



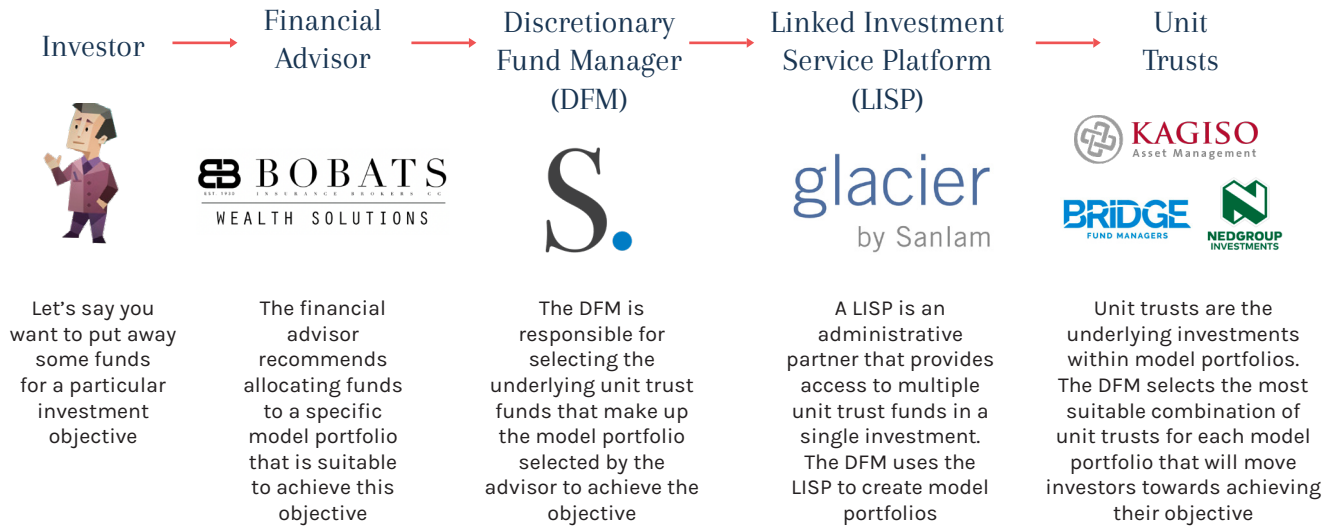
What is it?

A model portfolio is a basket of unit trust funds, accessible via an investment platform, that is constructed and managed according to a specified investment mandate

Who is it for?

- For anybody who want to invest via unit trust funds
- Model portfolios can be used for pretty much any short, medium or long-term investment objective that an investor may have

How it Works



Key Benefits

- Expertly Managed:** The DFM conducts in-depth research and analysis on each portfolio to ensure risk adjusted returns are maximised.
- Reduced Fees:** We negotiate bulk discounts on investment management, DFM and LISP fees on behalf of investors in the model portfolios.
- Diversified:** Portfolios are diversified across investment managers and investment styles to minimize volatility and the risk of capital loss.
- Rebalancing:** Portfolios are systematically rebalanced to ensure they never drift too far away from their intended mandate.
- Tailored for you:** Each portfolio is designed to achieve its intended objective outlined in the mandate.

Costs

Model portfolios incur a cost of between 0.3% to 0.4% per annum. Based on various studies, the benefits mentioned above far outweigh this cost on portfolio returns. Our goal is to make the model portfolios cost-neutral for our investors by negotiating discounts with all our service providers (the LISP, DFM and investment managers of the unit trusts).

Options

Our inhouse discretionary fund manager, Sterling Invest, offers a wide range of model portfolios across the spectrum that caters for various risk-return objectives, sector-specific exposures and investment time horizons.

Model Portfolio Name		Income	Stable	Balanced	Tax-Free Savings	Flexible Equity	SA. Equity	Global Equity	Property
Mandate Variants	Conventional	✓	✓	✓	✓	✗	✓	✓	✓
	Ethical (Shariah)	✓	✓	✓	✓	✓	✗	✗	✗
Risk rating (1 is low - 10 is high)		2	4	6	7	7	7	8	8
Minimum investment horizon (years)		1	3	5	5	5	5	5	5

For more information on model portfolios, please visit: www.sterling.za.com/sterling-model-unit-trust-portfolios

Disclaimer:

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