

## INVESTMENT OBJECTIVE

The IFM Bond Fund is a multi-managed fund whose primary objective is to maximise returns from a diverse range of primarily South African Bonds.

## INVESTMENT PHILOSOPHY

To achieve the Fund investment objective, the IFM Bond Fund may in addition to participation in portfolios of collective investment schemes, invest in a combination of assets in liquid form and a combination of gilts and interest-bearing securities, including loan stock, semi-gilts, notes, debentures, debenture bonds, preference shares, money market instruments, bonds, corporate debt, convertible equities and non-equity securities which are consistent with the Fund's investment policy.

## RISK PROFILE: MODERATE-LOW

Low	Mod-Low	Mod	Mod-High	High

- This portfolio is exposed to default and interest rate risks, resulting in low to moderate volatility when compared to higher risk portfolios.
- This portfolio has no equity exposure.
- The portfolio is not directly exposed to currency risk.
- The portfolio is suitable for medium term investment horizons.
- The potential long term investment returns are expected to be lower than higher risk portfolios.

## INFORMATION AND DISCLOSURES

### FUND NAME

IFM Bond Fund

### ISIN NUMBER

ZAE000259677

### INCEPTION DATE

3 June 2019

### BENCHMARK

JSE/BESA All Bond Index (ALBI)

### DISTRIBUTION DATES

Semi-annual declaration dates:  
31 Mar and 30 Sep

### INVESTMENT MANAGER

Nest Asset Management (Pty) Ltd, an authorised Financial Services Provider  
FSP No: 46549  
25 Culross Road  
Bryanston, Sandton  
Gauteng  
2191  
Tel: +27 11 591 0677  
E-mail: [info@anchorfs.co.za](mailto:info@anchorfs.co.za)

### CUSTODIAN/TRUSTEE INFORMATION

FirstRand Bank Ltd acting as RMB  
Custody and Trustee Services  
Mezzanine Floor, 3 First Place  
Bank City, Corner Jeppe & Simmonds  
Street, Johannesburg,  
2001  
E-mail: [DL-TrusteeServices-Custody@fnb.co.za](mailto:DL-TrusteeServices-Custody@fnb.co.za)  
Tel: 011 282 8000

### MINIMUM INVESTMENTS

Not Applicable

### FUND CLASSIFICATION

ASISA SA Interest Bearing Variable

### UNIT PRICE

R94.99

### PORTFOLIO VALUE

R977.69 million

### DISTRIBUTION (RPU)

Mar '22: 4.27 | Sep '22: 4.40

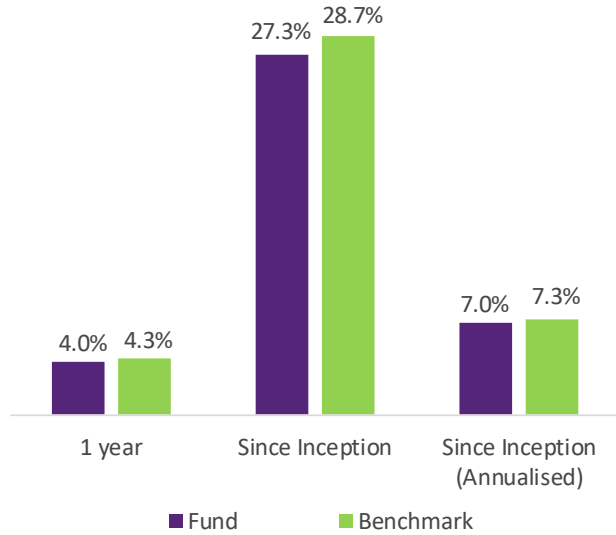
### TOTAL EXPENSE RATIO

Sep '22: 0.89%

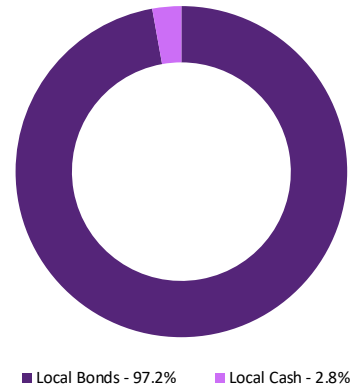
### MANAGEMENT COMPANY

Itransact Fund Managers (RF) (Pty) Ltd  
15 Philips Street  
Ferndale, Randburg  
2194  
Tel: 0861 116 075  
E-mail: [admin@itransactfm.co.za](mailto:admin@itransactfm.co.za)

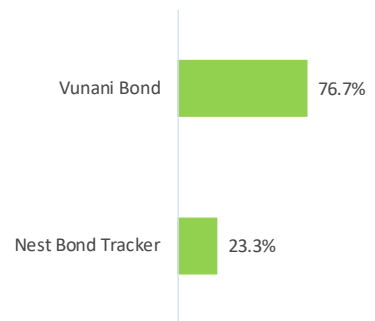
## PERFORMANCE VS. BENCHMARK



## ASSET ALLOCATION



## HOLDINGS



## FUND MANAGER COMMENTARY

2022 was difficult for investors as both equity and fixed income asset classes ended the year firmly in the negative. Over the year markets continued to be influenced by inflation and the consequential aggressive interest rate increases by central banks, recessionary fears, and the Russian invasion of Ukraine. In December, the Fed kept its hawkish stance despite signals that inflation was slowing down in the US (but remains well above central bank expectations). The bond market continued to indicate the likelihood of a recession in 2023 as a result of the inverted yield curve, slow consumer spending, and weak manufacturing orders. European inflation appeared to have peaked but also remains well above the European Central Bank's targets. The Eurozone remains in recession territory, however data indicating that the recession will not be as deep as initially envisaged began to abate some fears over December.

On the local economic front, politics was the dominant theme of the month with the ANC elective conference going ahead. There was much debate surrounding the likelihood of Cyril Ramaphosa gaining a second term as leader of the ANC due to the Phala Phala scandal. Despite this, Cyril Ramaphosa was elected for a second five-year term as ANC president relaxing many market participants' fears.

As we start 2023, markets will continue to try to ascertain whether we are heading for a hard or soft landing regarding a recession. A hard landing would suggest that central banks will struggle to bring inflation under control. In such case, interest rates will continue to rise, placing additional pressure on consumer spending, investment, and ultimately business earnings. If inflation declines to a tolerable level allowing central banks to stop raising rates, the soft-landing scenario is more likely to take place. Although GDP growth may drop to close to zero, economic growth rates would mostly likely rebound shortly thereafter.

## FEES AND FAIS DISCLOSURE

Initial Fees (IFM) (Incl VAT)	0.00%
Initial Advisory Fee (Max) (Incl VAT)	3.45%
Ongoing Advisory Fee (Max) (Incl VAT)	1.15%
Annual Management Fees (Incl VAT)	0.86%
Performance Fee	None

## TOTAL EXPENSE RATIO (TER) & TRANSACTION COST

Total Expense Ratio	0.89%
Portfolio Transaction Cost	0.00%
Total Investment Charge	0.89%

A Total Expense Ratio (TER) is a measure of a portfolio's annual expenses, fees and charges, expressed as a percentage of the average daily value of the portfolio. These expenses include the annual management fees, VAT, audit fees, bank charges and costs incurred in any underlying funds. A higher TER ratio does not necessarily imply a poor return, nor does a low TER ratio imply a good return. The current TER ratio cannot be regarded as an indication of future TER ratios. Performance return information and prices are always stated net of the expenses, fees and charges included in the TER ratio. The TER and transaction costs calculations are based on the portfolio's direct costs for the period ended 30 September 2022.

## FUND MANAGER



Simon du Plooy has a MSc Financial Mathematics degree. He spent five years in the banking industry, at Absa and RMB, where he conducted risk analysis for trading desks and hedge funds. He joined Corion in 2009 as part of the investment team and in 2013 took on the role as Portfolio Manager.

## SUBSCRIPTIONS

<b>Valuation time</b>	17h00
<b>Transaction cut-off time</b>	15h00
<b>Payment reference</b>	Initials & Surname / Account Number

Please send proof of deposit to fax (011) 561 6812 or e-mail: [admin@itransactfm.co.za](mailto:admin@itransactfm.co.za)

## DISCLOSURE

Itransact Fund Managers (RF) (Pty) Ltd ("IFM") is a registered Manager of the IFM Unit Trust Scheme, approved in terms of the Collective Investments Schemes Control Act, No 45 of 2002. Collective Investment Schemes in securities are generally medium to long term investments. The value of the participatory interests (units) may go down as well as up and past performance is not necessarily a guide to future performance. Performance is calculated for the portfolio. Forward pricing is used. Individual investor performance may differ as a result of the actual investment date, the date of re-investment and withholding taxes. The Manager does not guarantee the capital or the return of a portfolio. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending, however IFM does not currently engage in scrip lending. A schedule of fees, charges and maximum commissions is available on request. IFM reserves the right to close the portfolio to new investors and reopen certain portfolios from time to time in order to manage them more efficiently in accordance with its mandate. Performance figures quoted for the portfolio are from Morningstar and the Fund Administrator, as at the date of this document for a lump sum investment, using NAV-NAV with income reinvested and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date and may be subject to mandatory withholding taxes. Actual investment performance will differ based on the initial fee charge applicable, the actual investment date, the date of reinvestment and dividend withholding tax. Investments in foreign securities may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. This fund may invest into other Collective Investment Schemes, which may levy their own charges, which could result in a higher fee structure for these portfolios.

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