

**CONTRACT CLEANING NATIONAL PROVIDENT FUND
FACT SHEET 30 JUNE 2022**



INVESTMENT OBJECTIVE

The Contract Cleaning National Provident Fund, a defined contribution provident fund; it was established in terms of the Pension Funds Act 1956 in November 2011 with the intention of providing retirement, death and disability benefits to its members. The primary objective of the Fund is to achieve a long-term return in excess of CPI plus 4% over a rolling five-year period.

The secondary investment objective of the Fund is to actively manage downside risk in the Fund's Investment Strategy. This will be achieved through diversification between a wide range of different asset classes, both domestic and offshore, including the use of alternative investments focused on delivering positive returns under all market conditions, as well as through the appointment of portfolio managers who actively focus on protecting the Fund's capital as well as generating good long-term returns.

The above objectives should be met while ensuring compliance with the requirements of Retirement Fund Regulations of 2008 regarding the composition of the different asset categories and in terms of the Pension Funds Act of 1956 and Regulation 28 as amended.

MARKET VALUE

	30 June 2021	30 June 2022
Portfolio	Market Value (R)	Market Value (R)
Total Fund Value	1,647,216,816	1,748,649,075

ANNUALISED FUND PERFORMANCE

	Fund	Benchmark
Quarterly	-5.50%	3.20%
6 Months	-6.50%	5.60%
1 Year	0.90%	10.50%
3 Year	7.9%*	8.6%*
5 year	8.4%*	8.5%*
Inception	10.6%*	9.1%*

FUND INFORMATION

Fund Name

The Contract Cleaning National Provident Fund

Investment Consultants

NBC Investment Consulting Services (1997/012056/07)

Administrator

NBC Fund Administrators

Fund Registration Date

November 2011

Fund Registration Number

12/8/36998

Benchmark

CPI + 4% over a rolling 5 -year period

Regulation 28 Compliant

Yes

Investment Managers

Argon SA Equity Fund
Umthombo Moderate SWIX
Prescient Flexible Bonds
Balondolozzi Bond Fund
Taquanta Core Income Fund
Futuregrowth Community Property Fund
Vunani Global Active Equity
Effectus Offshore
Pathisa High Impact Development Fund

Fund Size

R1.748Bn

Fund Type

One Size Fits All

Total Investment Cost

TIC = 0.59%

MARKET COMMENTARY

The past 12 months to 30 June 2022 have seen the late second half market rally of 2021 experience a sharp reversal during the first half of 2022. The initial rally was supported mainly by the large-scale reopening of economies following lockdowns that had been imposed following the outbreak of the Covid 19 pandemic.

The unprecedented fiscal stimulus that followed in the major economies resulted in an inflation problem which was exacerbated by the onset of the Russia Ukraine war in February 2022. This caused major supply constraints in the region and triggered a surge in commodity prices globally.

The MSCI end the 6-month period down -19.5% in Rand terms. The FTSE/JSE ALSI index also gave a negative a return of -8.8% as the gains in the Financial sector were offset by a detraction in the Industrials and Resources sectors.

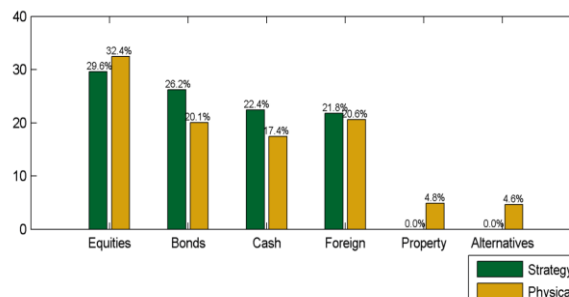
The ALBI was down 1.9% percent for the 6 months ending 30 June 2022 as foreigners were net sellers in the risk off environment. The listed property market was not spared as the FTSE/JSE Property Index was down -12.7% for the year to date.

There was some reprieve as the budget came in better than expected with a R182bn excess in collections due to the commodity price windfall. Inflation however rose up to 7.4% resulting in the SARB hiking the prime interest rate to 8.25% by end of June. The Rand weakened by 2.1% and closed at 16.3 to the US Dollar.

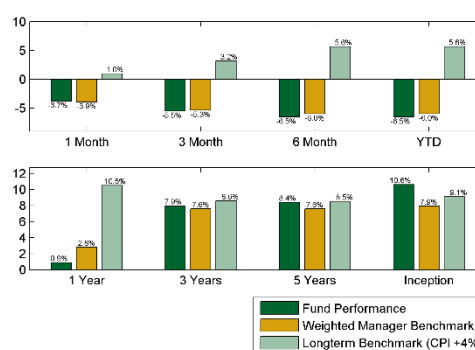
Looking ahead, we remain cautious on local and global markets as the impact of higher interest rates continues to weigh in on markets. The Russia/Ukraine war and its negative impact on global supply/demand dynamics is expected to continue over the short to medium term. Locally we also expect the markets in South Africa to remain under pressure as foreign investors pull out in a return to safe haven developed markets.

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ASSET ALLOCATION AS AT 30 JUNE 2022



FUND PERFORMANCE



FUND CUMULATIVE RETURN GRAPH

