

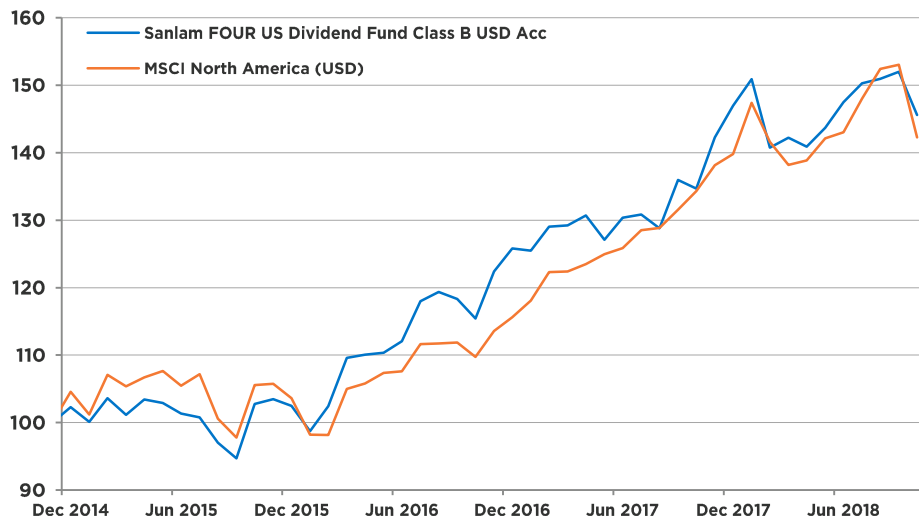
Sanlam FOUR US Dividend Fund

October 2018 | Factsheet

Overview

A Dividend Value Fund investing in attractive US companies with the aim of achieving the highest risk-adjusted returns throughout the cycle against the benchmark. It has a value bias with a distinctive quality overlay, focussing on dividend sustainability and company valuation.

Performance – Past performance is not a guide to future performance



Class B returns are used to illustrate the fund's longest track record and has no fixed management fee. It requires a separate agreement with Sanlam FOUR and is not available to retail clients. Class A is available to retail clients with a 0.75% p.a. management fee, which would result in lower performance than shown. Please see table below for the effect of these charges on performance. **Please see the table overleaf for all available share classes and total fees, or contact us for details.**

Performance (%)

	Inception	1mth	YTD	1yr	3yrs	5yrs	Since Inception
B Accumulation USD	17/12/14	-4.2	-1.0	8.1	12.3	n/a	10.2
MSCI North America		-7.0	1.8	5.9	10.4	n/a	8.9
A Accumulation USD	20/05/15	-4.3	-1.6	7.3	11.6	n/a	9.9
MSCI North America		-7.0	1.8	5.9	10.4	n/a	8.1
A Accumulation GBP	30/12/14	-2.3	4.1	11.0	18.5	n/a	14.5
MSCI North America		-5.1	7.8	10.1	17.6	n/a	13.8

Performance figures for periods longer than 12 months are annualized

Discrete years performance (%)

12 Months to	Oct-18	Oct-17	Oct-16	Oct-15	Oct-14
B Accumulation USD	8.1	16.6	12.3	-	-
MSCI North America	5.9	22.4	3.9	-	-
A Accumulation USD	7.3	15.8	11.8	-	-
MSCI North America	5.9	22.4	3.9	-	-
A Accumulation GBP	11.0	6.2	41.1	-	-
MSCI North America	10.1	12.5	31.5	-	-

The Fund invests geographically in a narrow range, there is an increased risk of volatility which may result in frequent rises and falls in the Fund's share price.

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 Manager, the Investment Manager or at www.sanlam.ie.

Key facts

Fund AuM	\$330.6m
Strategy AuM	\$340.2m
Number of Holdings	66
Active Share	93.1%
Portfolio Yield	3.5%
Fund Manager	Adour Sarkissian
Benchmark	MSCI North America
Fund Launch Date	17 December 2014
Domicile	Ireland
Base Currency	US Dollar
Fund Type	OEIC, UCITS V
IA Sector	North America
Morningstar Category	US Large-Cap Value
Dealing Deadline	14:00 (GMT)
Settlement Time	T+3
Valuation Point	23:59 (GMT)
Distribution	Quarterly

Source: Sanlam, SAMI, MSCI.

Top ten holdings

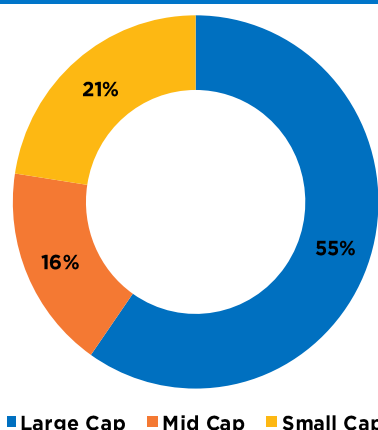
Stock Name	Weight %
Bristol-Myers Squibb	6.0%
AT&T	4.3%
Molson Coors Brewing	4.2%
Federated Investors	4.1%
Pinnacle West Capital	3.2%
Empire	3.0%
Altria Group	2.9%
Seagate Technology	2.9%
Tyson Foods	2.8%
Viacom	2.6%

Monthly commentary

Following months of steady advances, US markets had their worst monthly performance since 2011. They fell 7% in the month of October, driven by a combination of factors. Ten months into the year markets are up a bit more than 2%. In the meantime, the US dollar significantly strengthened through October, adding about 3% over the month. The 10-year treasury yields moved up from 3.06% to 3.15%, having now clearly broken through the 3% resistance line. Volatility more than doubled over the month, moving from 12 to 25 before retreating and ending the month at around 20. Oil corrected, moving from the mid70s to the mid60s, however commodities were generally stable. Gold advanced approximately 2%. Value led growth on the downside in October with 3.7% outperformance, losing 5.5% while growth retreated by 9.2%. Still, the YTD differential remains more than 8%, with value back in negative territory of around -1.5% while growth is up 6.5% for the year. This follows on the footsteps of 2017 when growth outperformed value by 16%. Over a 5-year period, growth is ahead by more than 45-50%, and over 10 years it is ahead by more than 115%. Consumer staples and utilities acted as the best sectors for the month. Information technology and consumer discretionary acted as the worst. Materials outperformed, as well as telecommunication services.

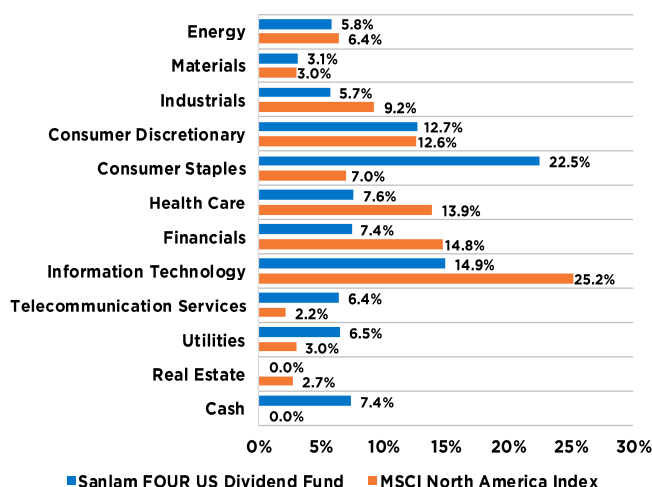
The fund outperformed the US markets in October, as well as the value benchmarks. Outperformance vs. the markets came from both sector allocation and stock selection this month, although sector allocation led the way. Currency exposure turned mildly negative again for October. Stock selection was most positive in industrials, consumer discretionary, and materials while it was negative in healthcare and information technology. On a sector basis, allocation was most positive in consumer staples and utilities. There was no meaningful negative sector allocation. The portfolio's average dividend yield went up to 3.5% at the end of the month, while the market's yield was at 2% making for a historically attractive and wide differential of as much as 150bps - levels which have not been seen for some time. Other valuation metrics also showed similarly attractive discounts, with discount levels of anywhere from 30-50% versus the market. On a price to sales basis the discount was at 70%, highlighting the value characteristics. This was coupled with an average leverage which was around 40% lower. Active share hovered around 93%.

Market capitalisation



■ Large Cap ■ Mid Cap ■ Small Cap

Sector breakdown



Sources for data: Sanlam, Bloomberg, MSCI

Fund information and charges

	Inception Date	ISIN	Bloomberg	SEDOL	Initial Charge	AMC	OCF	Price	Minimum investment	Type of Share
A GBP Accumulation	30/12/2014	IE00BSP5ZY44	SFUSDAG	BSP5ZY4	Up to 5%	0.75%	0.97%	16.8246	£1,000	Accumulation
A GBP Income	30/12/2014	IE00BSP60192	SFUSDIG	BSP6019	Up to 5%	0.75%	0.97%	15.4911	£1,000	Income
H GBP Accumulation	Awaiting Investment	IE00BF0FCN67	SFUSHGA	BF0FCN6	None	0.75%	0.99%	n/a	£1,000	Accumulation
H GBP Income	Awaiting Investment	IE00BF0FCP81	SFUSHGI	BF0FCP8	None	0.75%	0.99%	n/a	£1,000	Income
A USD Accumulation	20/05/2015	IE00BVDQ2617	SFUSDAU	BVDQ261	Up to 5%	0.75%	0.97%	13.8492	\$1,000	Accumulation
A USD Income	27/02/2015	IE00BVDQ2831	SFUSDIU	BVDQ283	Up to 5%	0.75%	0.97%	12.7315	\$1000	Income

Other share classes are available

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