ClucasGray Global Flexible Prescient Fund

MINIMUM DISCLOSURE DOCUMENT & GENERAL INVESTOR REPORT

30 JUNE 2024

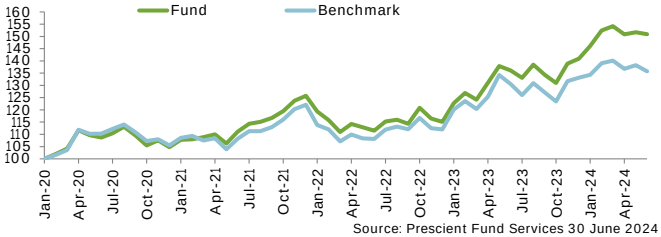
FUND OBJECTIVE & STRATEGY

The ClucasGray Global Flexible Prescient Fund aims to provide medium to long-term capital and income growth over time by investing in a flexible portfolio of global asset classes and currencies. The Fund will invest in a diversified mix of global assets, including equities, bonds, property, preference shares, debentures, fixed interest securities and money market instruments. The Fund will employ asset and geographical allocations to reflect changing economic and market conditions to maximise returns over the long term.

FUND INFORMATION

Portfolio Managers:	Guy MacRobert & JP Maritz
Inception Date:	31 January 2020
Fund Size (ZAR millions):	301.35
Unit Price:	147.31
ASISA Category:	Global Multi-Asset Flexible
Benchmark:	Market value-weighted average return of Global Multi Asset High Equity (50%) and Low Equity (50%)
Min lump Sum:	R10 000
Min monthly investment:	R1 000
Issue Date:	17 July 2024

CUMULATIVE VALUE OF R100 INVESTED AT INCEPTION VS PEER GROUP (ILLUSTRATIVE PERFORMANCE)



Source: Prescient Fund Services 30 June 2024

The illustrative investment performance is shown for illustrative purposes only and is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown. Income is reinvested on the reinvestment date.

ROLLING 12 MONTH RETURN**

	Highest	Average	Lowest
Fund Class B1	24.0%	9.2%	-8.4%

* Fund performance is the net weighted average fee return for the fund

** Highest Fee Class

PERFORMANCE (NET OF FEES) AT 30 JUNE 2024

	1 month	6 months	YTD	1 year	3 years (Ann)	Since Inception (Ann)
Fund*	-0.5%	7.1%	7.1%	10.9%	10.8%	9.8%
Class B1	-0.5%	7.1%	7.1%	10.9%	10.7%	9.7%
Benchmark	-1.8%	2.0%	2.0%	4.0%	7.9%	7.2%

RISK & FUND STATS (ANNUALISED SINCE INCEPTION)

Alpha	0.2%
Sharpe Ratio	4.1
Standard Deviation	10.8%
Max Drawdown	-11.7%
% Positive Months	60.4%

WHO SHOULD INVEST

The Fund is an ideal wealth creation vehicle for investors with a medium to long-term investment horizon.

RISK INDICATOR

These portfolios generally hold more equity exposure than low risk portfolios but less than high risk portfolios.
In turn, the expected volatility is higher than low risk portfolios but less than high risk portfolios.
The probability of losses is higher than low risk portfolios, but less than high risk

LOW	LOW - MED	**MED**	MED - HIGH	HIGH

QUARTERLY COMMENTARY | JUNE 2024

Global equity markets continued to move higher over the last three months building on the momentum of the first quarter despite a pullback in expectations for interest rate cuts from various central banks around the world. Resilient economic data, especially out of the US helped push the MSCI All Country World Index higher (+2.9%) during the second quarter having gained +11.3% thus far in 2024. Growth (+6.4%) continue to outperform value (-1.0%), driven by the ongoing investment into artificial intelligence. Large cap info tech stocks pushed developed markets (+5.1%) higher. Several major elections took place during the quarter in key emerging markets, resulting in some volatility over the last three months, but emerging markets did manage to add +2.8% over the period. The resilient macro economic backdrop negatively affected the global REIT index (-1.4%) due to its sensitivity to interest rates. Similarly, the World Government Bond Index lost -1.7%.

US equity markets continue to outperform with the S&P 500 (+4.3%) and tech heavy Nasdaq (+8.3%) leading the way, despite softer consumer data. The annual inflation rate unexpectedly slowed to 3.3% in May, the lowest in three months and down from 3.4% in April. Core inflation also slowed towards the end of the quarter reigniting hope that the US Federal Reserve will start reducing interest rates. The US Federal Reserve left the fed funds rate steady at its 23-year high of 5.25% for the 7th consecutive meeting. Policymakers do not think it will be appropriate to reduce rates until they gained greater confidence that inflation is moving sustainably toward the 2.0% level. Currently, the dot plot indicate policymakers see only one rate cut this year and four cuts in 2025, while the market is pricing in two cuts for 2024. The European Central Bank (ECB) lowered its policy rate by 25 basis points to 4.5%, as expected, during its June meeting. This marked a shift from nine months of stable rates, after inflation declined by more than 2.5 percentage points since September 2023. The ECB did stress that any further rate cuts to policy normalization is data dependent. Despite the rate cut, the fallout from both the European parliamentary elections and the announcement of snap French elections resulted in sovereign yields across Europe increasing. European equity markets underperformed during the second quarter as the Eurostoxx 50 (-2.1%) and the German DAX (-1.4%) moved lower. The Bank of England (BOE) decided to maintain the bank rate at 5.25% during its June meeting despite the annual inflation level reaching the central bank's target of 2.0% in May. Services inflation eased to 5.7% from 5.9% but remain well above the forecasted level of 5.5% and is seen as the key reason the BOE did not cut rates. The FTSE100 added 3.8% during the second quarter. The Shanghai Shenzhen 300 Index lost -2.4% and is flat year-to-date despite encouraging economic growth and ongoing efforts by the government to support the economy and equity markets. These efforts include: government backed equity buying, restrictions on short selling and a cut in the prime rate. In Japan, the Nikkei remains the top performing major index globally returning +19.3% thus far in 2024 despite losing -1.8% during the second quarter.

Minimal changes to the fund during the quarter. We introduced Walt Disney into the portfolio back in 2023 as a tactical allocation as we believed the price at that time did not fully capture the potential value unlock within its streaming business which was targeting to turn profitable within its 2025 financial year. Additionally, the ongoing strength within its park business and the ability for Disney to drive a meaningful cost saving optimisation on a corporate level, we believed, could lead to share appreciation. We were not alone as a very prominent activist shareholder also started buying Disney shares and started pushing for change as well as a board seat. Following a couple of encouraging quarterly results and the ongoing proxy fight, Disney's share price reached a level we felt fully reflected the upside and decided to sell out early April. Subsequent the sale, Disney released weak streaming subscriber numbers and news that the activist shareholders also sold out the share declined more than 20% and we decided to re-introduce a small tactical position. The only other material change during the quarter was selling our position in Electronic Arts. Despite owning a strong portfolio of gaming franchises, the business has struggled to consistently generate topline growth and also spent too much money building its mobile gaming division at the top of the cycle. Discretionary consumer spending is linked to gaming growth and this is something we are concerned about and believe the capital can be more efficiently utilized elsewhere.

The top-performing shares during the quarter were Nvidia, TSMC and Apple with the biggest detractors being Starbucks. Diageo and LVMH.

The stated objective of the fund is to provide long-term capital growth while maintaining a prudent risk-adjusted approach in allocating capital.

The current asset allocation of the ClucasGray Global Flexible Prescient Fund is as follows:

Fund Asset Allocation	Q1 2024	Q2 2024
Foreign Equity	70%	70%
Foreign Cash	5%	5%
Foreign Fixed Income	19%	18%
Foreign Property	2%	1%
Local Cash	4%	5%

The Fund has adhered to its policy objective.

The number of participatory units as at 30 June 2024 was 204 545 780.

CLUCASGRAY

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30 JUNE 2024

FEE STRUCTURE

TER	Class B1
Annual Management Fee (excl. VAT)	0.90%
Other Cost	0.18%
VAT	0.13%
Total Expense Ratio (incl. VAT)	1.21%
Transaction Costs (incl. VAT)	0.12%
Total Investment Charge (incl. VAT)	1.33%

DISTRIBUTIONS

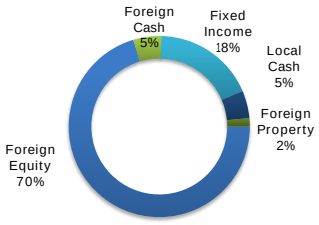
Distribution Frequency	Annually
Distribution Date	02 April
Last Distribution	1.45 cents per unit

TOP 10 HOLDINGS

Alphabet	3.6%
Amazon	3.5%
Booking Holdings	2.6%
Microsoft	2.6%
Elevance	2.5%
TotalEnergies	2.3%
TSMC	2.2%
Visa	2.1%
Berkshire	1.9%
Adobe	1.9%

FUND ASSET ALLOCATIONS

Asset Class	%
Foreign Equity	70.4%
Foreign Cash	5.0%
Fixed Income	18.2%
Local Cash	4.9%
Foreign Property	1.5%



DISCLAIMER

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used.

The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year.

Transaction Costs(TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

Where a current yield has been included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change.

The Manager retains full legal responsibility for any third-party-named portfolio. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. A list of fund specific risks is provided below. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 13:00 (SA), to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut off time Prescient shall not be obliged to transact at the net asset value price as agreed to. Funds are priced at either 3pm or 5pm depending on the nature of the Fund. Prices are published daily and are available on the Prescient website.

Performance has been calculated using net NAV to NAV numbers with income reinvested. The performance for each period shown reflects the return for investors who have been fully invested for that period. Individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestments and dividend withholding tax. Full performance calculations are available from the manager on request.

Alpha: Denoted the outperformance of the fund over the benchmark.

Sharpe Ratio: The Sharpe ratio is used ot indicate the excess return the porfolio delivers over the risk free rate per unit of risk adopted by the fund.

Standard Deviation: The deviation of the return stream relative to its own average.

Max Drawdown: The maximum peak to trough loss suffered by the Fund since inception.

% Positive Months: The percentage of months since inception where the Fund has delivered positive returns.

Equity investment risk: Value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. bankruptcy), the owners of their equity rank last in terms of any financial payment from that company.

Foreign Investment risk: Foreign securities investments may be subject to risks pertaining to overseas jurisdictions and markets, including (but not limited to) local liquidity, macroeconomic, political, tax, settlement risks and currency fluctuations.

Interest rate risk: The value of fixed income investments (e.g. bonds) tends to be inversely related to interest and inflation rates. Hence their value decreases when interest rates and/or inflation rises.

Property risk: Investments in real estate securities can carry the same risks as investing directly in real estate itself. Real estate prices move in response to a variety of factors, including local, regional and national economic and political conditions, interest rates and tax considerations.

Currency exchange risk: Changes in the relative values of individual currencies may adversely affect the value of investments and any related income.

Liquidity risk: If there are insufficient buyers or sellers of particular investments, the result may lead to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than expected.

Default risk: The risk that the issuers of fixed income instruments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The issuers credit quality it vital. The worse the credit quality, the greater the risk of default and therefore investment loss.

Developing Market (excluding SA) risk: Some of the countries invested in may have less developed legal, political, economic and/or other systems. These markets carry a higher risk of financial loss than those in countries generally regarded as being more developed.

For any additional information such as fund prices, brochures and application forms please go to www.clucasgray.co.za

GLOSSARY SUMMARY

Annualised Performance:

Annualised performance show longer term performance rescaled to a 1 year period. Annualised performance is the average return per year over the period. Actual annual figures are available to the investor on request.

Highest & Lowest Returns:

The highest and lowest returns for any 1 year over the period since inception have been shown.

NAV:

The net asset value represents the assets of a Fund less its liabilities.

% Positive Months:

The percentage of months since inception where the Fund has delivered positive return.

Net Performance

Unit trust performance is net (after) management fees have been deducted.

CONTACT DETAILS

Management Company:

Prescient Management Company (RF) (Pty) Ltd, Registration number: 2002/022560/07 Physical address: Prescient House, Westlake Business Park, Otto Close, Westlake, 7945 Postal address: PO Box 31142, Tokai, 7966. Telephone number: 0800 111 899. E-mail address: info@prescient.co.za Website: www.prescient.co.za

Trustee:

Nedbank Investor Services Physical address: 2nd Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709 Telephone number: +27 11 534 6557 Website: www.nedbank.co.za

The Management Company and Trustee are registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002). Prescient is a member of the Association for Savings and Investments SA.

Investment Manager:

ClucasGray (Pty) Ltd, Registration number: 2005/012445/07 is an authorised Financial Services Provider FSP 21117 under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (N0.37 of 2002). Please be advised that there may be representatives acting under supervision. Physical address: Dunkeld Place, 12 North Road, Dunkeld West, 2196 Postal address: PO Box 413037, Craighall, 2024 Telephone number: +27 11 771 1960 Website: www.clucasgray.co.za

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This portfolio operates as a white label fund under the Prescient Unit Trust Scheme, which is governed by the Collective Investment Schemes Control Act.