLC 6.375% Perp	3.4
Legal & General Group PLC 5.625% Perp	3.4
Rothesay Life PLC 3.375% 12/07/2026	3.3
Phoenix Group Holdings PLC 4.125% 20/07/2022	3.2
Tesco PLC 3.322% 05/11/2025	3.2
M&G PLC 5.625% 20/10/2051	3.2
Koninklijke KPN NV 5.75% 17/09/2029	2.9

Source: Sanlam Investments UK Limited 31 March 2021

## Fund references and charges

Shareclass	ISIN	SEDOL	Bloomberg	Initial charge	AMC	OCF	Price	Minimum Investment
A Accumulation GBP	GB00BMY2M091	BMY2M09	IFSCAGA	none	0.75%	0.79%	105.5	£1,000
A Income GBP	GB00BMY2M109	BMY2M10	IFSCAGI	none	0.75%	0.79%	105.1	£1,000

## Overview

The Fund's equity exposure will be up to 35%. Between 40% and 100% of the Fund will be exposed to fixed income and other debt securities (investment grade and below investment grade). The Fund is also permitted to be exposed up to 30% in cash and deposits, structured products, structured notes, currencies, money market instruments, loan notes, property and commodities. The Fund will invest in the above asset classes directly and through other collective investment schemes (a mixture of third-party funds and other funds managed or operated by the ACD or the Investment Manager), closed-end

funds, exchange-traded funds ("Collective Investment Vehicles"). Through its investments in Collective Investment Vehicles, the fund may have exposure to other transferable securities than those listed above. These Collective Investment Vehicles could also use derivatives to varying degrees. The investments will span a global range of developed, emerging and frontier markets with no more than 20% being invested in emerging or frontier markets. The Fund may use derivative transactions for the purposes of efficient portfolio management (including hedging) and for meeting the investment objectives of the Fund.

T +44 (0)20 7280 8700 | E [enq@sanlam.co.uk](mailto:enq@sanlam.co.uk)

Issued and approved by Sanlam Wealth which is authorised and regulated by the Financial Conduct Authority (FCA). Sanlam Wealth is the trading name for Sanlam Private Investments (UK) Ltd (FRN 122588), having its registered office at Monument Place, 24 Monument Street, London EC3R 8AJ. Investment Fund Services Limited (IFSL) is the Authorised Corporate Director of the IFSL Sanlam Funds.

This document is provided to give an indication of the investment and does not constitute an offer/invitation to sell or buy any securities in any fund managed by us nor a solicitation to purchase securities in any company or investment product. It does not form part of any contract for the sale or purchase of any investment. The information contained in this document is for guidance only and does not constitute financial advice.

The fund price is calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income and expense accruals. Trail commission and incentives may be paid and are for the account of the manager. Performance figures quoted are from Sanlam and are shown net of fees. Performance figures for periods longer than 12 months are annualized. NAV to NAV figures are used. Calculations are based on a lump sum investment.

Please note that all IFSL Sanlam Funds carry some degree of risks which may have an adverse effect on the future value of your investment. Any offering is made only pursuant to the relevant offering document, together with the current financial statements of the relevant fund, and the relevant subscription/application forms, all of which must be read in their entirety together with the IFSL Sanlam OEIC prospectus and the KIID. All these documents explain different types of specific risks associated with the investment portfolio of each of our products and are available free of charge from the Manager or at [www.ifslfunds.com](http://www.ifslfunds.com). No offer to purchase securities will be made or accepted prior to receipt by the offeree of these documents, and the completion of all appropriate documentation. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision as not all investments are suitable for all investors.