



News and Review

Volume 16 – January 2020

Dear Investor

Compliments for the new year.

We have very exciting news regarding the performance of the IFM Balanced Value Fund of Funds and IFM Technical Fund. Both funds have performed exceptionally well in 2019 in their respective categories, but more about this in our next newsletter when all the data is in.

We start 2020 off with a general trend in the media: “New year, same problems”. And with that, we can expect the same market volatility as experienced during 2019.

We are living in the information (overload) age, where you can access instant performance updates about stocks, indices, etc. The updated market value of your investment is available to you online, 24/7, daily.

Your Collective Investment Scheme investment is a medium to long term investment, so there is no need for you to be monitoring these values on a daily basis. It is human nature to react to ‘bad news’, so rather avoid the temptation.

How often should I check on my investment?

Most financial advisors recommend that investors review their investments no more than once per quarter, but at least once per annum. Individual circumstances may require less or more frequent check-ins.

You will receive a detailed quarterly statement from IFM in January, April, July and October of each year. The statement includes the market value of your investment as at quarter end, transactions for the quarter, income distribution information, your return for the quarter, as well as the costs associated with your investment.

When should I be concerned?

Firstly, be certain that you understand what you are checking for and that your concerns are valid. Short term underperformance and fluctuations are normal and are to be expected.

However, if at any stage you feel your investment is no longer on track to meet your long-term investment goals or growth expectations, please contact Heiden Grimaud Asset Management on 0861 378 378, or please email your concerns to investments@heidengrimaud.co.za.

Analysis of the Portfolios

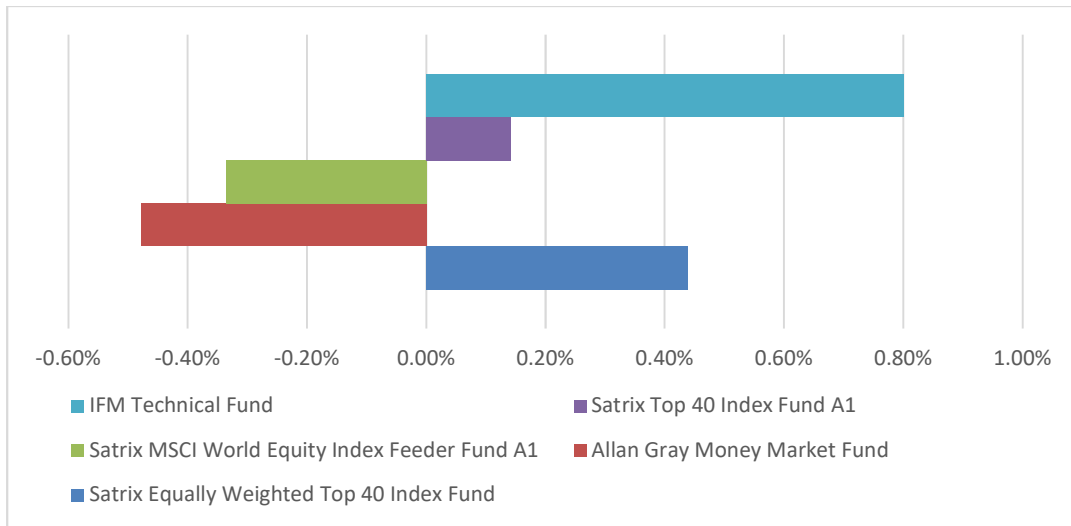
As part of the regulations that govern financial institutions, a manager must publish on its website each calendar quarter a general investor report that details an analysis of the portfolio with reference to the extent to which it has, or has not, adhered to its policy objective. We can report that for the quarter ending 31 December 2019, the following two portfolios have adhered to their respective policy objectives:

IFM Balanced Value Fund of Funds with the objective of prudential asset allocation and being a medium equity fund to secure balance between capital growth and income.

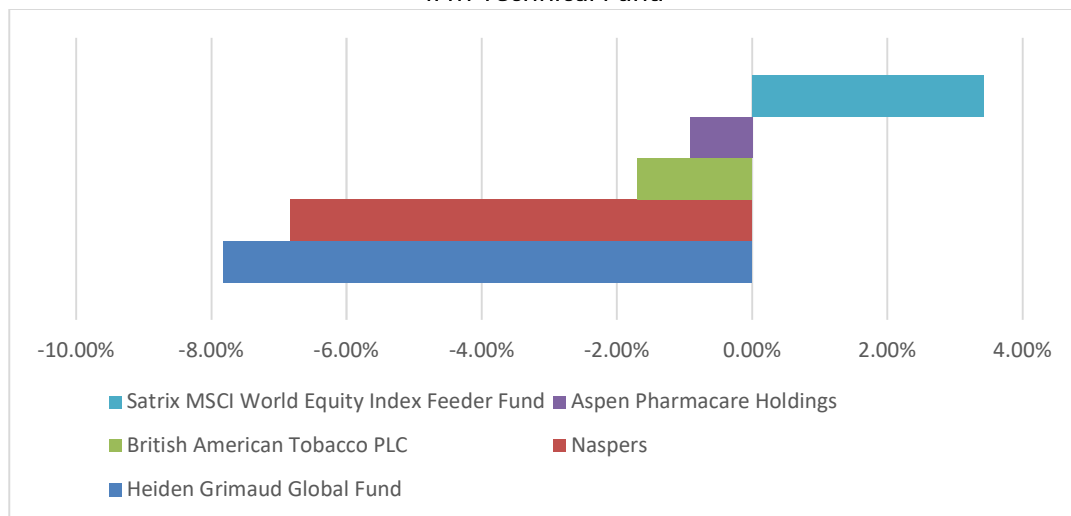
IFM Technical Fund with the objective of being a general domestic equity fund where investment decisions are based on technical analysis.

During the previous quarter the Manager bought and sold some shares and investments. Herewith an illustration of the changes in holdings as a result of this. Please note that this is not a reflection of the performance of these investments.

IFM Balanced Value Fund of Funds



IFM Technical Fund



News from our Fund Manager

Dear Investor

We wish you and your loved ones excellent health and a prosperous 2020!

The year ended with a strong equity market and all our funds' investors continued to benefit from our large equity and international exposures. We had a fantastic 2019 and are most grateful for your continued support. Itransact Fund Managers now have in excess of R3bil in assets under management and administration.

However, within the first few days of 2020 we were all reminded that a single event could trigger exceptional volatility. Geopolitical activity in the Middle East always causes a ripple effect in the markets. As an experienced investment team, we always take note of these happenings but never panic, nor make irrational knee-jerk decisions. For the record, our team did not buy or sell any investments following the USA-Iran conflict. We follow a long-term investment strategy and never try to "time" the market. Having said that the investment team are of the opinion that we have not seen the end of the conflict between the USA and Iran.

Investors that are looking to further expand their international exposure are welcome to contact us directly on 0861 378 378 or email to investments@heidengrimaud.co.za to discuss available options for direct investment by South African investors into international available funds. Our team has the knowledge and experience to assist South African investors who wish to transfer funds out of South Africa for investment purposes. Our group's international offices could also assist in creating special purpose investment structures for clients with in excess of R5,000,000 to invest internationally. Smaller investors can also easily enjoy the benefits but without setting up special structures.

We remain invested in Rand hedge investments as well as directly into the Heiden Grimaud Global Fund.

Kind regards
Chris Meyer
Managing Director – Heiden Grimaud Asset Management

