

## **PRESCIENT'S LATEST LISTED ETF AIMS 'NEVER TO LOSE CAPITAL OVER ANY ROLLING 3-MONTH PERIOD'**

Income-focused investors, stockbrokers and financial advisors have a new tool to consider when constructing portfolios following the listing of the Prescient Income Provider Feeder Actively Managed ETF (AMETF) on the Johannesburg Stock Exchange (JSE) on 8 December 2023.

The Fund is suitable for investors seeking stable real returns and aiming to maximise income via exposure to primarily the South African Money and Bond markets. The fund aims to return CPI + 3% per annum through a full interest rate cycle while providing stability by aiming never to lose capital over any rolling three-month period.

Investors and financial advisors alike are going into 2024 with concerns around elevated interest rates, inflation and concerns around a global economic slowdown impacting investments. Income-focused investments will be a key component for preserving and growing investor wealth.

"Our Actively Managed ETF is specifically designed for investors seeking stable, short- to medium-term real returns. It strategically targets the maximisation of income via a diverse range of fixed income assets, including money market instruments and bonds, to deliver on its mandate," says Henk Kotze, Head of Cash and Income at Prescient Investment Management.

Actively Managed ETFs are becoming increasingly popular tools for investors and financial planners both locally and globally as they combine the cost-efficiencies of an ETF with the potential for outperformance. The market capitalisation of AMETFs on the JSE now exceeds R1.7 billion and highlights the growing popularity of these tools.

The Prescient Income Provider Feeder Actively Managed ETF is a multi-asset portfolio, where its investment strategy is multifaceted, focusing on a diversified portfolio of income-generating assets. These include preference and listed property shares, interest-bearing stocks, and various financial instruments, with flexibility to invest in both local and offshore markets. The AMETF therefore aims to deliver returns which are typically higher than what can be achieved via money market funds.

The performance of the AMETF is anticipated to be driven by a combination of strategies to achieve its intended returns, including interest rate adjustments, yield enhancement through credit instruments, asset allocation, offshore exposure, and the use of derivatives.

"The listing of this AMETF reflects our commitment to meet the growing demand for actively managed investment solutions within South Africa," continues Kotze.

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### **About Prescient Investment Management**

Prescient Investment Management (PIM) was founded in September 1998 and is a leading systematic investment manager that relies on a data-rich investment process to create financial certainty for our clients in an ever-changing world. By combining the power of data-driven insights, empirical evidence and the right team of experts, PIM has delivered superior risk-adjusted returns across its broad range of mandates for more than two decades.

PIM specialises in portfolio and risk management, managing money on behalf of retirement funds, medical aid schemes, corporate entities, trusts, and individuals. Its investment solutions range from unit trusts and retirement fund portfolios invested in all the listed asset classes through to infrastructure and clean energy debt funds.

PIM is a Level 1 BEE Contributor, a signatory to the United Nations Principles of Responsible Investing (UN PRI) and pledged to the Codes for Responsible Investing in South Africa (CRISA).

Prescient Investment Management is an Authorised Financial Services Provider (FSP 612).

For any additional information such as fund prices, brochures and application forms, email [info@prescient.co.za](mailto:info@prescient.co.za) or visit [www.prescient.co.za](http://www.prescient.co.za)

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