



PORTFOLIO OBJECTIVE

To achieve consistent risk-adjusted returns through investing in high-yielding listed instruments. For equity and listed property holdings, total yield comprises the cash returned to shareholders from dividends and the yield due to stock repurchases.

INVESTOR SUITABILITY

The product is suitable for retail investors seeking capital gains through exposure to high-yielding assets. An investment horizon of 5+ years is recommended.

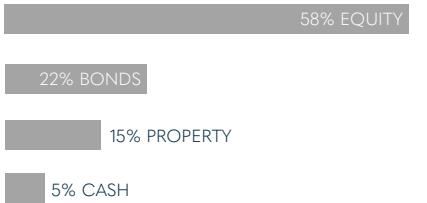


ANNUALISED RETURNS (NET OF FEES)		
	HIGH STREET	BENCHMARK
Since inception (CAGR)	9.95%	14.30%
5 years	N/A	N/A
3 years	N/A	N/A
1 year	3.46%	9.18%
Highest rolling 1-year return	26.47%	25.13%
Lowest rolling 1-year return	3.46%	9.18%
CUMULATIVE PERFORMANCE		
3 Months	1.03%	2.93%

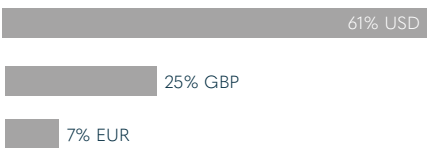
TOP 10 HOLDINGS

AbbVie	Lowe's
Alphabet	S&P Global
Apple	Sirius Real Estate
iShares 5-10 Year Investment Grade Corporate Bond ETF	UniCredit
iShares 7-10 Year USD Treasury Bond UCITS ETF	Visa

ASSET ALLOCATION



TOP 3 CURRENCY ALLOCATION



ILLUSTRATIVE PERFORMANCE (NET OF FEES)*



Source: Standard Bank, 28/02/2025
Benchmark: 60% Equity (MSCI ACWI Index ZAR), 20% Property (EPRA/NAREIT Developed Index ZAR), 15% Bonds (Bloomberg Global Aggregate Index ZAR) (5% Cash (Stefi)

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
ZAE000316667

Inception Date
1 December 2022

Notes in Issue per Month End
21,307

Note Price (NAV) at Month End
R1 261.70

Product NAV
R26 883 042

Fees
TER: 1.1%

Minimum Investment
R1 261.70

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 January 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	12.94%	13.28%
Sharpe Ratio	0.45	0.77
Sortino Ratio	0.72	1.37
Maximum Drawdown	-9.50%	-7.95%
Time to Recover (months)	5	3
Positive Months	63%	63%
Tracking Error	5.45%	-
Information Ratio	-0.80	-

QUARTERLY COMMENTARY AS AT 31 DECEMBER 2024

All returns are in ZAR unless stated otherwise.

The Product gained 7.3% for the year, while the Rand depreciated by 2.6%. For the quarter ending 31 December 2024, the Product returned 2.8%, whereas the Rand depreciated by 8.4%.

The strategy of the Product is to invest in high-yielding listed instruments. For equity holdings, total yield consists of cash returned to shareholders through dividends and stock buybacks. For fixed income, yield refers to the coupons received. At year-end, the Product's total yield was 4.5%, above the minimum threshold of 3%.

Within the Product, key equity holdings that outperformed include:

Morgan Stanley - the multinational American investment bank had a total return of 44.6% in 2024. The bank's share price surged in Q4 following the results of the US presidential election. The Trump administration's proposed shift toward deregulation in the financial sector provided impetus during the quarter, contributing to the company's outperformance for the year. Morgan Stanley's well-capitalised balance sheet, with a CET1 ratio of 15.1%, substantially greater than the required minimum of 4.5%, enables the bank to return capital to shareholders through dividends and buybacks. This is reflected in the company's forward total yield of 5.2%, which, combined with robust fundamentals and favourable regulatory tailwinds, reinforces our confidence in the company heading into 2025.

Despite entering 2024 under regulatory pressure from antitrust authorities as well as scepticism from investors regarding its competitiveness in artificial intelligence (AI), Alphabet, the parent company of Google, emerged as the top-performing Big Tech company within the Product. It delivered a total return of 40.7%. Advances in its large language model Gemini, as well as progress in its self-driving car unit, Waymo, helped regain investor confidence. In December, they also announced a breakthrough quantum computing processor called 'Willow,' which fuelled an end-of-year rally. The company currently has a forward total yield of around 4%, in line with the Product's mandate.

British American Tobacco was another standout performer, achieving a total return of 39.3% after a poor 2023 performance. The growth in revenue from its reduced-risk products helped drive returns throughout the year. The company's New Categories segment accounts for over 15% of total revenue, with the goal of becoming a predominantly 'smokeless' business by 2035. Additionally, the company re-initiated its buyback programme after a partial sale of its stake in Indian conglomerate ITC earlier in the year. The company's buyback programme, alongside its dividends, offers a forward total yield of 8.3% at year-end.

During the quarter, the Product's equity holdings underwent changes, including the exit of Elevance, an American health insurance provider, and an increase in the position of its larger counterpart, UnitedHealth. We believe that Elevance's significant exposure to Medicaid will be a material overhang for an extended period.

Medicaid has faced significant regulatory scrutiny as the government seeks to reduce its budget deficit. Despite having some exposure to Medicaid, we believe that UnitedHealth is better equipped to deal with these pressures as the US' largest health insurer, thanks to its size and diversified operations.

In fixed income, central banks worldwide began implementing rate-cutting cycles. Despite the Fed reducing the key lending rate by 50 basis points in September, Treasury yields climbed higher, as market participants' belief that inflation had been tamed started to falter. This led to the fixed income asset class underperforming across developed markets for the year.

We initiated positions in the iShares USD Treasury Bond 7-10 Year ETF during the quarter. We believe US Treasury yields at these decade-high levels present an attractive opportunity and add diversification. The average yield-to-maturity for the ETF is 4.6%.



QUARTERLY COMMENTARY AS AT 31 DECEMBER 2024

The property holdings further underperformed during the year due to broad industry challenges as the rate-sensitive sector grappled with overly optimistic expectations of rate cuts early in the year, followed by downward revisions that dampened investor sentiment. Property values also took longer than anticipated to bottom out, while political uncertainties in Europe further weighed on the sector, driving long-term rates higher.

During the quarter, we exited the position in Dream Industrial Real Estate and initiated positions in Alexandria Real Estate and Primary Health Properties (PHP). Alexandria possesses properties in US regions such as Boston and New York City that have tenants across the life-sciences sector, ranging from multinational pharmaceuticals to private biotechnology companies. The company has been growing its dividend for more than a decade, with its dividend yield at 5.5% at year-end. PHP is a UK-based healthcare REIT that has just under 90% of its rent roll consisting of rent from the UK government, adding a defensive element to the portfolio, with its dividend yield standing at 7.4%.

Looking ahead to 2025, US equity valuations are under scrutiny alongside monetary and fiscal policy. The Product's value bias and mandate of investing in quality, global companies can provide investors with diversification across styles and regions. By focusing on companies with high total yields and strong fundamentals, the Product offers investors the potential for long-term compounding shareholder returns.



Murray Stewart
Head of Structured Products



Chris Brownlee, CFA
Research 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 4?

- 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.