

Discovery Global Balanced Fund of Funds



Minimum Disclosure Document

31 August 2020

Fund Detail

Portfolio manager	Philip Saunders and Iain Cunningham
Investment manager	Ninety One (Pty) Ltd
Scheme name	Discovery Invest Collective Investment Scheme
Inception date of portfolio	22 October 2007
Launch date of portfolio	05 November 2007
Portfolio classification	Global - Multi Asset - High Equity
Benchmark	60% MSCI All Country World Index in rands and 40% CITI World Government Bond Index in rands
Fund size	R1 002 601 542
NAV price	357.23c
Class	A ¹
Income declaration	Bi-annually (end of June and December)
Historic one-year yield	0.00%
Initial fees	0.00%
Annual fees	1.75% (excl. VAT)
Performance fees	None
Total expense ratio (TER)	1.72%
Transaction costs (TC)	0.07%
Total investment charges (TIC)	1.79%

Notes

1. Investor's tax free investments are placed in fee class A.

Fund Investment Policy

The Discovery Global Balanced Fund of Funds aims to provide long-term total returns through investment in collective investment scheme portfolios managed by asset managers who provides access to international diversified and managed portfolios consisting of any combination of cash instruments, fixed income securities, convertible securities and quoted equity securities on an international basis.

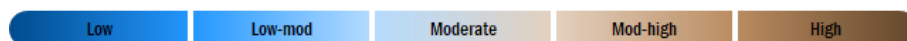
In order to achieve the abovementioned objective, the portfolio will, apart from assets in liquid form, consist solely of participatory interests in portfolios of collective investment schemes registered in South Africa or other similar schemes operated in territories with a regulatory environment of a sufficient standard to provide investor protection equivalent to that in South Africa. The portfolio will invest in a combination of offshore domiciled equity, asset allocation, income and money funds that together offer long-term total returns.

The portfolio may also include listed and unlisted financial instruments for the exclusive purpose of hedging exchange rate risks.

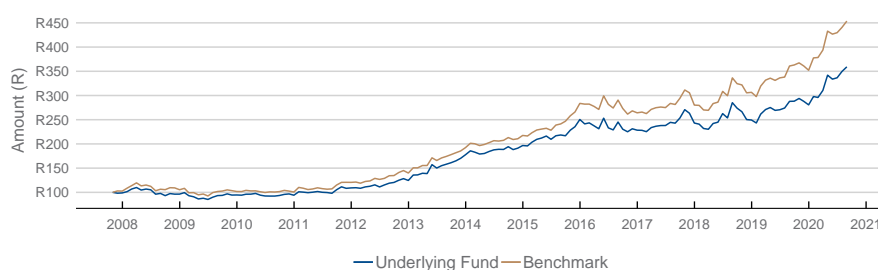
Who This Investment May Be Suitable For

This fund is suitable for investors looking to access a diversified mix of global asset classes, and who are investing for the long term.

Risk Profile



Illustrative Cumulative Performance for a R100 Lump Sum Investment Since Launch



Historical Performance Table - Since Launch

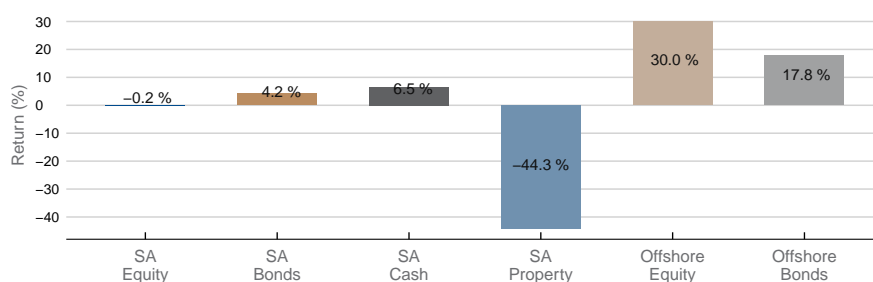
Period	Fund	Benchmark
1 year (Ann.)	24.75%	25.71%
3 year (Ann.)	13.93%	17.26%
5 year (Ann.)	10.46%	13.46%
10 year (Ann.)	14.55%	16.25%
Since Launch (Ann.)	10.48%	12.51%
Since Launch (Cum.)	259.16%	353.67%

Risk Statistics Table - Since Launch

Statistic	Fund
Volatility (Last 3 Years Ann.)	17.43%
Maximum Drawdown	-23.21%
Best Annual Return - (Jan13-Dec13)	42.71%
Worst Annual Return - (Jul08-Jun09)	-18.90%
Sharpe Ratio (Rf = 0%)	0.81
Information Ratio	-0.48

Performance figures are calculated using the Total Returns Index (TRI) for a R100 lump sum investment made at launch. The TRI is calculated by purchasing and reinvesting units on the declaration date at the Net Asset Value (NAV) price as at the reinvestment date. The TRI on any day is adjusted for NAV movements and dividend declarations. The performance is shown as net of asset management fee. Investment performance is for illustrative purposes only.
Data source: Ninety One

Asset Class Market Returns - 1 year



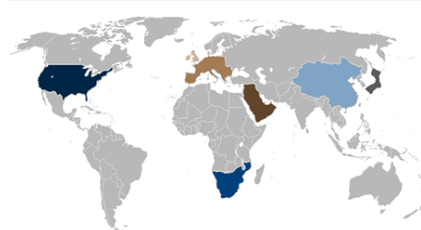
Data source: Profile

Monthly Returns Table - Last 5 Years

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	6.1%	-0.7%	4.9%	10.1%	-2.4%	0.8%	3.9%	2.7%	-	-	-	-
2019	-2.5%	7.5%	3.6%	1.5%	-2.1%	0.5%	1.3%	5.0%	0.1%	2.0%	-2.0%	-2.5%
2018	-1.0%	-3.7%	-0.7%	5.2%	1.1%	7.2%	-3.4%	12.4%	-3.9%	-2.7%	-6.1%	-0.3%
2017	-0.1%	-1.2%	3.7%	1.2%	0.6%	0.0%	2.7%	-0.7%	4.4%	6.8%	-2.7%	-7.7%
2016	-3.6%	0.9%	-2.5%	-2.6%	9.5%	-7.9%	-1.8%	7.1%	-6.0%	-2.3%	2.8%	-1.3%

Data source: Profile

Geographic Exposure



Region	Allocation
Emerging Markets	18.9%
Europe ex. UK	29.4%
Far East Ex. Japan	2.7%
Japan	3.8%
North America	28.7%
United Kingdom	2.7%
Other	13.1%

Data source: Ninety One

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Why You May Consider This Fund

Global exposure - the Fund aims to benefit from growth in global markets.

Diversified asset classes - the Fund provides exposure to multiple global asset classes.

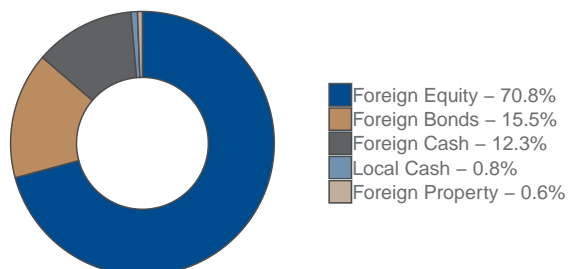
Top 10 Holdings

Description	Weight
Ishares Physical Gold Etc	5.2%
Ishares Msci Japan Ucits Etf d	5.0%
Amazon.com Inc	2.9%
Microsoft Corp	2.8%
Alphabet Inc	2.0%
Alibaba Group Holding Ltd	1.7%
Facebook Inc	1.7%
Tencent Holdings Ltd	1.6%
Samsung Electronics Co Ltd	1.5%
Sany Heavy Industry Co Ltd	1.2%

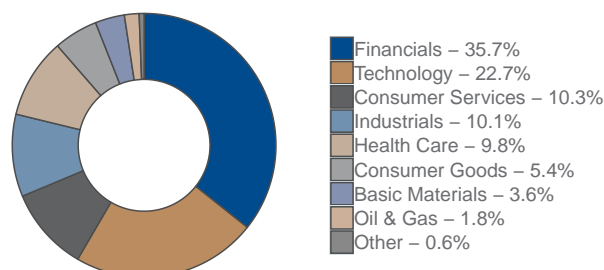
Income Distribution - Last 12 Months

Date	Amount
No income declared in the last 12 months	

Asset Allocation Chart

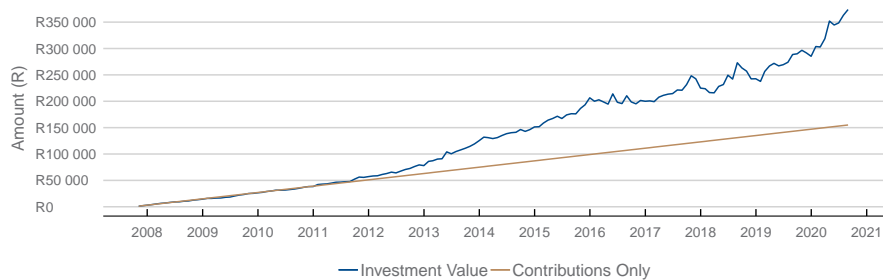


Sector Allocation Chart



All allocations include the exposure created by derivatives.
Data source: Ninety One

Illustrative Cumulative Performance for a R1000 Recurring Monthly Investment Since Launch



Historical Recurring Investment Performance

Period	Investment
1 year (Ann.)	32.63%
3 year (Ann.)	19.06%
5 year (Ann.)	13.65%
10 year (Ann.)	13.72%
Since Launch (Ann.)	12.91%

Historical Recurring Investment Summary

Statistic	Investment
Total Contributions - Full Period	R155 000
Final Investment Value - Full Period	R373 864

Performance figures are calculated using the Total Returns Index (TRI) for a recurring R1000 monthly investment starting at launch. The TRI is calculated by purchasing and reinvesting units on the declaration date at the Net Asset Value (NAV) price as at the reinvestment date. The TRI on any day is adjusted for NAV movements and dividend declarations. The performance is shown as net of asset management fees. Investment performance is for illustrative purposes only. Investment performance is calculated by taking the actual applicable initial fees, and all ongoing fees, into account, for the value shown. Income is reinvested on the reinvestment date. Investment performance is for illustrative purposes only.
Data source: Profile

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Specific Fund Risks

Derivatives - There is no assurance that a portfolio's use of a derivative strategy will succeed. A portfolio's management may employ a sophisticated risk management process, to oversee and manage derivative exposures within a portfolio, but the use of derivative instruments may involve risks different from, and, in certain cases, greater than, the risks presented by the securities from which they are derived.

Exposure to foreign securities - Foreign securities within portfolios may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Fund of funds - A fund of funds is a portfolio that invests in portfolios of collective investment schemes (unit trusts) that levy their own charges, which could result in a higher fee structure for the fund of funds.

Drawdown - The potential magnitude of loss - the largest peak-to-trough decline in returns over the period, also known as the maximum drawdown.

Liquidity - The risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit).

Equities - The value of equities may vary according to company profits and future prospects, as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.

Bonds - The value of fixed income investments (e.g. bonds) tends to decrease when interest rates and/or inflation rises. Bonds issued by major governments and companies, will be more stable than those issued by emerging markets or smaller corporate issuers. If an issuer experiences financial difficulty, there may be a risk to some, or all, of the capital invested. Any historical or current yields quoted should not be considered reliable indicators of future performance.

For a detailed description of these risks, and other risks that are relevant to the portfolio, please refer to the CIS RISK DISCLOSURE DOCUMENT, available on the website www.discovery.co.za.

General

Collective Investment Schemes (Unit Trusts) are generally medium to long-term investments. The value of participatory interests (units) or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending (i.e. borrowing and lending of assets). The manager does not provide any guarantee, either with respect to the capital or the return of a portfolio. Any forecasts and/or commentary in this document are not guaranteed to occur. Different classes of participatory interests apply to these portfolios and are subject to different fees and charges. A schedule of all fees and charges, inclusive of VAT and maximum commissions, is available on request from us or from your financial adviser. Forward pricing is used.

Redemptions

The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. The ability of the portfolio to repurchase, is dependent upon the liquidity of the securities and cash of the portfolio. A manager may suspend repurchases for a period, subject to regulatory approval, to await liquidity, and the manager must keep the investors informed about these circumstances.

Prices

The latest prices and TERs are published daily in the Business Report (South Africa's National Financial Daily) and are made available on our website www.discovery.co.za.

Total Investment Charge

Total expense ratio (TER) is the percentage of the value of the portfolio that was incurred as expenses relating to the administration (charges, levies and fees) of the portfolio. TER is calculated over rolling 3 years (or since inception, where applicable), and is annualised, to the most recent calendar quarter-end. A higher TER does not necessarily imply a good return. The current TER may not necessarily be an accurate indication of future TERs.

Transaction costs (TC) is the percentage of the value of the portfolio that was incurred as costs relating to the buying and selling of the assets underlying the portfolio. Transaction Costs are a necessary cost in administering the portfolio and impacts portfolio 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 financial product, the investment decisions of the investment manager, and the TER. Calculations are based on actual data, where possible, and best estimates, where actual data is not available.

Total investment charges (TIC) is the percentage of the value of the portfolio that was incurred as costs relating to the investment of the portfolio. It is the sum of the TER and TC.

Tax Free Savings Accounts

For classes of participatory interests that are tax free savings investments, you don't pay tax on capital gains, dividends or interest. National Treasury introduced tax free investments, to encourage people to save. From 01 March 2020, the maximum annual investment limit is R36 000 per tax year (from beginning March to end February), and the lifetime investment limit is R500 000. You cannot contribute more than R36 000 per tax year, and any capital amounts withdrawn don't get deducted from the contributions made, in calculating the use of the allowance. The maximum investment limits apply across financial products, not per financial product, so your contribution amounts are aggregated across financial products, in calculating the use of the allowance. The limits are not applicable to the growth on your investment. If you exceed these limits, the SARS will levy a tax of 40% on all contributions that exceed R36 000 per tax year. Therefore, you should monitor your contributions, so that you don't incur a 40% tax rate on excess contributions. From 01 March 2018, transfers between providers are permitted, and you may not convert existing investments into tax free investments.

Performance Fees

Performance fees are not levied on the portfolios.

Performance Returns

Lump-sum performance returns are being quoted. Income distributions, prior to deduction of applicable taxes, are included in the performance calculations. NAV to NAV figures have been used for the performance calculations, as calculated by the manager at the valuation point defined in the deed, over all reporting periods. Investment performance calculations are available for verification upon request by any person. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. The performance is calculated for the fee class. The individual investor performance may differ, as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The rate of return is calculated on a total return basis, and the following elements may involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy. Annualised returns are period returns re-scaled to a period of one year. This allows investors to compare returns of different assets that they have owned for different lengths of time. All period returns greater than one year have been annualised. Returns for periods less than one year have not been annualised. A cumulative return is the aggregate amount an investment has gained or lost over time, independent of the period of time involved. Actual annual figures are available to the investor on request. Illustrative investment performance is for illustrative purposes only.

Valuations and Transaction Cut-off Times

Pricing date is daily, except weekends and public holidays. Valuation point is at 16h00 on each pricing date, except at month-end, where it will be at 17h00. Offers to repurchase participatory interests must be received by 16h00 on each pricing date.

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Contact Us

CIS Manager

Discovery Life Collective Investments (Pty) Ltd

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Benmore, 2010
Physical address 1 Discovery Place,
Sandton, 2196
Contact centre 0860 67 57 77
Fax number 011 539 5777
Website www.discovery.co.za

Discovery Life Collective Investments (Pty) Ltd (Discovery Life Collective Investments) is registered as a manager of collective investment schemes, in terms of the Collective Investment Schemes Control Act. Discovery Life Collective Investments, through Discovery Holdings Limited, is a member of the Association for Savings and Investment South Africa (ASISA).

Trustee

Standard Chartered Bank

Registration number 2003/020177/10
Postal address PO Box 782080, Sandton, 2146;
Physical address 2nd Floor, 115 West Street,
Sandton, 2196
Tel number 011 217 6600
Website www.standardchartered.com/za

The trustee is registered as a trustee of collective investment schemes, in terms of the Collective Investment Schemes Control Act.

Investment Manager

Ninety One (Pty) Ltd

Registration number 1984/011235/07
FSP number 587
Physical address 36 Hans Strijdom
Avenue, Foreshore, Cape
Town, 8001
Telephone number 0860 110 161
Website www.ninetyone.com

Ninety One is an authorised Financial Services Provider (FSP), as a discretionary FSP, in terms of Section 8 of the Financial Advisory and Intermediary Services Act (FAIS). This information is not advice, as defined in FAIS. Please be advised that there may be supervised representatives.

Additional Information

For additional information on the portfolio, refer to the following documents, available on our website www.discovery.co.za, from your financial adviser, or on request from the manager, free of charge.

- Application forms
- Annual report
- Fee schedule
- Quarterly General Investor Report
- Minimum disclosure documents

Complaints and Conflicts of Interest

The complaints policy and procedure, as well as the conflicts of interest management policy, are available on our website www.discovery.co.za. Associates of the manager may be invested within certain portfolios, and the details thereof are available from the manager.

Closure of the Portfolio

The manager has the right to close certain portfolios to new investors, in order to manage them more efficiently, in accordance with their mandates.

This document was published on 16 September 2020.