MINIMUM DISCLOSURE DOCUMENT & GENERAL INVESTOR REPORT

HIGH STREET WEALTH WARRIORS AMC

ACTIVELY MANAGED CERTIFICATE AS OF 30 SEPTEMBER 2024 - ISSUED 09 OCTOBER 2024

FUND OBJECTIVE

The AMC aims to provide long-term capital growth using a global top-down thematic approach. Investments are identified based on their ability to advance technological innovation and change consumer behaviour.

INVESTOR SUITABILITY

The AMC is suitable for retail and institutional investors seeking higher long-term returns while being able to endure periods of elevated volatility. It is not suitable for investors seeking capital preservation or those with a short timeframe. An investment horizon of 5+ years is recommended.

LOW 6 HIGH

AGGRESSIVE RISK PROFILE

ANNUALISED RETURNS (NET OF FEES)		
	HIGH STREET	BENCHMARK
Since inception (CAGR)	AVAILABLE NOVEMBER 2024	
5 years		
3 years		
1 year		
Highest rolling 1-year return		
Lowest rolling 1-year return		

TOP 10 HOLDINGS

Advanced Micro Devices	Marvell Technology
Alphabet	Meta Platforms
Amazon	Microsoft
ASML	NVIDIA
CrowdStrike	Palo Alto

ASSET ALLOCATION

CURRENCY ALLOCATION

ILLUSTRATIVE PERFORMANCE (NET OF FEES)*

AVAILABLE NOVEMBER 2024

PRODUCT DETAILS

Investment Manager
High Street Asset Management (Pty) Ltd (FSP No: 45210)

Note Provider
The Standard Bank of South Africa Limited

Product Classification
Actively Managed Certificate

Base Currency
ZAR

ISIN
ZAE000327896

Inception Date
2 October 2023

Notes in Issue per Month End
1 468

Note Price (NAV) at Month End
R1 311.5

Product NAV
R1 925 282

Fees
TER: 1.1%

Minimum Investment
R1 311.5

Bid-Offer Spread (Indicative)
0.5%

Income Distribution
None

Recommended Time Horizon
5+ years

*The investment performance is for illustrative purposes only. The investment performance is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown and income is reinvested on the reinvestment date.

FEES AS OF 1 November 2023

Initial/Exit Fee
None

Annual Management Fee
0.75%

Annual Performance Fee
None

Administrative Fee (Standard Bank)
0.35%

Total Expense Ratio (TER)
1.1%

Brokerage cost
0.15%

RISK METRICS*		
	HIGH STREET	BENCHMARK
Annualised Std. Deviation	N/A	
Sharpe Ratio		
Sortino Ratio		
Maximum Drawdown		
Time to Recover (months)		
Positive Months		
Tracking Error		
Information Ratio		

**Available after 1-year performance (November 2024)*

QUARTERLY COMMENTARY AS AT 30 SEPTEMBER 2024

Equity markets maintained their upward momentum in September, fuelled by robust corporate earnings and significant developments in U.S. monetary policy. The Federal Reserve initiated its much-anticipated rate-cutting cycle, reducing benchmark rates by half a percentage point as inflation continued to moderate and the labour market exhibited early signs of cooling.

When considering the quarter as a whole, despite strong gains in August, a weaker performance in July resulted in a -5.08% quarterly return, stemming primarily from the Rand gaining 5.4% during the period. Broad sector rotation was seen in the quarter, as evidenced in the Russell 1000 Value Index's 9.4% return versus the Russell 1000 Growth Index's 3.2%. Three of the Product's smaller positions were exited during the quarter due to slowing growth rates, those being meal kit company HelloFresh, video game developer Take-Two, and game development engine Unity.

Second quarter earnings have likely been the main driver of share prices during the period, as good operations were reflected in financial results. Companies within the S&P 500 grew earnings 11.3% year-over-year on average, with 80% of them beating analyst expectations. Some key highlights for companies within Wealth Warriors are listed below:

- Cybersecurity company CrowdStrike plunged over 30% in a single week in July after a faulty software update caused millions of Microsoft devices to crash in what was potentially the largest IT outage in history. While the company was quick to identify and rectify the issue, the widespread disruption is estimated to have caused over $5bn dollars in damage. However, we were impressed by the company's rapid response and maintained our conviction that the global leader in endpoint security would be able to recover. Although it is still down from its highs, it has been positive to see that share price is already up 34% from the lows seen in early August.

- eCommerce platform Shopify jumped 18% after reporting results that nicely beat expectations. Gross Merchandise Volume increased 22% to $67.2bn, with management highlighting the strength of the merchants on their platform as well as the consumer. The company has also managed to improve profitability strongly since the disposal of their logistics business last year. Gross margin increased by almost two percentage points to 51%, while their free cash flow (FCF) margin more than doubled to 16%. Guidance for the next quarter was also positive, with management expecting low-to-mid twenties revenue growth and a FCF margin similar to what they achieved in Q2.

- Enterprise software company Salesforce reported a robust set of results, beating expectations for earnings and revenue as they grew the top line 8.5% over last year. Although conservative guidance for the upcoming quarter weighed on the share price, the company is making strong progress on monetising artificial intelligence across its customer base, signing 1,500 AI deals in Q2 and positioning itself well for future growth.

- Nvidia reported yet another set of impressive results as revenue grew 122%, driven by consistent demand for its AI and data centre chips. Net income more than doubled to $16.6 billion, with AI processors accounting for 88% of total sales. The company exceeded market expectations with its guidance for the upcoming quarter and is preparing for the release of its next-generation AI chip, Blackwell, which is expected to contribute several billion dollars in revenue in Q4. Additionally, management announced a $50 billion share buyback program, underscoring their confidence in Nvidia's growth prospects.

Looking ahead to the final quarter of the year, conditions remain constructive for equity markets underpinned by solid corporate earnings and supportive monetary policy. Companies have continued to demonstrate solid operational strength, and this trend is expected to persist. FactSet report that earnings for the S&P 500 are forecast to grow 11.3% in 2024 and by a further 14.4% in 2025. Although volatility may persist due to heightened geopolitical tensions in the Middle East and uncertainty surrounding the upcoming US presidential elections, we will continue to focus on the fundamentals that drive long-term growth.

Ross Beckley, CFA
Portfolio Manager

Charlie de La Pasture, CFA Lead Analyst

DISCLAIMER

This AMC is issued by Standard Bank. As a result investors in this product are exposed to Standard Bank credit risk.

Source for all data is Bloomberg Finance L.P. All performance is presented net of fees.

Periods greater than 1 year reflect an annualised performance figure (see regulatory statement for definition).

Performance is based on daily recurring investment. No income distributions are made – all investment income is re-invested.

Performance is based on monthly closing NAV figures.

Past performance is not indicative of future performance.

Actual annual figures are available upon request.

WHY IS THIS PRODUCT IN CATEGORY 6?

- It is based on historical data and thus may not be a reliable indication of the future risk profile of the Product.
- The indicated risk category is not guaranteed to remain unchanged and may shift over time.
- The indicator is designed to help investors understand the uncertainties both for loss and for growth that may affect their investment. In this context, the lowest category does not mean a "risk free" investment.
- The Product is classified in this category indicated above due to the past behavior of its target asset mix.
- The Product does not provide its investors with any guarantee on performance, nor on the monies invested in it.

In addition to the risk captured by the indicator, the overall Product value may be considerably affected by:

Currency Risk – the Product may be exposed to currency risk in relation to the valuation of assets held in currencies other than ZAR.

Market Risk – the Product invests in shares of companies, and the value of these shares can be negatively affected by changes in the company or its industry or the economy in which it operates.

Additionally, the Product's fixed income investments may be exposed to the following risks:

Credit Risk – the risk that a borrower will not honour its obligations and this will result in losses for the investor.

Liquidity Risk – the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss.

Interest Rate Risk – the Product will, when valuations warrant, buy assets with long maturity dates. In the event of rising interest rates the purchase of these assets can result in capital losses.

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DISCLOSURE ON PRICING PLACING DOCUMENT OR PRICING SUPPLEMENT

The placing document or pricing supplement includes the detailed information pertaining to this AMC and investors must ensure that the factsheet is read in conjunction with the placing document or pricing supplement.