

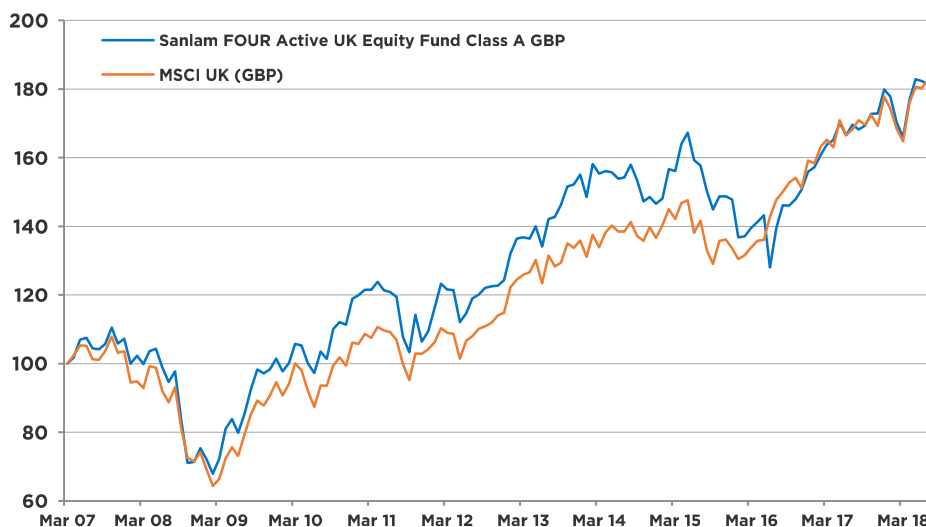
Sanlam FOUR Active UK Equity Fund

October 2018 | Factsheet

Overview

A concentrated portfolio focusing on UK companies with strong structural growth opportunities and attractive cash flow. The Fund adopts a bottom-up approach with a value bias aimed at providing capital growth over the long-term. The team employs an active, conviction-driven management style. Key to the Fund is its focus on identifying growing companies, with competitive franchises and strong cash generation.

Performance – Past performance is not a guide to future performance



Class A returns are used to illustrate the fund's longest track record in the chart above, and is available to retail clients with a 0.75%p.a. management fee. Please see the table overleaf for all available share classes and total fees, or contact us for details.

Key facts

Fund AuM	£26.3m
Strategy AuM	£26.3m
Number of Holdings	40
Active Share	56.6%
Yield	4.4%
Fund Manager's	Chris Rodgers Andrew Evans
Benchmark	MSCI UK
Fund Launch Date	02 April 2007
Domicile	Ireland
Base Currency	Sterling
Fund Type	OEIC, UCITS V
IA Sector	UK All Companies
Morningstar Category	UK Flex-Cap
Dealing Deadline	11:00 (GMT)
Settlement Time	T+3
Valuation Point	Midday (GMT)
Distribution	Semi-Annually

Source: Sanlam, SAMI, MSCI.

Performance (%)

	Inception	1mth	YTD	1yr	3yrs	5yrs	Since Inception
A Accumulation GBP	02/04/07	-4.5	-5.9	-2.1	4.4	2.2	4.6
MSCI UK		-4.8	-3.9	-0.9	7.9	4.8	4.7

Performance figures for periods longer than 12 months are annualized

Top ten holdings

Stock Name	Weight %
BP	6.2%
Royal Dutch Shell	5.1%
HSBC Holdings	4.9%
Prudential	4.4%
Rio Tinto	4.3%
Lloyds Banking Group	4.2%
GlaxoSmithKline	4.2%
RELX	4.0%
BT Group	3.7%
Whitbread	3.2%

Discrete years performance (%)

12 Months to	Oct-18	Oct-17	Oct-16	Oct-15	Oct-14
A Accumulation GBP	-2.1	16.8	-0.6	1.0	-2.9
MSCI UK	-0.9	11.8	13.5	0.0	0.5

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

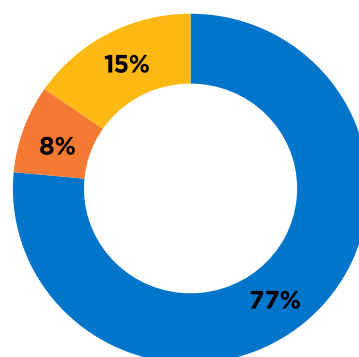
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Monthly commentary

October proved to be the month that global equity confidence finally cracked. This seems to have been triggered by fears that the US Fed would continue with its aggressive policy tightening, notwithstanding growing risks to global growth. Consequently highly rated growth stocks and cyclical bore the brunt of the initial sharp sell-off, while staples were more resilient. There was also some evidence of a rotation into value stocks that had previously underperformed. In the UK these international forces dominated, even as Brexit negotiations continue to drag on. Utilities, consumer staples and healthcare duly outperformed, while industrials and technology stocks were the largest under-performing sectors. The fund outperformed the broader market driven by strongly positive stock selection. This compensated for negative sector allocation, as the portfolio is underweight in consumer staples, utilities and healthcare, and overweight in information technology.

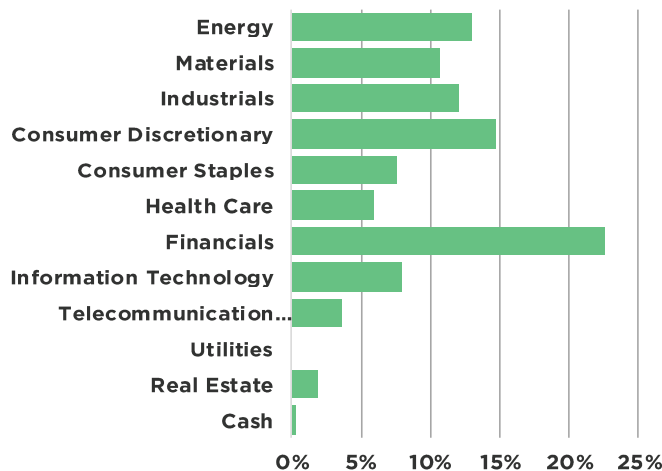
The key holdings contributing positively were BT, Paddy Power Betfair and IQE, reversing earlier weakness in all three cases. Also outperforming were domestic economy exposed stocks such as Howden Joinery, Great Portland Estates and Barclays, suggesting that investors' Brexit fears might be receding, or at least already fully priced-in. Some relative benefit was also received from not holding a handful of larger cap stocks, most notably Vodafone, Reckitt Benckiser and WPP. Partially offsetting these gains was weakness in growth stocks that suffered from profit taking, especially Integrafina and First Derivatives, with Micro Focus, Prudential, Bloomsbury and XP Power also detracting. In a quiet month for activity we used recent weakness to add significantly to our position in Howden Joinery and marginally topped up First Derivatives. These were funded from profit-taking in Wood Group and trimming of Imperial Brands. The partial market recovery that started towards the end of the month is encouraging and suggests that the down-move was a correction rather than the start of a more persistent decline. Corporate profits continue to grow and valuations are now no longer so demanding.

Market capitalisation



■ Large Cap ■ Mid Cap ■ Small Cap

Sector breakdown



Sources for data: Sanlam, Bloomberg

Fund information and charges

	%	ISIN	Bloomberg	SEDOL	Initial Charge	AMC	OCF	Price	Minimum investment	Type of Share
A GBP Accumulation	02/04/2007	IE00B1RPZ542	FORUKDV	BIRPZ54	None	0.75%	1.02%	16.9142	£1,000	Accumulation
B GBP Accumulation	01/04/2011	IE00B1RPZ658	FORUKDB	BIRPZ65	Up to 5%	0.00%*	**	14.8292	£10,000	Accumulation
B USD Accumulation	28/07/2016	IE00BZ01R064	FORUKDB	BZ01R06	Up to 5%	0.00%*	**	11.9309	\$10,000	Accumulation

*Access to class B is subject to a separate agreement with Sanlam. **The OCF figure would be the agreed fee plus an additional 0.27%. Other share classes are available.

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