



GLOBAL

- Equity
- Flexible
- Property

BALANCED

- Conservative
- Moderate
- Aggressive

INCOME

- Income

MI-PLAN IP ENHANCED INCOME
A conservative-risk fund ideal for investors seeking to earn a reasonable level of income with low risk of capital loss

Who is the fund aimed at?

The Mi-Plan Enhanced Income fund is suited for investors who are:

- Aiming for higher returns than are available through cash or bank deposits over a 12-36 month period.
- Seeking actively managed exposure to the full spectrum of the fixed interest and high yielding universe of assets.
- Not wanting to personally choose between money market, bond, income, or preference dividend funds but rather believing in the ability of a good asset manager to do this job.

The fund does not suit investors whose time horizon is less than 12 months and who are uncomfortable with price fluctuations over this shorter term.

What are the investment objectives of the fund?

The objective of the portfolio is to provide a return in excess of Money Market portfolios, for investors seeking to earn a reasonable level of income with low risk of capital loss.

What does the fund invest in?

Categorised within the ASISA South African Multi-Asset Income sector, the Mi-Plan Enhanced Income fund enjoys a flexible mandate where the manager will scour opportunities to invest within a range of interest bearing and yield instruments, including vanilla bonds, inflation-linked bonds, fixed deposits, money market instruments, property shares (up to 25%), preference shares and other high yield stocks (up to 10%).

How does the manager select its instruments?

The funds bond style bias is yield enhancing with occasional forays into duration positioning. Most bond managers devote too much of their research time trying to predict the direction of interest rates. Given the potential rewards from correct duration bets, this is perhaps an understandable practice; however it is more than offset by the difficulties of getting it right reliably. Seemingly less ambitious strategies actually have higher information ratios. The managers preferred disposition is to neutralize duration and bucket duration, while maximizing, through quadratic techniques, a combination of yield and convexity. That said, the manager will adopt the required mental fortitude to take contrarian duration bets when valuation has become demonstrably skewed, usually as a result of widespread utopian or dystopian forecasts. Inferred bond risk premia reliably show when these circumstances exist.

Who is the fund manager?

Rowan Williams-Short, has more than 27 years of experience in investments while being the fund manager of the Mi-Plan IP Enhanced Income fund since its inception on 26 March 2012. Rowan currently heads Fixed Interest at Vunani Fund Managers where previously he was CIO at each of Prudential Portfolio Managers (South Africa), African Harvest Fund Managers and Nedgroup Investments (United Kingdom).

Rowan has an MSc in Mathematical Statistics from the University of British Columbia and holds the CFA charter. He is a Fellow and a Governor of the South African Institute of Financial Markets. In America, he is an active volunteer for the CFA exam program.

How is the fund currently invested across asset classes?

The fund is currently conservatively positioned, with about 55% in a range of floating rate bonds, 18% in fixed-rate bonds, 21% in money market instruments and approximately 5% in high yielding equity and preference shares. Within the bonds, more than 47% have A- ratings or better. The fund is well diversified, holding 78 different instruments across 28 issuers, with the single biggest exposure is to ABSA, at 13.9% as at 31 March 2020. For a full breakdown of Asset Allocation and Ratings Spread see table below:

Asset Allocation*	
Cash	5%
NCDs	16%
FRN's	55%
Bonds	18%
ILBs	1%
Preference Shares	2%
Equities	3%

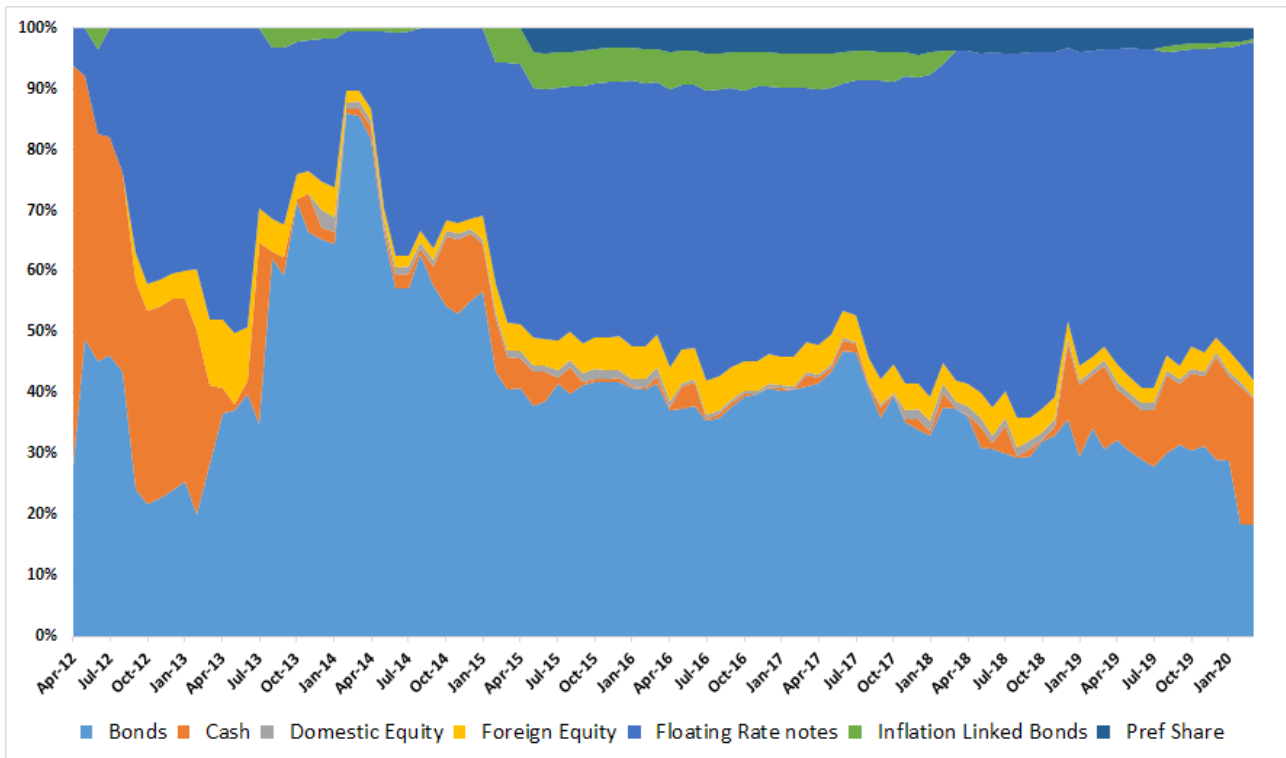
*Data as at 31 March 2020, Vunani Fund Managers

Ratings Spread*	
AAA	11%
A- To AA+	36%
Below A-	23%
Cash, NCDs	22%
Equities, prefs, n/r	8%

*Data as at 31 March 2020, Vunani Fund Managers

How has the fund been allocated across asset classes through time?

The Mi-Plan IP Enhanced Income fund has been actively managed since inception across a range of interest bearing and yield instruments asset classes, as seen below:



**Data as at 31 March 2020, Vunani Fund Managers*

What is the current yield to maturity of the fund?

The current positioning is providing the fund with a yield of 9.67% as at 31 March 2020, which is attractive compared with cash and other asset classes.

What is the current modified duration of the fund?

The Mi-Plan IP Enhanced Income fund has a low modified duration of 0.94 (as at 31 March 2020).

Who is Mi-Plan?

Mi-Plan exists to create and preserve wealth through the application of critical thinking. Established in 2006, we assist our clients to manage their money to achieve their desired outcomes through understanding their future income objectives and then creating and managing the wealth required to meet those plans.

For more information about Mi-Plan visit: www.miplan.co.za

How can I access the fund?

The Mi-Plan IP Enhanced Income Fund is available on the ABSA Investment Management Services, Allan Gray, Glacier, Investec, Momentum, Old Mutual, PPS, PSG and, Stanlib platforms. Furthermore, to invest directly, follow the link: <https://www.miplan.co.za/invest-with-us/>.

For discretionary investments, the fund has a minimum investment requirement of R10 000 lump sum or a minimum monthly payment of R1000.

For Tax Free Savings Accounts (TFSA), the fund has a minimum lump sum investment requirement of R10 000; maximum lump sum investment of R36 000 lump sum, or a minimum monthly payment of R500; maximum monthly payment of R3000.

What are the fees?

The annual management fee for the fund is 0.75% (excl. VAT).

For more details regarding the fees of this fund, please view the factsheets here: <https://www.miplan.co.za/choosing-a-fund/#miplan-enhanced-income-fund>.

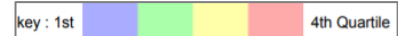
Where can I get a factsheet or a minimum disclosure document?

The factsheet can be obtained from the Mi-Plan website at:

<https://www.miplan.co.za/choosing-a-fund/#miplan-enhanced-income-fund>.

How good is the performance?

	1 Year Annualised Return		2 Year Annualised Return		3 Year Annualised Return		4 Year Annualised Return		5 Year Annualised Return		Since Inception Annualised Return**	
	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank
MI-PLAN IP Enhanced Income A1	7.31	11 / 95	9.24	2 / 79	9.39	1 / 74	9.28	3 / 65	9.17	4 / 59	8.05	4 / 41
South African Multi Asset Income sector average	4.26		6.16		6.46		6.75		6.81		6.71	



	Year	Performance
Highest Return	2019	11.60%
Lowest Return	2014	3.14%

Source: Profile Data and FE fundinfo; Performance as at 30 April 2020

*Returns are annualised if period is longer than 12 months. Based on A1 class.

**The fund was launched on 26 April 2012

***Actual annual figures are available to the investor on request

Annualised returns is the weighted average compound growth rate over the performance period measured.

Fund returns shown are based on NAV-NAV unit pricings (after fees and costs) calculated from Profile Data through Financial Express for a lump-sum investment with income distribution reinvested (distributions are calculated on an index value)

For updated figures, please review the fund factsheet.

How do I contact Mi-Plan about the fund?

You can call us on 021 657 5960 or email info@miplan.co.za

Collective Investment Schemes are generally medium to long term investments. The value of participatory interests 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. A schedule of fees and charges and maximum commissions is available on request from the manager. Fund invest in portfolios of other Collective Investment Schemes that levy their own charges, which could result in a higher fee structure for the fund. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager retains full legal responsibility for the Fund, regardless of Co-Naming arrangements. Transaction cut-off time is 14:30 daily. Each portfolio may be closed for new investments. Valuation time is 15:00 (17h00 at quarter end). Prices are published daily and available newspapers countrywide, as well as on request from the Manager. IP Management Company (RF) Pty Ltd is the authorised Manager of the Scheme – contact 021 673 1340 or clientservices@ipmc.co.za. Standard Bank is the trustee / custodian – contact compliance-IP@standardbank.co.za. Additional information including application forms, the annual report of the Manager and detailed holdings of the portfolio as at the last quarter end are available, free of charge, from clientservices@ipmc.co.za. IP Management Company is a member of ASISA. A statement of changes in the composition of the portfolio during the reporting period is available on request. The portfolio may include foreign investments and the following additional risks may apply: liquidity constraints when selling foreign investments and risk of non-settlement of trades; macroeconomic and political risks associated with the country in which the investment is made; risk of loss on foreign exchange transactions and investment valuation due to fluctuating exchange rates; risk of foreign tax being applicable; potential limitations on availability of market information which could affect the valuation and liquidity of an investment. All of these risks could affect the valuation of an investment in the fund.

For all disclosures please go to www.miplan.co.za