



LAMS Active ALBI Fact Sheet

30 June 2024

Investment Philosophy

LEGACY AFRICA Multi-Strategies employs a style agnostic investment philosophy. We believe that market labels or definitions are immaterial, ambiguous, and not unique. Instead, we consider every investment on its own merit and analysts spend a considerable amount of time investigating appropriate valuation techniques for each security. While we are long-term fundamental investors, our decision-making tools aim to take advantage of any market inefficiencies by analyzing the difference between the current market price and the distribution of intrinsic value. Our investment team has researched investment styles extensively and we have contributed to international financial journals on the topic of investment styles.

Fund Objective

The primary objective of this fund is to target returns of at least 75 basis points per annum in excess of the performance of the benchmark over a rolling 3-year period while maintaining a relative duration of not more than 3 years. To achieve this objective, the portfolio invests in selected fixed interest and money market instruments with varying duration and in yield enhancing securities with appropriate risk ratings. The portfolio complies with all prudential requirements of the credit risk regulations as prescribed in the Collective Investment Schemes Control Act for non-equity securities as well as regulation 28 of the Pension Fund Act.

Mandate description	Macro-economic analysis	Yield-curve analysis	Stock Selection	Portfolio construction
<ul style="list-style-type: none"> Establish benchmark Identify investment universe Objectives, restrictions, liquidity requirements, other 	<ul style="list-style-type: none"> To infer optimal duration Current economic, financial and investment environment Fair value assessment Nominal vs floating vs inflation-linked vs cash 	<ul style="list-style-type: none"> Shape of the yield curve Where is value on the term structure What happens when the yield curve normalizes 	<ul style="list-style-type: none"> Proprietary screening tool Sensitivity analysis 	<ul style="list-style-type: none"> Maximize expected return measures: running yield, IRR, SYTM Subject to mandate restrictions Minimize risk: duration, interest rate moves, downside risk Absolute and relative to benchmark

Investment Universe

- Money market instruments as defined in the Collective Investment Scheme Control Act of 2002 (CISCA) including
 - Listed nominal bonds including
 - ▶ Callable bonds
 - ▶ Puttable bonds
 - Listed inflation-linked bonds
 - Other non-standard interest-bearing instruments
 - ▶ Credit-linked notes
 - ▶ Floating-rate notes
- Taking into account mandate-specific restrictions

Active Rolling 36-months Returns



Source: Maitland, Iress, LAMS Research

Performance

Non-overlapping Periods Returns

Period	Active ALBI Fund	ALBI	Alpha
2024 (YTD)	5,96%	5,49%	0,47%
2023	10,30%	9,69%	0,60%
2022	8,24%	4,26%	3,99%
2021	10,14%	8,50%	1,64%
2020	10,41%	8,65%	1,75%
2019	11,16%	10,32%	0,84%
2018	9,91%	7,69%	2,23%
2017	12,39%	10,22%	2,17%
2016	15,87%	15,45%	0,42%
2015	-1,81%	-3,93%	2,12%
2014	11,00%	10,15%	0,85%

Source: Maitland, Iress, LAMS Research

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