



Our equity funds: how they deliver superb long-term growth



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Our equity funds are designed and managed to give our investors exceptional long-term outperformance of inflation through exposure to the best local and foreign companies that we can find. We have a team-based approach to researching companies and unearthing opportunities that meet our rigorous investment criteria. We also do not limit ourselves to companies listed in South Africa.

Our equity investment philosophy is founded in putting risk first. We look for companies that have a demonstrated sustainable competitive advantage (a moat), run by proven and aligned management and which are trading at a valuation (Margin of Safety) where we feel confident that we will be able

to preserve clients' capital over the long term. The benefits of our investment philosophy and process have the following outcomes:

- investors are unlikely to suffer permanent capital losses over the investment horizon
- investors are exposed to the best investment opportunities globally
- investors are exposed to diversified portfolios of above-average quality stocks with wide Margins of Safety

The table below explains the differences between our equity funds and the different investor needs that they fulfil.

	PSG Equity Fund	PSG SA Equity Fund	PSG Global Equity Fund
Fund objective	Provide long-term capital growth and deliver a higher rate of return than that of the South African equity market within an acceptable risk profile.	Provide long-term capital growth and deliver a higher rate of return than that of the South African equity market within an acceptable risk profile.	Outperform the average of the world's equity markets, as represented by the MSCI World Free NR USD Index (in ZAR).
Benchmark	FTSE/JSE All Share Index after costs	FTSE/JSE SWIX after costs	MSCI World Free NR USD Index (in ZAR)
ASISA category	South African - Equity - General	South African - Equity - General	Global - Equity - General
Income distribution frequency	Bi-annually	Bi-annually	This fund does not distribute
Regulatory limits	The portfolio will hold a minimum of 75% of the market value of the portfolio in equities at all times.	The portfolio will hold a minimum of 75% of the market value of the portfolio in equities at all times; 0% offshore exposure.	The portfolio will hold a minimum of 80% of the market value of the portfolio in non-South African equities at all times.
Types of instruments	A mix of securities, assets in liquid form and participatory interests in collective investment schemes or similar schemes both locally and abroad as legislation permits.	A mix of securities, assets in liquid form and participatory interests in collective investment schemes or similar schemes locally only as legislation permits.	A mix of securities, assets in liquid form and participatory interests in collective investment schemes abroad only as legislation permits.
Suggested minimum horizon	Five years or longer	Five years or longer	Five years or longer
Suitable for investors who	<ul style="list-style-type: none"> • Want an equity-focused portfolio that has outstanding growth potential • Want an equity portfolio that can invest in both domestic and foreign companies • Aim to maximise potential returns within an acceptable risk profile • Focus on a long-term investment horizon 	<ul style="list-style-type: none"> • Want an equity-focused portfolio that has outstanding growth potential • Want an equity portfolio that will only invest in equities listed in South Africa • Aim to maximise potential returns within an acceptable risk profile • Focus on a long-term investment horizon 	<ul style="list-style-type: none"> • Want an equity-focused portfolio that has outstanding growth potential • Aim to maximise potential returns within a moderate risk investment • Focus on a long-term investment horizon
Use this fund if	You want to grow your investment over the long term, keep your capital intact over periods of five years or longer, outperform inflation by the widest margin over the long term, and want exposure to PSG Asset Management's best local and global stock ideas.	You want to grow your investment over the long term, keep your capital intact over periods of five years or longer, outperform inflation by the widest margin over the long term, and want exposure to PSG Asset Management's best local stock ideas.	You want to invest in great companies listed outside South Africa, grow your investment over the long term, keep your capital intact over periods of five years or longer, outperform US inflation by the widest margin over the long term, want exposure to PSG Asset Management's best global stock ideas, and want to diversify your domestic equity exposure geographically and via other sectors.