

Cadiz South Easter Fixed Interest SNN QI Hedge Fund



Minimum Disclosure Document (MDD) – Class 1

June 2019

Portfolio Details

Investment Manager	Cadiz Asset Management (Pty) Ltd	Portfolio Size	R 22.64 million
Portfolio Manager	Alastair Sellick	Performance Fee	20% of return above benchmark, uncapped
Portfolio Category	Fixed Income	Annual Management Fee (including VAT)	1%
Portfolio Benchmark	1 month JIBAR	Initial Fee	0.00%
Launch Date⁵	October 2005	Hurdle Rate	
CISCA Inception Date	1 September 2016	Portfolio Valuation	Monthly
Transaction Cut-Off	Subscriptions to reach us on the last day of the month prior, for investment on the 1st day of the next month, 10:00 am.	Total Expense Ratio¹	3.60% (incl PF of 0.99%)
		Transaction Cost	1.07%
		Total Investment Cost	4.67%
Redemptions Notice	Three months	Distribution Frequency:	June and December
Risk Profile²	Moderate	Last Income Distributed	
		December 2018 (CPU)	0.08
NAV per Unit	2.64	Participatory Interest	8,575,913.34

Portfolio Profile

The Cadiz South Easter Fixed Interest SNN QI Hedge Fund is neutral bias fixed interest hedge fund that looks to deliver to those invested in it via:

- Credit strategies
- Directional strategies
- Yield curve strategies
- Inflation linked strategies
- And relative value strategies.

The Fund is opportunistic in nature, and will only take a position if beneficial risk / return metrics exist. Diversification is one of the key pillars guiding our process, and we believe that no one, particular strategy should be so dominant that it can influence Fund performance negatively if it proves to be incorrect.

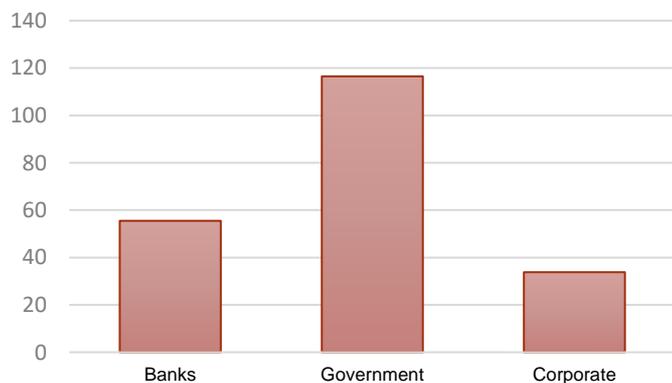
Portfolio Asset Allocation

Objectives & Investment Policy

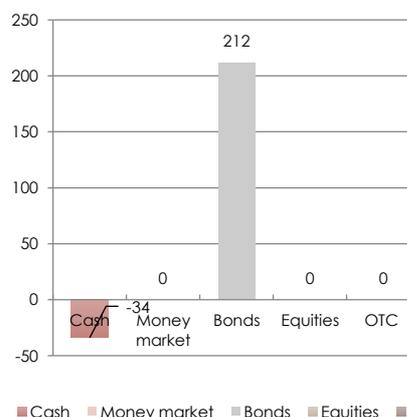
The South Easter Fund targets a rolling 3 year return after fees of JIBAR + 5% with less volatility than that of the All Bond Index.

The Fund may invest in government bonds, corporate bonds, money market instruments, bond options, bond and index futures, Forward Rate Agreements (FRAs) and Interest Rate Swaps.

Sector Exposure (%)



Exposure by Asset Class



¹ 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 12 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.

² This indicator is based on historical data and may not be a reliable indication of the future risk profile of the portfolio. 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. 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

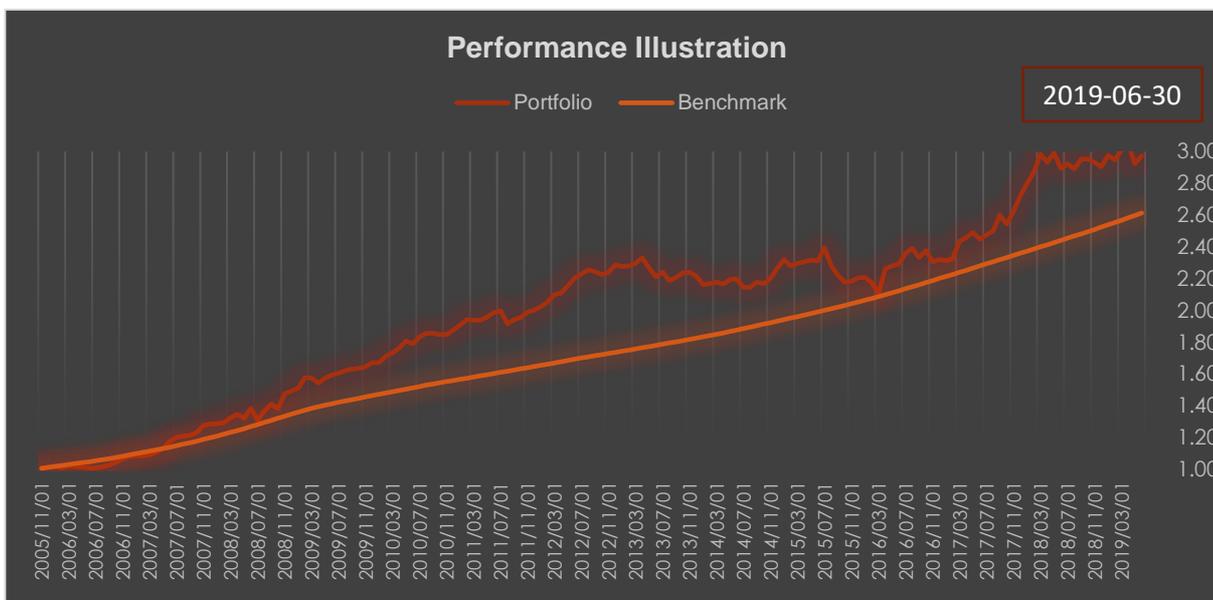
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SANNE
MANAGEMENT COMPANY

June 2019

Portfolio Performance Report (Net of Fees)



Source of Data: SANNE, Cadiz AM Date: 30 June 2019

Annualised performance³

	Portfolio	Benchmark
1 year	2.73%	7.10%
3 years	9.07%	7.16%
Since original launch date ⁴	8.30%	7.28%
Lowest 1 year return (March 2016)	-8.13%	5.10%
Highest 1 year return (July 2009)	23.83%	12.43%
Current monthly return	1.72%	2.23%

Commentary by Investment Manager

The benchmark bond R186 rallied from an opening yield of 8.41% to set an intra-month low of 8.06%, and remained at the low range of 8.11%. The curve steepened immensely with R209/R186 gap at the highs of 147bps (historical highs). Emerging markets welcomed the risk on move at the back of DM central banks rhetoric of cutting rates, this pushed our local markets further lows.

Mandatory Disclosures

³ The annualised 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 highest and lowest 1 year returns represent the highest and lowest actual returns achieved during any single calendar year since the original launch date of the portfolio. The performance figure given show the yield on a Net Asset Value ("NAV") basis. The return figure is not a forecast. Performance is not guaranteed and investors should not accept it as representing expected future performance. The return is shown for the portfolio, based on a lump-sum investment. Individual investor performance may differ as a result of initial fees, time of entry/actual investment date, date of reinvestment, and dividends withholding tax.

⁴ The inception date for the portfolio is 1 November 2005. The performance figures until the end of August 2016 reflect performance achieved prior to CISCA regulation. The portfolio has been transitioned under CISCA regulations on 1 September 2016 and has since been managed as a regulated product.

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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 is available on request from the manager, as well as a detailed description of how performance fees are calculated and applied. The manager does not provide any guarantee in respect to the capital or the return of the portfolio.

Excessive withdrawals from the fund 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 to new investors in order to manage it more efficiently in accordance with its mandate. Prices are published monthly on our website. 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 Manager ensures the fair treatment of investors by not offering preferential fee or liquidity terms to any investor within the same strategy.

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. Where funds are invested in off-shore assets, performance is further affected by uncertainties such as potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks and potential limitations on the availability of market information.

Sanne Management Company (RF) (Pty) Ltd, ("the Manager") is registered and approved by the Financial Sector Conduct Authority in terms of the Collective Investment Schemes Control Act 45 of 2002. The Manager retains full legal responsibility for the portfolio.

Cadiz Asset Management (Pty) Ltd (FSP No 636) is authorised under the Financial Advisory and Intermediary Services Act 37 of 2002 to provide discretionary investment management services to hedge funds.

Hedge Fund Risk Disclosure

Hedge fund strategies may include leverage, short-selling and short term investments. In addition, hedge fund portfolios often invest in unlisted instruments, low-grade debt, foreign currency and other exotic instruments. All of these expose investors to additional risk. However, not all hedge fund managers employ any or all of these strategies and it is recommended that investors consult their advisers in order to determine which strategies are being employed by the manager and which consequent risks arise.

Management Company	Investment Manager
Sanne Management Company (RF) (Pty) Ltd	Cadiz Asset Management
Registration No: 2013/096377/07	FSP No. 636
Pier Place, Heerengracht Street, Cape Town, 8001	4 th Floor, The Terraces, 25 Protea Road, Claremont, 7708
Telephone: +27 21 202 8282 Fax: +27 86 554 8237 E-mail: information@sannegroup.com	Telephone: 021 657 8326 Email: alastair.sellick@cadiz.co.za Website: www.cadiz.co.za
Website: www.snnmanco.com	Trustee
Directors: JF Louw, L Fourie, GP Rate, I Burke, HJ Pienaar	FirstRand Bank Limited, Johannesburg
	T: 087 736 1732