

Absolute Return Franchise

STANLIB Asset Management

2012



 STANLIB

STANLIB's Franchises

The STANLIB investment team comprises of Franchises - small focused teams of specialists, who are responsible for managing assets in their area of expertise. Because of this, Portfolio Managers are able to focus on what they do best.

Our culture is one of cooperation and debate which ensures cross-fertilization of ideas across the franchises. We firmly believe in active portfolio management and the franchises share a commitment to the centralised STANLIB research process.

The Absolute Return Franchise overview

Our absolute returns team targets compounding of returns through preserving capital and then growing it.

We view risk as loss of capital, and growth as inflation beating returns. The objective is therefore to deliver capital preservation over rolling 12-month periods and real returns (in excess of CPI) over rolling 3-year periods.

In their aim to achieve these two objectives, the Absolute Team relies on asset class diversification (traditional and alternative asset classes), security selection and dedicated risk management.

The Absolute Franchise characteristics

The propositions within the absolute franchise aim to achieve consistent performance with low dispersion of returns through all business cycles. With a focus on capital protection, the propositions under the absolute franchise are low to medium risk.

In addition, we offer propositions which are managed in accordance with Regulation 28 and Regulation 29.

Meet the portfolio managers



Henry Munzara

Portfolio Manager

BA (Hons) Economics
13 Years Industry Experience
Focus Area: Growth Assets



Prof. Eben Mare

Portfolio Manager

PhD Applied Mathematics
20 Years Industry Experience
Focus Area: Defensive Assets
and Protection



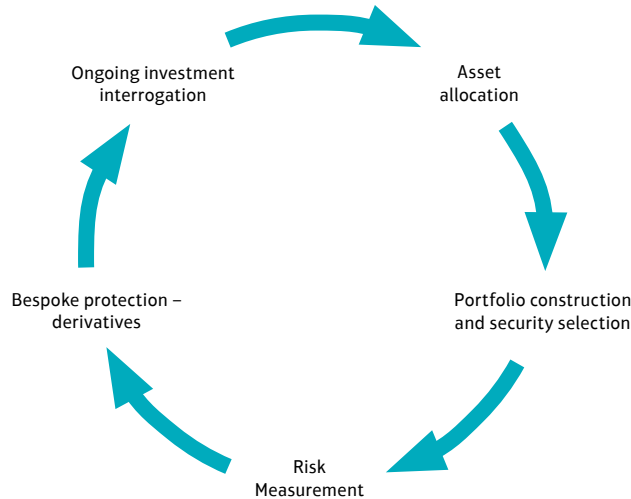
Lebo Pule

Quantitative Analyst

BSc (Hons) Actuarial Science
2 Years Industry Experience
Focus Area: Modelling and Protection

Philosophy and process

Our investment philosophy is based on our belief that markets are reasonably, but not perfectly, efficient and are mean-reverting. We see diversification as an important and powerful tool. As a result, our process relies on a strategic asset allocation framework, which allows for active tilts, a mean reversion bias in security selection, and an incorporation of diversification and derivative use in risk management.

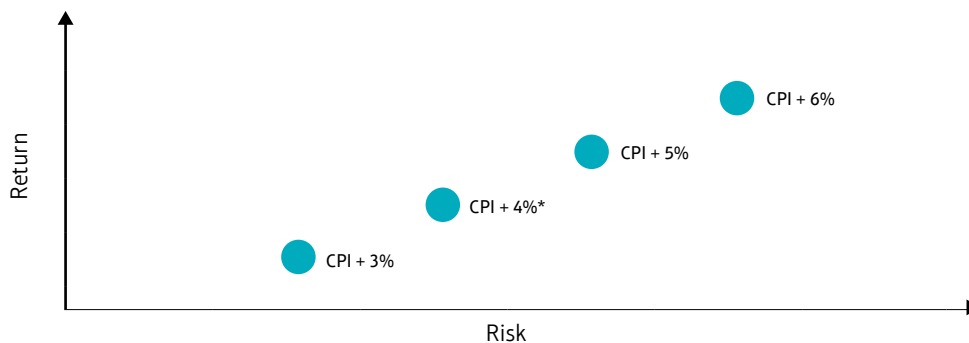


What makes the Absolute Franchise tick?

“The belief that avoiding losses and continuously compounding returns off a high base is a powerful and underappreciated recipe to wealth creation” - STANLIB Absolute Return Team

STANLIB’s Absolute Return Propositions

The basic institutional offering from STANLIB’s Absolute Franchise can be summarised into 4 CPI plus targeted propositions:



* The CPI + 4% targeted portfolio is run in accordance with Regulation 29.
All the propositions can be managed in accordance with Regulation 28 as global and domestic mandates.

Bespoke solutions

We understand that individual clients have individual needs. In order to meet these, we are able to deliver tailor-made solutions to meet specific targeted return/risk objectives with reasonable certainty. This is evident in the Liability Driven Investment (LDI) and in the Mining Rehabilitation space.

STANLIB

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