



**AG Capital Equity Long Short SNN Retail Hedge Fund**

Minimum Disclosure Document - Class 1

October 2018

3.08%

**Fund Details**

<b>Investment Manager:</b>	AG Capital (Pty) Ltd
<b>Inception date:</b>	June 2017
<b>CISCA Inception date:</b>	01 June 2017
<b>Current size (in Millions):</b>	R1.395
<b>Minimum Investment:</b>	R 100,000
<b>NAV Price (As at month end)</b>	R 1,192.63
<b>Number of units</b>	1,168.40
<b>Analysis Currency:</b>	ZAR
<b>Fund Structure:</b>	CIS (Unit Trust)
<b>Cost Ratio (incl. VAT):</b>	
*Total Expense Ratio (TER%):	2.95%
*Transactions Costs Ratio (TC%):	4.39%
Total Investment Charges (TIC%):	7.34%
Performance Fee (PF) Included in TER:	1.28%
<b>Fees:</b>	<b>Management Fee:</b> 1.25% (excl. VAT) <b>Performance Fee (uncapped):</b> 20% of the outperformance with a hurdle rate of the STeFI Call Deposit Index + 3%.
<b>Hurdle:</b>	STeFI Call Deposit Index + 3% per annum
<b>FSP:</b>	AG Capital (Pty) Ltd
<b>Prime Broker:</b>	Investec Securities (Pty) Ltd
<b>Administrator:</b>	Sanne Fund Services SA (Pty) Ltd
<b>Auditor(s):</b>	Deloitte
<b>Contact Person:</b>	AG Capital Support
<b>E-mail:</b>	<a href="mailto:support@agcapital.co.za">support@agcapital.co.za</a>
<b>Tel:</b>	021 401 8900
<b>Income Distribution:</b>	
<b>Declaration:</b>	On the last day of December
<b>Payment:</b>	December 2017: 1966.098 cents per unit (cpu)

**Performance Analytics**

	<b>AG Capital Equity Long Short SNN Retail Hedge Fund</b>	<b>Standard Bank Call Rate</b>	<b>All Share Index (Total Return)</b>
<b>Performance Comparison</b>			
Inception date	Jun-17	Jun-17	Jun-17
Current month	Oct-18	Oct-18	Oct-18
Total period (No. months)	17	17	17
Analysis currency	ZAR	ZAR	ZAR

**Return Analysis**

Return for current month	3.08%	0.52%	-5.76%
Total return (since inception)	21.67%	9.19%	2.34%
Average annualised return (since inception)	14.85%	6.40%	1.65%
Current 12 month rolling return	20.83%	6.38%	-8.37%
Best 12 month rolling return	20.83%	6.42%	15.02%
Worst 12 month rolling return	7.82%	6.38%	-8.37%

**Consistency Analysis**

% Up months (since inception)	58.82%	100.00%	47.06%
% Up months (last 12 months)	66.67%	100.00%	41.67%
Standard deviation (since inception - annualised for periods > 12 mths)	10.55%	0.02%	12.93%

\*The annualized total return is the weighted average compound growth rate of an investment over the measurement period. Please note that the annualized performance figures include returns earned during the relevant periods prior to the fund being regulated under CISCA. The annualised total return is the weighted average compound growth rate over the performance period measured. Actual annual figures are available from the manager on request. The highest and lowest 1 year returns represent the highest and lowest actual returns achieved during a 12 month rolling period since the original launch date of the portfolio.

**Risk Analysis**

Downside deviation (since inception - annualised Risk free)	5.56%	0.00%	7.22%
Largest monthly drawdown	-5.08%	0.00%	-5.76%
Average monthly drawdown	-2.00%	0.00%	-2.73%
Largest cumulative drawdown	-8.03%	0.00%	-9.70%

**Risk/ Return Analysis**

Total gain / Total loss	2.47	n/a	1.14
Largest gain / Largest loss	0.68	n/a	0.61
Average gain / Average loss	1.73	n/a	1.29
Sharpe ratio (since inception - annualised for periods > 12 mths)	0.78	n/a	-0.29
Sortino ratio (since inception - annualised for periods > 12 mths)	1.49	n/a	-0.52

**Market Correlation**

Index correlation (All Share Index)	-0.01	(Monthly)
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The above benchmark(s) are for comparison purposes with the fund's performance. The fund does not follow the benchmark(s).

**Risk Profile**

Low	Low-Medium	Medium	Med-High	High
The risk category shown is not guaranteed and may change over time. The lowest category does not mean the investment is risk free. There may be other special areas of risk relating to the investment including liquidity risk, credit risk, market risk, and settlement risk. The manager does not provide financial advice. Our risk indicator does not imply that the portfolio is suitable for all types of investors. Please consult your financial adviser.				

**Please note:** All fund returns quoted net of fees.

**Portfolio Profile**

The portfolio's investment strategy is focused on multiple short to medium term strategies in predominantly listed equity and equity-related securities to generate returns in excess of cash (STeFI). Notwithstanding anything to the contrary in the mandate, investments of the portfolio will be subject to the provisions and limitations of Financial Sector Conduct Authority Notice 52 of 2015 ("Board Notice").

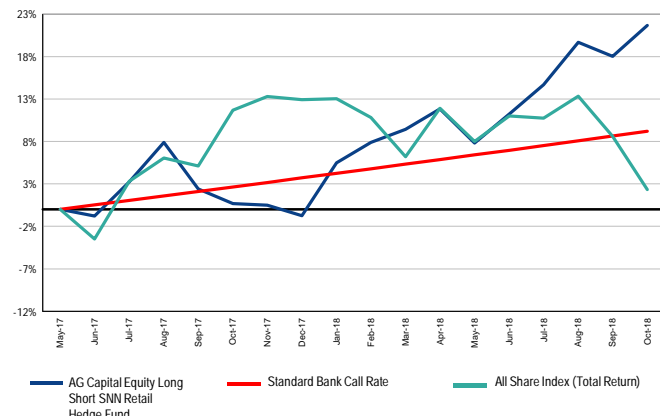
**Objective & Investment Policy**

The portfolio seeks to grow investor's capital in real terms over the long-term and earn outsized returns through the recognition of short to medium term opportunities. The portfolio seeks to achieve its investment objective by employing a variety of long/short investment strategies. A rigorous risk management framework plays an essential role in achieving the fund's objectives.

**\*Net Returns To Investors**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017					-0.77%	4.05%	4.51%	-5.08%	-1.68%	-0.20%	-1.25%		-0.76%
2018	6.31%	2.25%	1.43%	2.22%	-3.60%	3.16%	3.11%	4.37%	-1.39%	3.08%			22.60%

**Cumulative Fund Returns vs Market Indices**



Fund Source: Sanne Fund Services SA (Pty) Ltd as of October 2018

Index Source: Bloomberg as of October 2018

\*The annualized total return is the average return earned by an investment each year over a given time period, since date of the launch of the fund. Actual annual figures are available from the manager on request. The performance figures given show the yield on a Net Asset value ("NAV") basis. The yield figure is not a forecast. Performance is not guaranteed and investors should not accept it as representing expected future performance. Individual investor performance may differ as a result of initial fees, time of entry/actual investment date, date of reinvestment, and dividends withholding tax. Performance is calculated for a lump sum investment on a Net Asset Value basis.

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AG CAPITAL

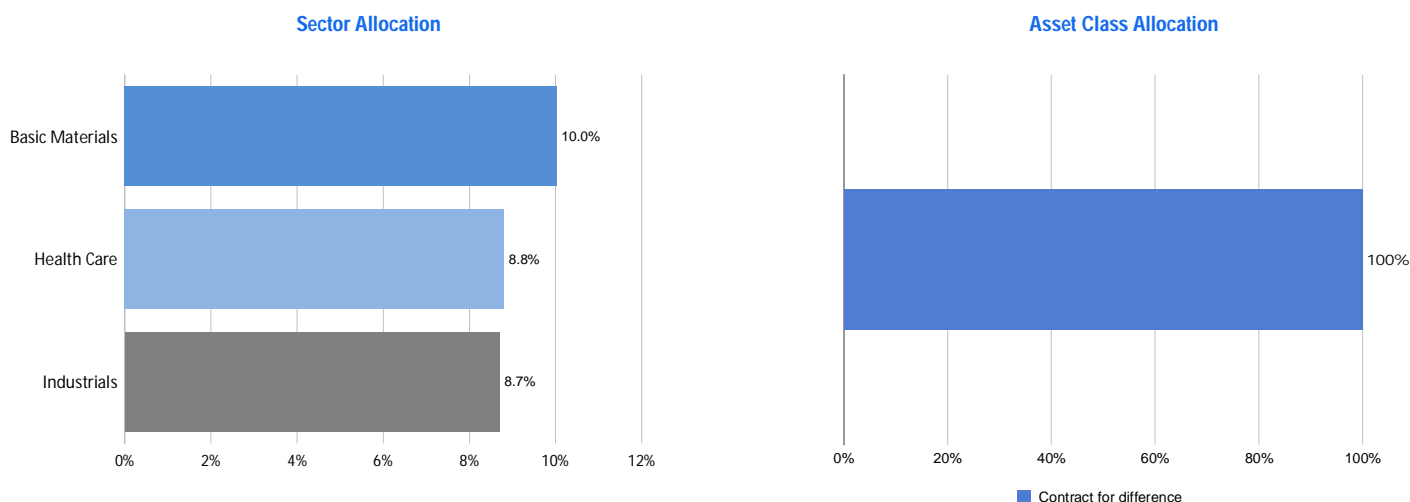
## Portfolio Valuation & Transaction Cut-Off

Portfolios are valued monthly. The cut off time for processing investment subscription is 10:00am on the last day of the month prior to enable processing for investment on the first day of the next month.

## \*Total Expense Ratio & Transaction Costs

A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction Costs are a necessary cost in administering the financial product and impacts financial product 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. The TER is reported excluding performance fees for the first 6 months of the portfolio. The Manager has applied its mind hereto and is of the view that any reporting of TER with performance fee at this stage may be inaccurate and potentially misleading to investors.

## Portfolio Asset Allocation Report



## Mandatory Disclosures

Collective Investment Schemes are generally medium- to long-term investments. The value of participatory interests (units) may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investments are traded at ruling prices and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions, as well as a detailed description of how performance fees are calculated and applied, is available on request from Sanne Management Company (RF) (Pty) Ltd ("the Manager").

The Manager does not provide any guarantee in respect to the capital or the return of the portfolio. Excessive withdrawals from the portfolio may place the fund under liquidity pressure and in such circumstances, a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. Commission and incentives may be paid, and if so, are included in the overall costs. Portfolios may be closed.

Prices are published monthly on our website and local media. Additional information, including key investor information documents, minimum disclosure documents, as well as other information relating to the basis on which the manager undertakes to repurchase participatory interests offered to it, and the basis on which selling and repurchase prices will be calculated, is available, free of charge, on request from the Manager.

The value of an investment is dependent on numerous factors which may include, but not limited to, share price fluctuations, interest and exchange rates and other economic factors. Performance is further affected by uncertainties such as changes in government policy, taxation and other legal or regulatory developments.

The Manager ensures fair treatment of investors by not offering preferential fee or liquidity terms to any investor within the same strategy. The Manager is registered and approved by the Financial Sector Conduct Authority ("FSCA") under CISCA. The Manager retains full legal responsibility for the portfolio. AG Capital Management (Pty) Limited, FSP No. 43325, is authorised under the Financial Advisory and Intermediary Services Act 37 of 2002 to render investment management services. FirstRand Bank Limited, acting through the RMB Custody and Trustee Division, is the appointed trustee.

Management Company	Investment Manager
Sanne Management Company (RF) (Pty) Ltd	AG Capital (Pty) Ltd
Registration No: 2013/096377/07	An Authorised Financial Services Provider, FSP No. 43325
Pier Place, Heerengracht Street, Foreshore, Cape Town, South Africa	Office 201, 2nd Floor, Cape Quarter Square, 27 Somerset rd, Green Point, Cape Town, 8000
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Directors: J F Louw (Chairman)*, L Fourie, G P Rate (Managing Director), I Burke*, H J Pienaar *	FirstRand Bank Limited, Johannesburg
*Non-Executive	Telephone: +27 87 736 1732 Website: <a href="http://www.rmb.co.za">www.rmb.co.za</a>

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