



### INVESTMENT OBJECTIVE

The investment objective of the fund is to provide investors with capital growth by investing predominantly in equities. The fund is aimed at the investor who can tolerate high risk, as explained only by volatility, as it will have an equity exposure of between 80% and 100%, both locally and abroad. Income is not a main objective of this fund. The fund may from time to time invest in listed and unlisted derivatives, in order to achieve the fund's investment objective.

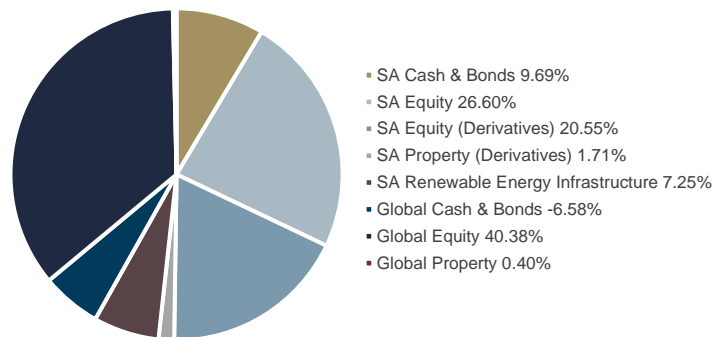
### ABOUT THE FUND

Investment Manager	Hein Kruger Internasionale Fondsbestuur (Pty) Ltd
Regulation 28 Compliant	No
Benchmark	FTSE/JSE All Share Index
Equity Exposure	Minimum effective exposure of 80%.
Foreign Exposure	Maximum effective exposure of 45%.
ASISA Classification	South African – Equity – General
Risk Profile	High
Transaction cut-off time	14:00
Valuation time	17:00

### THE KRUGER INVESTMENT COMMITTEE

Hein Kruger:	Chief Investment Officer
Mia Kruger:	Fund Manager
Johan Marais:	Investment Committee Member
Charl Bester:	Investment Committee Member
Analytics Consulting:	Investment Consultant

### ASSET ALLOCATION



Latest available data

### HISTORIC FUND PERFORMANCE (Annualised)

	1 Year	3 Year	5 Year	10 Year
Kruger Ci Equity Fund (Class A)	5.10%	11.19%	n/a	n/a
Benchmark	11.03%	12.98%	n/a	n/a
Highest return over 12 rolling months				41.81%
Lowest return over 12 rolling months				-11.76%

### FUND MANAGER'S COMMENTARY

#### International:

The recent raging market volatility continued in May favouring the downside as investor sentiment remained depressed amid general uncertainty. Surging global inflation and a growing belief that central banks are well behind the interest tightening curve dominated the mood. The fear is that they may be forced to do some catchup and make policy mistakes. Another major headwind is the war between Ukraine and Russia which now appears to be turning into a grinding war of attrition with a longer term feel to it and the possibility of extended damage to supply chains and inflation. Although Covid-19 is by no means out of the picture, the recent development was the easing of infections in China resulting in the partial lifting of the strict lock down rules and a return to some form of normality. Although annualised CPI inflation has now slipped somewhat to 8.3% in the US, the trajectory is still upward in the Eurozone with a reading of 8.1% and as high as 8.7% in Germany. Stagflation – slowing growth combined with higher prices – and even recession have increasingly crept into economists' comments and forecasts contributing to the current weak investment climate. So far economic growth is holding up, especially in the US, which should continue to anchor the world economy. On the data front, the US recorded another strong headline employment number in May with the addition of 390 000 jobs compared to an expected gain of 318 000, an unemployment rate that remained steady at 3.6% from 4.0% at the beginning of the year and well down on the 6.3% at the start of 2021. Hourly wages ticked down to 5.2% year on year which was marginally lower than the April number of 5.3% while the overall labour market remains extremely tight as reflected by more than 11 million job openings. As expected, the Fed raised interest rates by 50 basis-points at their May meeting with a clear indication of similar hikes at their next two meetings. With the second quarter earnings reporting season about to kick off in mid-July, forward guidance on company results increasingly reflect the difficult trading environment and margin pressure. Among the big companies Microsoft has already warned that their turnover may fall short of analyst expectations. Markets were mixed in May – the MSCI All Country Index decreased by -0.18% (-13.57%ytd) and the MSCI Emerging Markets Index by -0.39% (-10.12%ytd) while the Dow Jones Industrial Index advanced by +0.33% (-8.43%ytd) and the S&P 500 index by +0.18% (-12.76ytd) – all in US dollars.

#### Local:

Despite marginal improvement, the South African economy remains trapped in a low growth cycle largely due to several local structural challenges. Amongst them are erratic power supply by Eskom, endemic corruption, poor service delivery and chronic unemployment. On the political front, the temperature continues to rise in the build-up to the ruling party's policy conference in July and their leadership election in December. An example of this is the recent somewhat opportunistic criminal charges laid against the President. Furthermore, the economy is still coming to terms with and assessing the cost of the recent crippling KZN floods. The one cloud with a silver lining in the wake of the war and Covid-19 is on the commodity front – the surge in demand and prices stood South Africa in good stead. Fortunately, COVID-19 infections continue to subside, and severe illness, deaths and hospitalisations have become entirely manageable. Recent economic data points were on balance marginally positive with the highlights the 1.9% growth in GDP for the first quarter, continued strong growth of 8.4% in gross tax revenue collection in April, growth of 5.99% in April private sector credit, both year on year, and an encouraging improvement in the unemployment rate to 34.5% in the first quarter of 2022 helped by a gain of 370 000 jobs. On the negative side were the RMB/BER business confidence index that dropped to 42 points in the second quarter from 46 points in the previous three months and South Africa's producer price inflation that surged to a record high of 13.1% in April beating analysts' forecasts and sharply up from 11.9% in March. As expected, the SARB continued its strict monetary policy path in May with an expected 50 basis-points increase. In line with global markets the FTSE JSE All Share Index declined by -0.36% (-0.32%ytd) in May. The Kruger Funds followed suit and recorded the following declines – the Kruger Ci Equity Fund by -0.95% (-5.26%ytd); the Kruger Ci Balanced Fund by -0.62% (-4.42%ytd); the Kruger Ci Prudential Fund by -0.42% (-4.39%ytd) while the rand denominated the Kruger Ci International Flexible Feeder Fund and declined by -1.28% (-14.08%ytd).

This document is a Minimum Disclosure Document (MDD) which contains key information about this fund. This MDD will be updated on a monthly basis. Sources: Performance sourced from Morningstar and Portfolio Analytics Consulting, for a lump sum using NAV-NAV prices with income distributions reinvested. CPI for all urban areas sourced from Factset. Asset Allocation and Top 10 holdings data compiled by Global Investment Reporting SA ("GIRSA")

Published date: 17.06.2022

[www.krugerinternational.co.za](http://www.krugerinternational.co.za)



### ABOUT THE FUND

Fund Size	R 235.0 million
Fund Launch Date	03 July 2017
Class Launch Date	(A): 3 July 2017, (G): 2 September 2019
Opening Class NAV Price	(A): 1000.00 cents per unit
Opening Class NAV Price	(G): 100.00 cents per unit
Frequency of pricing	Our daily NAV prices are published on our website and in the national newspaper

### FUND FEES

Initial Fee	Class A: 0.00%, Class G: 0.00%
Initial Advisory Fee	Maximum 3.00% (Excl VAT)
Annual Service Fee	Class A: 1.25% (Excl VAT)
Annual Service Fee	Class G: 1.35% (Excl VAT)
Annual Advisory Fee	Maximum 1.00% (Excl VAT)

### DISCLOSURES

#### FAIS Disclosure

The annual fees include a fee of up to 0.70% payable to Kruger International, a fee of up to 0.15% (Class A) or 0.25% (Class G) payable to Ci Collective Investments, and a fee up to 0.40% payable to Analytics Consulting. All fees stated are exclusive of VAT. Please note that in most cases where the financial services provider (FSP) is a related party to the fund manager, the FSP/distributor may earn additional fees other than those charged by the fund manager. A FX fee of up to 0.05% (incl. VAT) on any FX transactions may be payable to Kruger International in addition to the annual fees referred to above. Kruger International is an indirect shareholder of Ci Collective Investments. Kruger International Mauritius (KIM) is the investment advisor on the International Equity Fund and International Flexible Fund. The fund may invest in the KIM funds. KIM and SIP may earn an annual investment advisory fee of up to 1.00% on all such investments. Kruger International does not charge an annual management fee on the value of investments that are placed in the KIM funds.

#### Characteristics

The fund invests predominantly in equities with the aim to outperform the FTSE/JSE All Share Index over the long term. The fund is suitable for investors who are prepared to accept a high level of volatility in seeking long term growth. Investors in this fund should be willing to accept a higher calculated risk. This fund may invest up to 45% of the assets outside of South Africa.

#### Risk Reward Profile: High

Typically, the lower the risk, the lower the potential return and the higher the risk, the higher the potential return. There is no guarantee that returns will be higher when investing in a fund with a higher risk profile. The risk profile for this fund is rated as high, as may invest between 80% and 100% in equity securities, both locally and abroad. The risk refers only to volatility.

### RISK DEFINITIONS

#### Market Risk

Equity markets are volatile and the price of equities fluctuate based on a number of factors such as changes in the economic climate, general movements in interest rates and the political and social environment which will also affect the value of the securities held in the unit trust, thereby affecting the overall value of the unit trust.

#### Currency Risk / Foreign Exchange Risk

This risk is associated with investments that are denominated in foreign currencies. When the foreign currencies fluctuate against the South African Rand, the investments face currency gains or losses.

#### Concentration Risk

Unit Trusts pool the assets of many investors and use the proceeds to buy a portfolio of securities. There are regulations in place which limit the amount that a unit trust may invest in securities, thereby spreading the risk across securities, asset classes and companies.

#### Liquidity Risk

This relates to the ability of the unit trust to trade out of a security held in the fund at or near to its fair value. This may impact on liquidity and in the case of foreign securities, the repatriation of funds.

#### Credit Risk

Credit risk arises where an issuer of a non-equity security or a swap is unable to make interest payments or repay capital, which could result in losses to the fund.

#### Total Return Swaps Risk

The fund may invest in total return swaps. Total return swaps are unlisted instruments issued by a bank to provide the return of a specific index. The value of the instrument is directly linked to the performance of the underlying equities in the index and will fluctuate in line with daily market movements. Some of the equity exposure in the fund could be derived through total return swaps instead of physically holding the underlying equities.

#### Inflation Risk

The risk of potential loss in the purchasing power of your investment due to a general increase of consumer prices.

#### Political Risk

The risk that investment returns could suffer as a result of a country's political changes or instability in the country. Instability could come from changes in the country's government, policy makers or military.

#### Tax Risk

This risk relates to any change to tax laws or to the interpretation of existing tax laws which has an impact on the manner in which unit trusts are taxed.

#### Compliance Risk

This refers to the risk of not complying with the legislation, regulations, prescribed investment limits and internal policies and procedures by the manager or the fund manager.

This document is not intended to address the personal circumstances of any Financial Services Provider's (FSP's) client nor is it a risk analysis or examination of any client's financial needs. Collective Investment Schemes ("CIS") are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to this fund and are subject to different fees and charges. A schedule of fees and charges is available on request from Ci. Ci does not provide any guarantee either with respect to the capital or the return of the fund. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. International Investments may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. The fund may be closed from time to time in order to manage it more efficiently in accordance with its mandate. The Kruger funds are funds established and administered by Ci, and Kruger has been appointed to manage and market the funds. Kruger is an indirect shareholder of Ci. As an indirect shareholder, Kruger may earn dividends from time to time and participation in any dividends may be linked to the revenue generated by Ci from the Kruger funds, and from any other Ci funds. Ci retains full legal responsibility for this co-named fund. Additional information on the fund may be obtained, free of charge, directly from Ci. Ci is a Non-Voting (ordinary) Member of the Association for Savings & Investment SA (ASISA).

Total Expense Ratio (TER): The above TER % has been annualised and indicates the percentage of the value of the fund which was incurred as expenses relating to the administration of the fund over the rolling 3 year period or since fund inception, on an annualised basis. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER's cannot be regarded as an indication of future TER's. Transaction Cost (TC): The above TC % has been annualised and indicates the percentage of the value of the fund which was incurred as costs relating to the buying and selling of the assets underlying the fund. Transaction Costs are a necessary cost in administering the fund and impacts fund 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 fund, investment decisions of the investment manager and the TER. Total Investment Charge is the TER plus TC which indicates the percentage of the value of the fund which was incurred as costs relating to the investment of the fund. Calculations are based on actual data where possible and best estimates where actual data is not available. Performance quoted is for lump sum investment with income distributions, prior to deduction of applicable taxes, included. NAV to NAV figures have been used. The annualised return is the return of the performance period re-scaled to a period of one year. Performance is calculated for the fund and individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax.

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ISIN Number - Class A: ZAE000171849, Class G: ZAE000277059