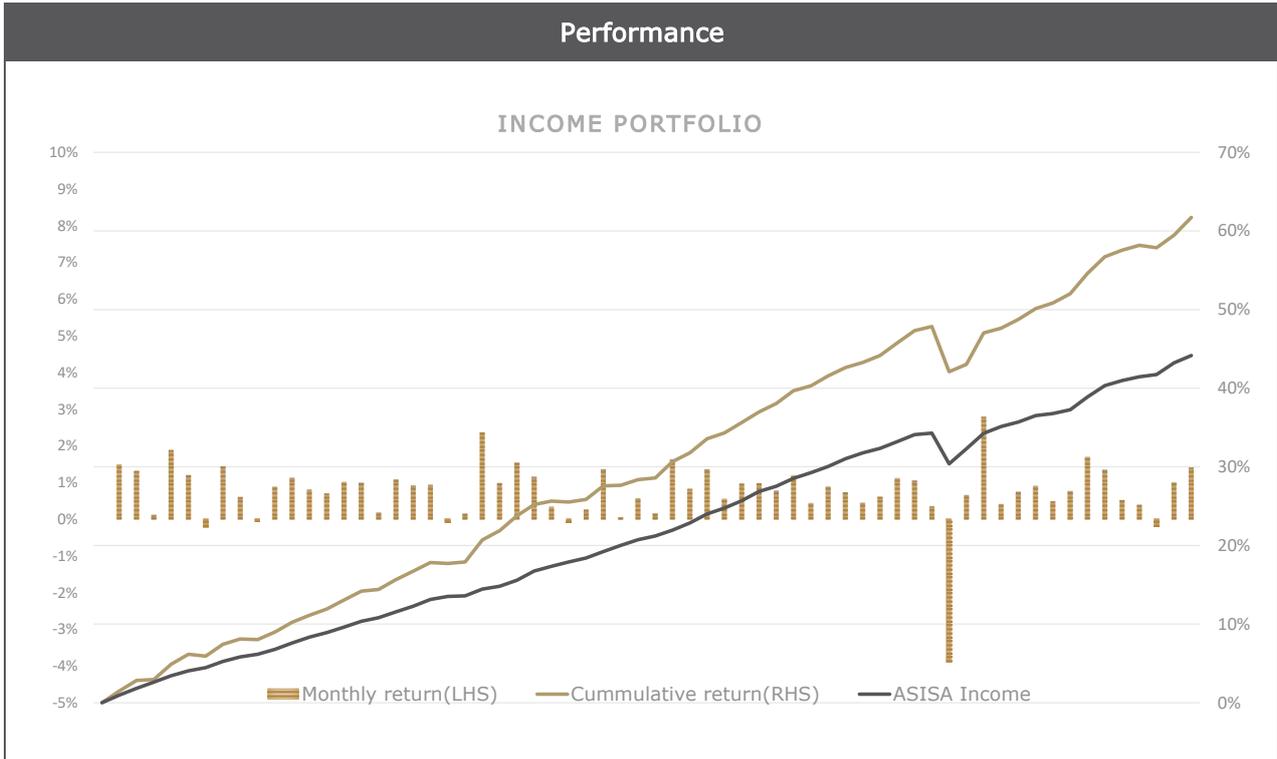


**Objective**

The Multinvest Income portfolio is a wrap fund which aims to outperform SA CPI+2% over a rolling 1 year period and is comparable to the ASISA Income Sector. It has a conservative risk profile and is suitable for investors seeking to preserve capital over the short term. It is not suitable for those seeking aggressive accumulation of capital. It invests only in SA regulated Collective Investment Schemes and is Regulation 28 compliant, thus suitable for pension investments.



\*All performance numbers quoted prior to inception are based on the backtested results of current holdings

Asset Allocation	Holdings
<p>Global Fixed Interest; Property; 4,53% SA Equity; 0,51% Money Market; 12,52% Global Equity; 1,68% SA Fixed Interest; 80,33% 0,42%</p>	MiPlan IP Enhanced Income Fund - B1
	Sasfin BCI Flexible Income - C
	Satrix Bond Index fund- B1
	BCI Income Plus- C
	Prescient Income Provider -A2
	Annual Management Charge (AMC): 0,50%

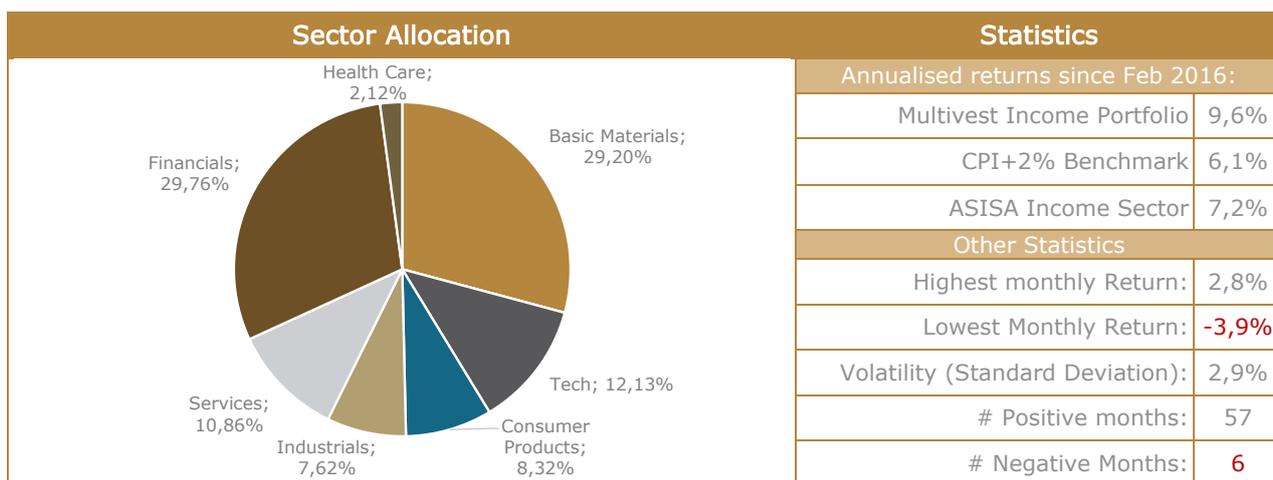
The investor is liable for CGT on any transactions in the units of the underlying unit trusts within the wrap funds. Compulsory investments are not subject to CGT. Performance is calculated using net returns(after fees) of the underlying unit trusts, and quoted excluding wrap fund fees. Performance quoted is pre-tax. Fund performance numbers shown are for a notional portfolio and do not reflect the actual performance of the client invested in the wrap fund due to timing differences of investments or disinvestments of the client. Benchmark returns for CPI are based on actual published returns and an estimated one month return for the month of the report date. ASISA Benchmark returns are the ASISA returns available as at the time of reporting.



### Commentary

Economic growth rates continue to surprise at the upside, but in an unequal way. The outlook for the United States (US) remains strong, the Eurozone and United Kingdom (UK) should start growing at faster rates, but China and Japan's growth will probably disappoint in the second quarter of 2021. Meanwhile consumer price inflation (CPI) is surging in just about every country. However, analysis point to supply shortages as the main driver of CPI. This means that the higher CPI should to a large degree be of a temporary nature, meaning that interest rate increases in the major regions – and in South Africa – should not occur in 2021. The 'risk on' environment assisted share prices in May and contributed to a weaker US\$; higher CPI supported the gold price; while bonds continued to provide returns. In the US quarter on quarter economic growth of 6.4% (annualised) was registered in Q1 2020. Second quarter economic growth is on track to exceed 10% on a year on year basis. Headline CPI jumped to 4.4% in April from 2.6% in March. Meanwhile US foreign policy shifted in a move that should support future trade. US and EU negotiators are working to resolve the "Trump-trade-tariff-conflict" on steel- and aluminium products, while a main deal was reached to lift US sanctions on Iran's oil. Europe's economy registered a technical recession after contracting -0.6% in Q1 2021 following a -0.7% decline in Q4 2020. However, the lifting of lockdown restrictions in some countries and removal of vaccine bottlenecks created an environment for the economy to grow at a faster pace in Q2 2021. In China some economic indicators continue to point to slowing growth, while CPI is increasing. The People's Bank of China views the higher CPI to be of passing nature and kept the medium-term lending facility unchanged at 2.95%. China also announced a consumption tax on the imports of light cycle oil (to make gasoil), mixed aromatics (to make gasoline) and bitumen (to make asphalt) from 12 June to increase the competitiveness of domestic refiners. In South Africa, president Ramaphosa introduced mild restrictions in response to the third wave of COVID-19 infections, but this should not detract much from economic growth that may surpass 4% in 2021. The largest constraint to faster growth will be electricity shortages and slow reforms. Nevertheless, increasing world demand, a recovery in consumer finances and higher commodity prices supported growth in the first quarter. At R96 billion the trade surplus for the first quarter was 205% larger compared to a year ago (April's surplus exceeded R51 billion). Seasonally adjusted (unannualised) retail sales increased by 1.6% in the first quarter of 2021 from the fourth quarter of 2020, while mining and manufacturing production increased by 3.9% and 0,2% respectively. In addition, tax revenues for April 2021 surpassed many expectations, indicating an acceleration in economic growth in Q2 2021.

\*Commentary as at 31 May 2021



### Investment Committee

The investment committee forms an integral part of the investment management process. The investment committee members are involved in the process of multi management by participating in the Investment Committee Framework (the "Framework"). This Framework provides intermediaries with a platform to share their research and views with qualified investment professionals who will, based on certain constraints, construct a portfolio taking the intermediary's research into account.

### PERFORMANCE DATA

#### RETURNS ( 3 YEAR AND 5 YEAR ANNUALISED)

	1 MONTH	6 Month	1 Year	3 Year	5 year
PORTFOLIO	1,41%	4,59%	9,98%	8,81%	9,45%
BENCHMARK	0,65%	3,79%	7,37%	6,93%	7,03%

\*All performance numbers quoted prior to inception are based on the backtested results of current holdings

Multinvest offers structured portfolios as Wrap Funds on the following LISP platforms

Momentum    Ninety One    Old Mutual    Glacier    Wealthport    Allan Gray

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