Global Sustainable Growth Fund

Fund Factsheet | 31st December 2021

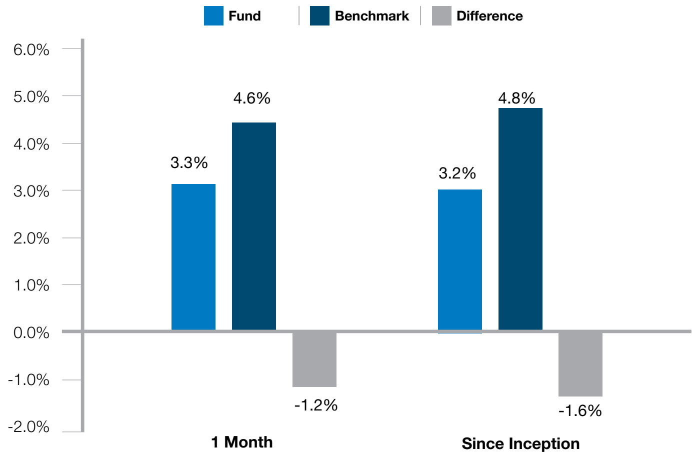
Fund Objective

The fund aims to provide capital growth by investing in equities of companies worldwide which meet the investment manager's sustainability criteria.

Why Choose This Fund?

This fund is suitable for the investor who wishes to achieve long-term capital growth and has a high-risk appetite.

Performance



The Bifm Global Sustainable Growth Fund returned 3.20% over the last two months of 2021, however underperforming the benchmark (MSCI All Country World Index) return of 4.78% by 1.58%.

Global equities declined in November but ended the year strongly as investors focused on economic resilience and robust corporate earnings, outweighing concerns over the Omicron variant. As a result, the fund posted a positive return but underperformed the benchmark MSCI All Country World.

Performance Commentary

Stock selection was negative overall in the fourth quarter, particularly in information technology, financials and consumer discretionary. However, our positions in healthcare, communication services and industrials added value. By region, our positions in Japan and the UK made the biggest contributions to gains. Conversely, our holdings in Pacific ex. Japan and Continental Europe detracted during the quarter. – Our underweight position in North America was also a drag, with index performance concentrated in a handful of high-growth tech names in Q4.

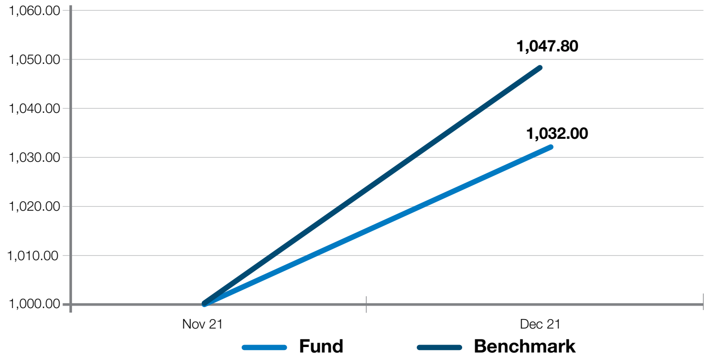
Many of the themes that drove markets during the fourth quarter persisted throughout the year. Positive earnings drove the markets higher as companies were able to offset inflationary pressures. From a thematic perspective, the companies that were geared to benefit from a global re-opening benefited most at the start of the year. These were mostly the companies that had previously lagged in performance during the early stages of the pandemic. During the second half of the year, the US market led in performance, driven by the strength of the large technology stocks that continued to churn strong earnings.

These gains were, however, challenged by record-high inflation from elevated energy prices, and supply chain bottlenecks which put pressure on margins, and the Omicron variant of Covid-19 which emerged towards the end of the year.

However, the year as a whole was positively viewed, boosted by vaccine rollouts, easy monetary policy, and continued fiscal policy. Emerging Markets, recording a decline of 1.68% lagged their Developed Markets counterparts. The USA, was the best performing market, returning 9.71% over the quarter while Europe rallied by 7.36%. Emerging markets were subdued by a relatively strong dollar, high Covid-19 infection rates and low vaccine rollouts and a sharp selloff in Chinese technology giants due to increased regulation within the technology sector and solvency concerns relating to some of the property developers

The views in this report are those of Bifm's long-term offshore investment partner.

Cumulative Returns (BWP)



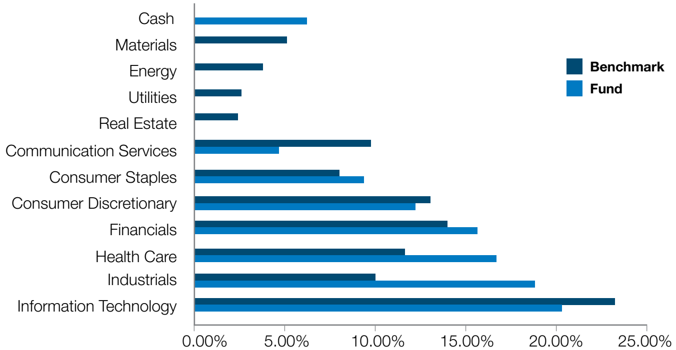
Market Outlook

While developed markets are poised for growth in 2022, emerging markets will continue to face challenges related to slower vaccine rollouts, a stronger USD, and regulatory challenges in China.

Concerns remain over rising inflation, global supply chain problems, high energy prices and the changing regulatory environment in some countries. – However, the recovery in the global economy has been impressive both in terms of its speed and quantum. Progress in the roll-out of Covid-19 vaccines has been instrumental in this, buoying confidence and providing the platform for recovery in both industrial activity and personal consumption. – The outlook for 2022 is mixed, with fiscal and monetary tightening likely to dampen the ongoing recovery. Given the nature of our approach, we remain tilted towards quality and are focusing on stock-picking. We remain conscious of inflation and interest rate risk in the portfolio and are managing our positions accordingly.

Energy prices are likely to remain elevated due to the demand for oil and gas, and tight and shrinking supply as governments encourage cleaner energy and less funds are allocated to oil and gas exploration. The focus, during such inflationary periods, should be on those companies with product differentiation and thus pricing power, that can protect their margins amid higher input costs and rising wages.

Sector Allocation



Quick Facts

Fund Information

Fund Manager

The fund invests up to 100% of its assets in a strategy managed by Bifm's offshore investment partner - Schroders Asset Management.

Benchmark:	**MSCI ACWI**
Launch Date:	**Nov 2021**
Minimum Investment:	**P5000 lump sum** **P1000 debit order**
Fund Size:	**BWP22,435,906.84**

Fees

Initial Fund Fee:	**0%**
Annual Management Fee:	**2%**

Fees are shown excluding VAT

Risk Profile

Low	Low-Med	Med	Med-high	High
				●

Contact Details

Trustees and Custodians
Stanbic Bank Botswana
Private Bag 00168
Gaborone

Physical Address

Bifm Unit Trusts (Pty) Ltd
Plot 66458, Fairgrounds Office Park
Gaborone, Botswana

Postal Address

Private Bag BR185, Broadhurst
Gaborone, Botswana

T: +(267) 395 1564
F: +(267) 390 0358
E: retailservices@bifm.co.bw

The views in this report are those of offshore managers appointed by Bifm.