



# Horizon Series

## FNB STABLE FUND OF FUNDS

Minimum Disclosure Document as at 31 December 2023

The MDD covers the purposes of providing a general investor report.



### Key facts

#### Risk profile



#### General Information

ASISA Classification	Multi Asset - Low Equity
Launch Date	1 July 2016
Benchmark	CPI +2% over a 3-year rolling period
Domicile	South Africa
Denomination	Rand
Regulation 28	Yes
Liquidity	Daily
Fund size	1.61 billion
NAV asset value	124.95 cents per unit
No. of participatory interests	1 288 275 081
Investment Manager	Ashburton Fund Managers (Proprietary) Limited
Fund Manager	FNB Multi Management
Management Company	FNB CIS Manco (Pty) Ltd
JSE Code	FNBSF
ISIN	ZAE000218731
Distribution Frequency	Bi-annually (Jun, Dec)
Investment Horizon	3 years
Availability of prices	Daily Available on website
Trustee	Standard Chartered Bank 4 Sandown Valley Crescent Sandton, 2196 011 217 6600 www.standardchartered.com

#### Fee Structure (%)

	1 Yr	3 Yr
Annual Management fee	0.77%	0.77%
TER	0.87%	0.88%
Transactions Costs	0.07%	0.07%
Total Investment Charges	0.93%	0.95%

\* No performance fees are charged.

\* All figures are INCLUSIVE of VAT, unless otherwise stated.

\* All TERs & TCs are as at 30 Sep 2023.

\* The TER/TC are calculated over rolling three year periods coinciding with a calendar quarter end and annualised.

Please speak to your financial advisor or contact us for more information:

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 Website: www.investments.fnb.co.za

The FNB Horizon Series has been specifically designed to take the complexity out of investing and offer investors superior fund solutions, with exposure to inflation-beating returns over different time horizons. There are five funds to select from; each fund has been designed to optimise returns over a specified time horizon. You can simply select the fund that best matches your investment horizon. Investors benefit from multi-manager funds that offer value for money, managed by the brand that you trust.

#### Risk objective

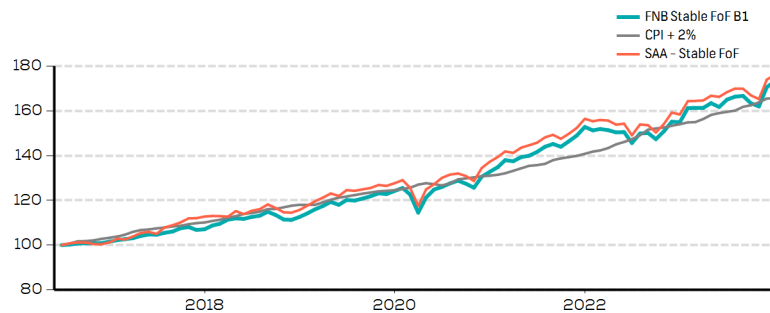
This portfolio is diversified across various asset classes. It provides the investor with greater fixed income exposure in relation to other asset classes. The fund's exposure to fixed income investments creates sensitivity to changes in bond yields, rising interest rates and inflation uncertainty, as well as exposure to economic, political and credit risk. For credit and income instruments, while unlikely, capital loss may occur due to an event like the default of an issuer. The portfolio typically displays higher volatility and lower liquidity than a money market portfolio. This fund has exposure to foreign investment funds and is thereby susceptible to currency risk and potential macroeconomic and political risks brought about by funds invested across various regions. Investments in

#### Investment objectives

An outcomes based multi-asset solution, designed to optimise returns and volatility over a 3 year investment horizon. With a return target of CPI +2%, in times of market volatility your investment should not experience a drawdown of more than 6% or an annualised volatility of 6%. The solution is compliant with Regulation 28 of the Pension Funds Act.

#### Investment strategy

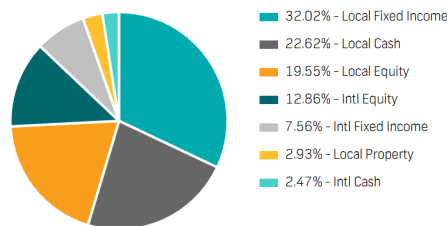
Multi-asset strategy, combining passive and active building blocks (funds) using robust portfolio construction methodologies, subject to regulatory constraints, explicitly allocated risk budget (volatility and drawdown) and liquidity considerations. The fund may invest in a diversified mix of assets, including but not limited to: equities, bonds, property, money market instruments, exchange traded funds, and offshore investments. Although the asset allocation will be managed actively, there is an investment risk associated with all asset classes (including, but not limited to market risk, interest rate risk, credit and liquidity risks, with foreign investments in addition being exposed to currency risk).



Source: Morningstar®, Ashburton Fund Managers

All performance numbers are net of all fees and expenses. The above is purely for illustrative purposes. The above portfolio performance is calculated on a NAV to NAV basis and does not take any initial fees into account. For reinvesting funds, income is reinvested on reinvestment date. Actual investment performance will differ based on the initial fees applicable, the actual investment date, the date of reinvestment of income and dividend withholding tax. Past performance is not necessarily an indication of future performance.

#### Current Asset allocation



Source: Ashburton Fund Managers

Growth (%)	Fund	Benchmark	SAA
YTD	11.85	7.53	11.18
1 Mth	1.60	0.08	1.23
3 Mths	6.05	1.92	5.47
6 Mths	5.01	3.80	4.58
1 Yr	11.85	7.53	11.18
3 Yr	9.29	8.13	8.66
5 Yr	9.01	7.02	8.76
Since inception	7.61	6.97	7.84
Highest 12 mth	20.08	9.89	
Lowest 12 mth	-2.54	4.06	

Source: Morningstar®, Ashburton Fund Managers

#### Strategic asset allocation %

Local Fixed Income	30.00
Local Cash	28.00
International	21.50
Local Equity	17.50
Local Property	3.00

Source: Ashburton Fund Managers

#### Manager allocations %

Ashburton Fund Managers - Active	48.78
Index-Tracking	33.29
Truffle Asset Management	2.88
Ninety One	2.13
Fairtree	2.06
Aylett & Co	1.97
Coronation Fund Managers	1.97
Sesfikile Capital	1.91
Abax Investments	1.28
Stanlib	1.01

Source: Ashburton Fund Managers

All performance numbers are for the B1 share class and are net of all fees and expenses. The above is purely for illustrative purposes. The above portfolio performance is calculated on a NAV to NAV basis and does not take any initial fees into account. For reinvesting funds, income is reinvested on reinvestment date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income and dividend withholding tax. Past performance is not necessarily an indication of future performance.

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### Monthly Performance History

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	4.09	0.02	0.01	1.33	-1.06	2.04	0.80	0.21	-1.97	-0.87	5.29	1.60	11.85
2022	-1.01	0.42	-0.37	-0.63	0.07	-3.23	2.93	0.14	-1.84	2.39	2.83	-0.14	1.39
2021	1.61	2.29	-0.35	1.33	0.45	1.19	1.66	0.88	-0.87	1.72	1.73	2.59	15.12
2020	1.08	-2.35	-6.59	5.91	2.97	0.91	1.26	0.97	-1.06	-1.41	3.92	1.67	6.90
2019	1.48	1.50	1.32	1.54	-1.09	1.85	-0.23	0.76	0.85	1.06	-0.27	1.12	10.32
2018	1.61	0.69	1.70	0.49	-0.18	0.77	0.47	1.56	-1.23	-1.78	-0.18	1.19	5.15
2017	0.69	0.40	0.44	0.96	0.66	-0.14	0.84	0.55	1.38	0.48	-1.18	0.25	5.45
2016							0.24	0.47	0.14	-0.07	0.11	0.64	1.54

Source: Morningstar®

### Income distribution

Distribution date	Dividend Distribution (cpu)	Interest Distribution (cpu)	REIT Income (cpu)	Total distribution (cpu)
2023-12-29		0.64	2.61	3.32
2023-06-30	0.35		2.51	2.95
2022-12-30	0.62		2.15	2.85
2022-06-30	0.28		1.93	2.31

Source: Finswitch, Ashburton Fund Managers

### Statement of changes of Holdings

	Current Quarter (%) 31 Dec 2023	Previous Quarter (%) 30 Sep 2023	(%) Change from Previous to Current Quarter
Intl Cash	2.47	0.56	1.91
Intl Equity	12.86	12.62	0.24
Intl Fixed Income	7.56	7.28	0.28
Local Cash	22.62	23.60	-0.99
Local Equity	19.55	19.28	0.27
Local Fixed Income	32.02	33.99	-1.97
Local Property	2.93	2.67	0.25
<b>Total</b>	<b>100%</b>	<b>100%</b>	

Source: Ashburton Fund Managers

The above meet the criteria for the display of a statement of changes in the composition of the portfolio.

The fund adhered to the policy objectives as stated in the Supplemental Deed in terms of its allowed investments.

### Definitions

Total return:	Total return accounts for two categories of return: income and capital appreciation. Income includes interest paid by fixed income investments, distributions or dividends. Capital appreciation represents the change in the market price of an asset.
NAV (net asset value):	This is the total value of assets in the portfolio less any liabilities, divided by the number of shares outstanding.
TER (total expense ratio):	This is a measure of the total costs associated with managing and operating an investment fund. These costs consist primarily of management fees and additional expenses such as trustee and custody fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets to arrive at a percentage, which represents the TER.
Transaction costs:	Total costs incurred by the investor in buying and selling the underlying assets of a financial product and is expressed as a percentage of the daily NAV calculated on an annualised basis. These costs include brokerage, VAT, and trading costs.
Annualised return:	The weighted average compound growth rate over the performance period measured.
Tracking error:	A measure of the amount of risk that is being taken in excess of the benchmark (tracking error is used where applicable).
Total investment charges (TIC):	It is the sum of the Total Expense Ratio (TER) and the Transaction Cost (TC).
Highest & Lowest Return:	The highest and lowest rolling twelve-month performance of the portfolio since inception.
Sharpe Ratio:	The ratio of excess return over the risk-free rate divided by the total volatility of the portfolio.
Sortino Ratio:	The ratio of excess return over the risk-free rate divided by the downside deviation of the portfolio.
Standard Deviation:	The deviation of the return of the portfolio relative to its average.
Drawdown:	The greatest peak to trough loss until a new peak is reached.
Information ratio:	The information ratio measures the risk-adjusted performance of a portfolio relative to a benchmark.

#### Disclaimer

FNB CIS Manco (RF) (Pty) Ltd (Registration Number 2006/036970/07) ("FNB CIS Manco") is an approved Collective Investment Schemes Manager in terms of the Collective Investment Schemes Control Act, No. 45 of 2002. The FNB CIS Manco is regulated by the Financial Sector Conduct Authority ("the Authority") and is a full member of the Association for Savings and Investment South Africa ("ASISA"). This document and any other information supplied in connection with the FNB CIS Manco is not "advice" as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 ("the FAIS Act") and investors are encouraged to obtain their own independent advice prior to buying participatory interests in the collective investments scheme ("CIS") portfolios issued under the FNB CIS Manco. Any investment is speculative and involves significant risks and therefore, prior to investing, investors should fully understand the portfolios and any risks associated with them. Collective Investment schemes in Securities are generally medium to long term investments. If a potential investor requires material risks disclosures for the foreign securities included in a portfolio, the manager will upon request provide such potential investor with a document outlining: potential constraints on liquidity and repatriation of funds; macroeconomic risk; political risk; foreign exchange risk; tax risk; settlement risk; and potential limitations on the availability of market information. The value of participatory interests in collective investment schemes may go down as well as up and past performance is not necessarily a guide to the future. For all portfolios forward pricing is used and portfolio valuations take place at approximately 15h00 each business day (17h00 at month and quarter end) with an exception for Fund of Funds portfolio valuation take place at approximately 17h00 each business day using the underlying funds valuations of the previous day. Instructions to redeem or repurchase must reach the FNB CIS Manco before 14h00 to ensure same day value. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures. In such circumstances, a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. CIS portfolios are traded at ruling prices and can engage in borrowing and scrip lending. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. A CIS portfolio may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Participatory interests in CIS portfolios are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the CIS portfolio divided by the number of participatory interests in issue. All fees quoted exclude VAT except where stated differently. The Total Expense Ratio (TER) is expressed as an annualised percentage of the charges, levies and fees incurred by the portfolio related to its management, for the period under review against the average NAV of the portfolio over this period. A higher TER does not necessarily imply a poor return, nor does a lower TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A full detailed schedule of fees, charges and commissions is available from the FNB CIS Manco on request and incentives may be paid and if so, would be included in the overall costs. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. A Fund of Funds is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure. Additional information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge, and from the website: www.fnb.co.za. Ashburton Fund Managers (Pty) Ltd is an authorised Financial Services Provider.

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