

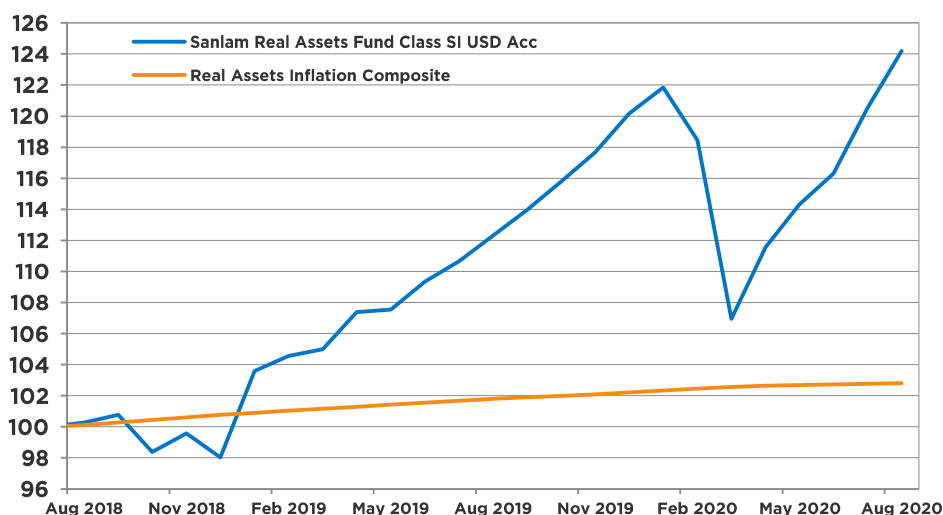
# Sanlam Real Assets Fund

August 2020 | Factsheet

## Overview

The investment focus is on listed securities that derive their value from underlying real assets. These exhibit distinct attractive characteristics that differentiate themselves from other asset classes. Our investments can be via REITs, investment trusts or specialist companies with a focus on physical assets. As the overriding mandate is real asset exposure, there is no restriction on access vehicles. The fund is targeting regular income and capital growth through investments in real asset securities, with a target return of CPI+4% over a full investment cycle. We have strong experience in real assets as a key part of the Sanlam Multi-Strategy Fund.

## Performance - past performance is not a guide to future performance



Class SI returns are used to illustrate the fund's longest track record. It has a 0.55% p.a management fee and requires a separate agreement with Sanlam Investments to access, 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 the table overleaf for all available share classes and total fees, or contact us for details.**

Source: Sanlam, SAMI, StatPro

## Performance (%)

	Inception	1mth	YTD	1yr	3yrs	5yrs	Since Inception
SI USD Acc	21/08/18	3.0	3.4	10.6	n/a	n/a	11.3
CPI*		0.0	0.6	1.0	n/a	n/a	1.4
A GBP Inc	02/11/18	3.0	1.4	7.9	n/a	n/a	20.8
CPI*		0.0	0.6	1.0	n/a	n/a	2.4

## Discrete years performance (%)

12 Months to	Aug-20	Aug-19	Aug-18	Aug-17	Aug-16
SI USD Acc	10.6	12.0	n/a	n/a	n/a
CPI*	1.0	1.7	n/a	n/a	n/a
A GBP Inc	7.9	n/a	n/a	n/a	n/a
CPI*	1.0	n/a	n/a	n/a	n/a

\*Equally weighted composite taken from the CPI rate of the component countries of the G10 Region

\*\*Portfolio yield is calculated by adding the net dividend amounts for all dividend types (excluding special dividends) that have gone 'ex' over the past 12 months based on the dividend frequency. This total excludes taxes, any related dividend fees or tax related credits.

\*\*\*Distribution yield is the amount received by an investor, and is the sum of distributions paid over the past 12 months, based on the frequency and divided by the last price

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 can invest in derivatives. Derivatives are used to protect against fluctuations in currencies, credit risk and interest rates or for investment 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's expenses are charged to capital. This has the effect of increasing dividends while constraining capital appreciation. Part of the fund is invested in bonds. 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 Yield is gross and is calculated on historic dividend income from the preceding 12 months. Since the yield is based on past information it is provided as a guide and should not be taken as a guaranteed yield. If fees are charged to the capital account then this could reduce the amount invested. Income may fluctuate in accordance with market conditions and taxation arrangements. 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](http://www.sanlam.ie) AM0920(199)1220UK&SAInst

## Key facts

Fund AuM £	£282m
Fund AuM \$	\$377m
Number of Holdings	38
Portfolio Yield**	3.2%
Distribution Yield***	3.1%
Fund Manager	Mike Pinggera
Benchmark	CPI*
Return Target	CPI+4%
Fund Launch Date	21 August 2018
Domicile	Ireland
Currency Classes	GBP,USD,EUR,CHF
Fund Type	OEIC, UCITS
IA Sector	IA Specialist
Morningstar Category	Alt - Other
Dealing Deadline	11:00 (GMT)
Settlement Time	T+3
Valuation Point	Midday (GMT)

## Real asset types

Sector	Weight %
Infrastructure	30.4%
Specialist Property	25.1%
Renewables	27.2%
Other Alternatives	4.8%
Cash	12.5%

Sources for data: Sanlam, Bloomberg

## Characteristics

- Diversification from traditional investments
- Long-term cash flow streams
- Attractive yields and total returns
- Global investment theme
- Greater capital preservation over cycles
- Lower volatility in asset values
- Degrees of inflation-linkage

## Monthly commentary

### Activity

We initiated 2 positions in the communication towers sector over the month. Together these infrastructure businesses complement each other with respect to geographies, technologies and growth opportunities, providing attractive exposure to a structurally important sector with demographic and technology tailwinds.

### Transparency

Over the month positive contributions came from infrastructure, specialist property, renewables and other alternatives. The specialist property segment was particularly strong owing to German and UK residential property.

### Positive contributors

Grainger	+0.45%
Vonovia	+0.45%
HarbourVest Global PE	+0.36%

### Negative contributors

Digital Realty Trust	-0.22%
Orsted	-0.12%
Nextera Energy	-0.08%

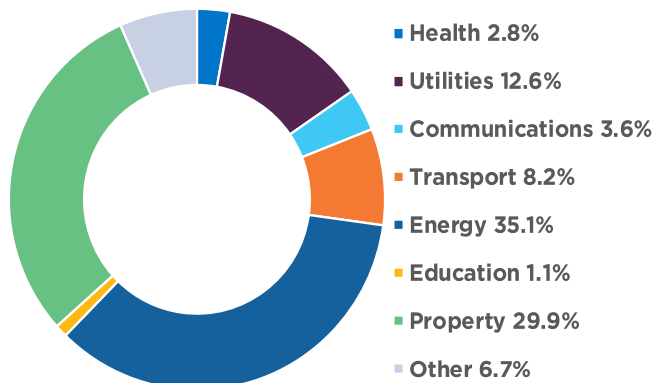
### Corporate Highlights

August saw the tail end of earnings season which saw further dividend affirmations and management teams reinforcing full year guidance - at month end, 73.4% of the portfolio had re-affirmed dividends. Alongside solid results from a number of holdings there was a significant amount of corporate activity. Hipgnosis Songs Fund acquired the rights to 917 Barry Manilow songs, SDCL Energy Efficiency Trust acquired a portfolio of 112 ultra-fast EV charging stations, Acciona won a €330m rail project in the Philippines, Digital Realty announced plans to expand the use of renewable energy in its US data centre portfolio, and 3i Infrastructure announced a portfolio company acquired 1,200km of offshore fibre optic cable in the Gulf of Mexico. There were no placings over the month.

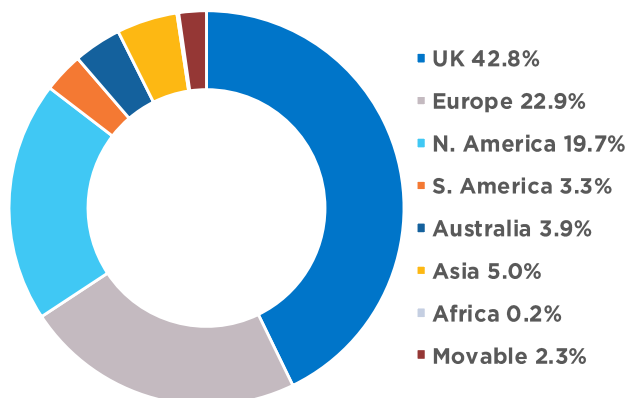
### Outlook

Real assets remain attractive against the ongoing market volatility, geopolitical uncertainty and low interest rate environment. The asset class has been strongly supported by global policy and public sentiment around environmental and social issues and will continue to benefit from long-term structural economic tailwinds. The fund continues to hold a balanced portfolio of investments that fit our theme of "pillars of a functioning economy" with long-term, stable and predictable cash generative assets.

## Sector exposure



## Geographic exposure



Sources for data: Sanlam, StatPro

## Fund information and charges

	Inception Date	ISIN	Bloomberg	SEDOL	Initial Charge	AMC	OCF	Price	Minimum investment	Type of Share
<b>A GBP Income</b>	02/11/2018	IE00BDFDL125	SANRAAG	BDFDL12	None	0.75%	0.97%	11.3939	No Minimum	Income
<b>A GBP Accumulation</b>	21/08/2019	IE00BJ5CB555	SNRLAAG	BJ5CB55	None	0.75%	0.95%	10.8802	No Minimum	Accumulation
<b>SI USD Accumulation</b>	21/08/2018	IE00BG7P3228	SANRASI	BG7P322	None	0.55%	0.62%	12.4191	No Minimum	Accumulation

## Contact us

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