



INN8

# LOCAL CORE FUNDS

In collaboration with  
Morningstar Investment  
Management South Africa

## About our Core Funds



The INN8 Core Funds list can help you make confident investment decisions.



These funds are FSCA-approved; they were researched and chosen by Morningstar Investment Management South Africa ('Morningstar').

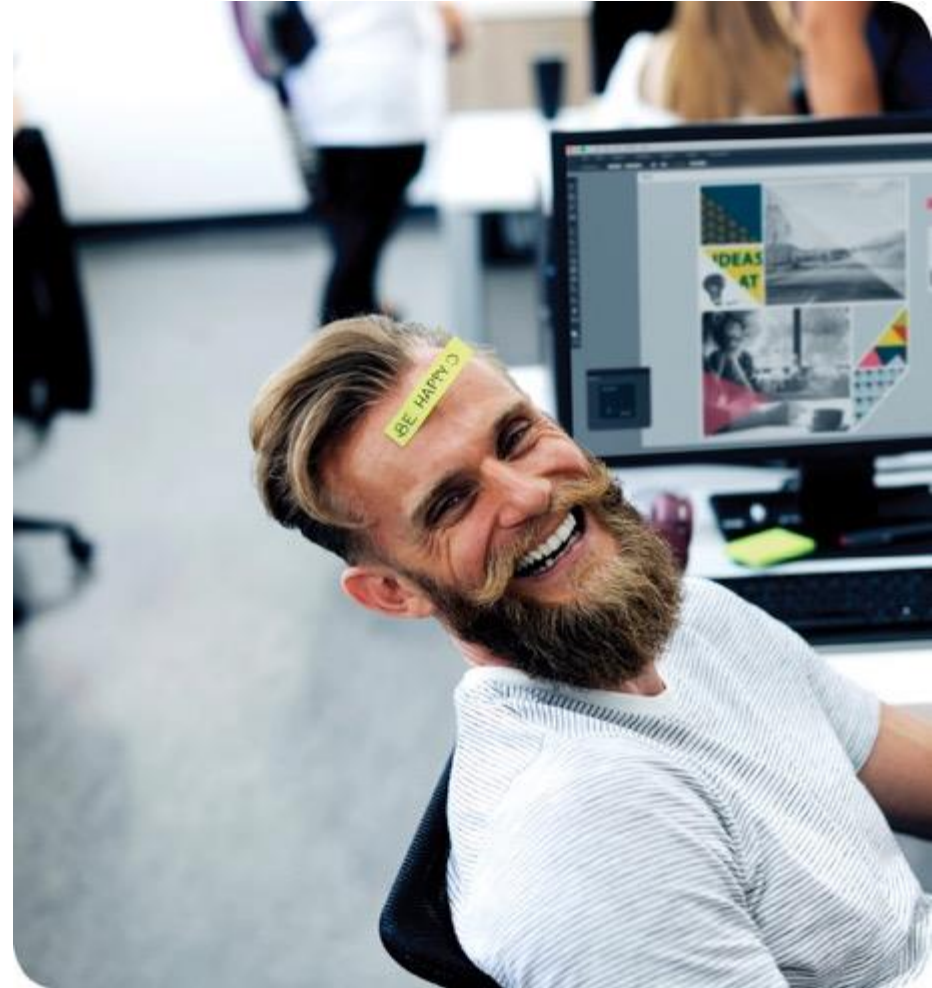


## How the funds are selected

Morningstar identifies five key areas that are believed to be crucial in predicting the future success of funds: People, Parent, Process, Performance, and Price.

These five pillars form the basis of the research approach when assessing a fund. The interaction between these pillars is also evaluated in order to understand a fund's overall merit.

Morningstar Investment Management South Africa, is a leading investment services provider in South Africa.



# The five pillars form the basis of the research methodology



## PEOPLE

The overall quality of a fund's investment team is a significant key to a fund's ability to deliver superior performance relative to its benchmark and/or peers. It's extremely important to establish which individuals make the key decisions on the fund and how conflicts are resolved.



## PROCESS

We look for funds with a performance objective and investment process that is sensible, clearly defined, and repeatable. We seek to understand the context in which managers think about risk and how this is expressed when constructing the portfolio.



## PARENT

We believe the parent organization is of utmost importance in evaluating funds. Although other factors may have more immediate impact, they would not be sustainable without backing from the fund firm.

# The five pillars form the basis of the research methodology



## PERFORMANCE

We do not believe past performance is necessarily predictive of future results, and this factor accordingly receives a relatively small weighting in our evaluation process. In particular we strive not to anchor on short-term performance. However, we do believe that the evaluation of Long-term return and risk patterns is vital to determining if a fund is delivering to our expectations.



## PRICE

Morningstar and independent academic research has shown that fund expenses are one of the better predictors of future outperformance even when evaluating net-of-fee returns. Given this, costs cannot be ignored. To reflect actual investor experience, price is evaluated within the context of the relevant market or cross-border region.

# Our Fees



## Platform and Admin fees

## Ongoing fee

First R 2 000 000	0.55%
Next R 2000 000 to 4 000 000	0.23%
Above R 4 000 000	0.12%

A minimum fee of R276 per annum (including VAT where applicable) per month will apply.

## Financial advice fee limits

Initial fee :	Max 3%
Ongoing fee :	Max 1%

# Local Core Funds (A-Z)

Fund Name	ASISA Category	JSE Code	Morningstar Rating Overall	TER	TC	TIC	Inception Date
Allan Gray Equity Fund	South African Equity General	AGEC	4	1.6	0.08	1.68	2013-07-01
Allan Gray Stable Fund	South African Multi Asset Low Equity	AGSC	4	1.32	0.08	1.4	2013-07-01
ClucasGray Equity Prescient Fund	South African Equity General	CEFA1	4	1.06	0.59	1.65	2011-10-03
Coreshares Top 50 Fund	South African Equity General	CSTCB	*	0.29	0.58	0.87	2016-09-01
Coronation Balanced Defensive Fund	South African Multi Asset Low Equity	CBDB4	4	1.16	0.05	1.21	2012-10-01
Coronation Balanced Plus Fund	South African Multi Asset High Equity	CBFB4	3	1.15	0.13	1.28	2012-04-02
Coronation Global Capital Plus [ZAR] Feeder Fund	Global Multi Asset Low Equity	CGCB4	3	0.94	0.08	1.02	2012-10-01
Coronation Global Managed [ZAR] Feeder Fund	Global Multi Asset High Equity	CGMB4	3	1.08	0.15	1.23	2012-10-01
Coronation Optimum Growth Fund	Worldwide Multi Asset Flexible	COGFB4	5	1.02	0.17	1.19	2013-04-02
Coronation Strategic Income Fund	South African Multi Asset Income	CSIB4	5	0.53	0.01	0.54	2012-10-01
Coronation Top 20 Fund	South African Equity General	CTTB4	3	0.64	0.27	0.91	2012-04-02
Fairtree Equity Prescient Fund	South African Equity General	FECA1	5	2.34	0.39	2.73	2011-11-01
Fairtree Flexible Income Plus Prescient Fund	South African Multi Asset Income	MIPCA	5	0.93	0	0.93	2013-06-03
Laurium Flexible Prescient Fund	South African Multi Asset Flexible	LFPA1	4	1.2	0.21	1.41	2013-02-01
Marriott SA Property Income Fund	South African Real Estate General	MPID	*	0.88	0.14	1.02	2017-10-12

\* The fund has not reached 3 years, the Morningstar Rating Overall is based on a fund's 3 year performance

# Local Core Funds (By Category)

Fund Name	ASISA Category	JSE Code	Morningstar Rating Overall	TER	TC	TIC	Inception Date
Coronation Global Managed [ZAR] Feeder Fund	Global Multi Asset High Equity	CGMB4	3	1.08	0.15	1.23	2012-10-01
Coronation Global Capital Plus [ZAR] Feeder Fund	Global Multi Asset Low Equity	CGCB4	3	0.94	0.08	1.02	2012-10-01
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# Glossary

## Morningstar Rating™ for Funds

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance.

The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total Returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

## Morningstar Category

Morningstar Category is assigned by placing funds into peer groups based on their underlying holdings. The underlying securities in each portfolio are the primary factor in our analysis as the investment objective and investment strategy stated in a fund's prospectus may not be sufficiently detailed for our proprietary classification methodology. Funds are placed in a category based on their portfolio statistics and compositions over the past three years. Analysis of performance and other indicative facts are also considered. If the fund is new and has no portfolio history, Morningstar estimates where it will fall before giving it a permanent category assignment. Categories may be changed based on recent changes to the portfolio.

# Disclaimer

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