



LANCE SOLMS
Itransact
Investment
Platform

GO GLOBAL WITH ONE SIMPLE INVESTMENT

By now, you and your clients know the story well. Invest offshore, because South Africa represents less than 1% of the world's economy.

Now that we know the why, let's examine the what, where and how.

What?

It's quite simple. Warren Buffett suggested that by investing in low-cost index tracking funds, the 'know-nothing' investors mostly outperform the 'know-everything' fund managers. A mere R100 invested ten years ago in the general equity sector would have provided the following total returns:

EQUITY GENERAL

Sector	Monetary Return
MSCI World Equity Index*	R 520
SA Mt Global Equity General**	R 390

Where?

It stands to reason that one should not only invest in global equities, but diversify across many countries, regions and additional asset classes, such as real estate and fixed income, to achieve a balanced exposure to world markets.

Using the same argument as above, one can conclude that investors would have been far better off had they invested in index tracking funds that track other asset classes such as real estate and fixed income.

REAL ESTATE

Sector	Monetary Return
MSCI World/Real Estate Index *	R 139
SA Mt Global Real Estate General **	R 125

FIXED INCOME/INTEREST BEARING

Sector	Monetary Return
FTSE World Interest Bearing Index *	R 283
SA Mt Global Interest Bearing **	R 221

How?

The easiest way to go global is to invest once-off or monthly in Itransact's range of low-cost index tracking portfolios, comprising the most efficient blend of international Exchange Traded Funds (ETFs) that track equity, real estate and fixed-income asset classes.

Owning such a portfolio exposes your rand to the performance of over 2 500 of the world's best-performing companies with one

single investment. Alternatively, you may choose to invest hard currency in Itransact's diverse range of capital-protected growth products issued by international banks rated AAA and above.

Conclusion

Low-cost multi-asset index tracking portfolios may also be linked to most investment products such as regular savings, RAs, preservation funds and living annuities – all available at Itransact.

* MSCI and FTSE are indices used to measure the performance of a sector. Itransact offers unit trust funds that track these indices for your convenience ** Measure of the average performance of all SA unit trust managers within a sector. All examples in ZAR. Data provided by Profile Data, Fund Analytics, Index Solutions, February 2020

MULTI-ASSET INDEX TRACKER FUND PORTFOLIO RETURNS (AS AT 31 DECEMBER 2019)

Discretionary Portfolios	1 Year	2 Year	3 Year	4 Year	5 Year	6 Year	7 Year	8 Year
Conservative	7,79	6,32	6,45	6,09	6,04	-	-	-
Cautious	11,62	5,88	5,81	5,59	5,93	6,52	5,78	7,01
Moderate	15,04	6,62	7,20	6,75	7,39	8,15	7,81	9,02
Growth	15,87	3,86	7,27	5,37	7,34	7,10	7,83	9,03
International	25,71	13,96	13,56	11,50	11,52	11,58	-	-
Regulation 28 Portfolios	1 Year	2 Year	3 Year	4 Year	5 Year	6 Year	7 Year	8 Year
Conservative	10,18	4,49	4,16	4,64	6,32	-	-	-
Cautious	9,77	3,49	4,16	4,64	5,64	6,11	-	-
Moderate	11,29	2,54	4,37	4,10	5,84	6,82	-	-
Growth	11,63	1,41	5,29	4,91	6,24	7,15	-	-

Performance is annualised and net of the underlying index-tracker fund fees, portfolio manager's total fees and expenses, trading costs and VAT.

itransact
Investment Platform

FREE
YOUR INVESTMENTS
FROM HIGH COSTS

OWN THE WORLD WITH ONE SIMPLE INVESTMENT

We provide financial advisors with the largest range of top performing global index tracking investment products at the lowest possible cost.

0861 432 383
www.itransact.co.za

Itransact is an authorised Financial Services Provider