

# OASIS CRESCENT



MANAGEMENT COMPANY LIMITED

## OASIS COLLECTIVE INVESTMENT SCHEME

### KEY INVESTOR INFORMATION

#### OASIS CRESCENT INTERNATIONAL FEEDER FUND

#### 1ST QUARTER 2018

Investment Manager	Adam Ebrahim	Min. Monthly Investment	R 500
Launch Date	28 September 2001	Min. Lump - Sum Investment	R 2,000
Risk Profile	Medium to High	Fund Size	R 1.6 billion
Benchmark	Average Shari'ah Global Equity Peer Group in ZAR	Total Expense Ratio Class D	1.68%
Fund Classification	Global Equity-General	Distribution	0.1090 cent per unit
		Distribution Period	Semi - Annual

#### Investment Objective and Policy

The Oasis Crescent International Feeder Fund is a Shari'ah compliant rand denominated global general equity fund that invests in the Oasis Crescent Global Equity Fund. Hence, the assets of the portfolio are largely held by the offshore fund, which invests in various global equity instruments that are listed on international stock exchanges. The primary objective of this investment product is to achieve medium to long-term growth in US dollars.

The Oasis Crescent Global Equity Fund is a top-performing Shari'ah compliant global mutual fund that forms part of the Oasis Group's global product range. The operations of the fund management company are based in Dublin (Ireland) and it satisfies the stringent requirements of the European Union's Undertaking for Collective Investments in Transferable Securities.

*This document constitutes the minimum disclosure document and quarterly general investor's report*

## Cumulative Returns

Cumulative Performance	(Oct-Dec) 2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD Mar 2018	Return Since Inception	
																			Cum	Ann
Oasis Crescent International Feeder Fund	40.7	(22.6)	2.2	(1.0)	22.8	37.4	4.9	(15.1)	4.2	(5.9)	15.5	14.1	51.7	15.8	29.1	(9.8)	(0.6)	(6.3)	306.8	8.9
Average Shari'ah Global Equity Peer Group in ZAR	48.4	(44.2)	(4.1)	(7.4)	20.1	29.1	11.3	(14.2)	(1.6)	(3.2)	11.9	12.3	38.6	12.1	28.9	(7.1)	9.6	(4.8)	153.2	5.8

Performance (% returns) in Rand, net of fees, gross of non permissible income of the Oasis Crescent International Feeder Fund since inception to 31 March 2018 (Source: Oasis Research using Morningstar Direct)

Annual returns for every year since inception are reported in this table and the highest and lowest annual returns are disclosed.

## Annualised Returns

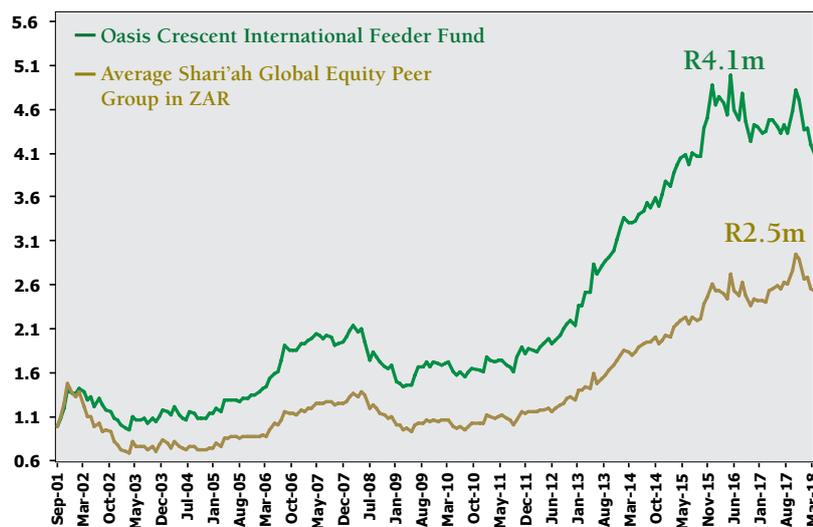
Annualised Returns	% Growth 1 year	% Growth 3 years	% Growth 5 years	% Growth 7 years	% Growth 10 years	Return Since Inception
						Annualised
Oasis Crescent International Feeder Fund	(8.7)	1.1	10.2	13.1	6.7	8.9
Average Shari'ah Global Equity Peer Group in ZAR	0.4	5.5	11.8	12.6	6.3	5.8

Performance (% returns) in Rand, net of fees, gross of non permissible income of the Oasis Crescent International Feeder Fund since inception to 31 March 2018 (Source: Oasis Research using Morningstar Direct)

Annualised return represents the compound growth rate of the fund over the respective period and calculated in accordance with Global Investment Performance Standards.

## Investment Performance

Rands (Million)



(Source: Oasis Research; Peer Group using Morningstar Direct)

R1m invested at inception would be worth R4.1m at present.

## Investment Manager Commentary

The global economy entered 2018 with a synchronised upswing firmly underway, driven by improving manufacturing output, trade volumes and commodity prices. In January 2018, the IMF upgraded its forecasts further and now expects global economic growth to firm to 3.9% in both 2018 and 2019, after 3.6% in 2017, a pace comfortably above the 3.2% recorded in 2016, when there were widespread concerns over secular economic stagnation. The synchronised global economic upswing has led to narrower output gaps and, together with higher oil prices, has provided the basis for reflation. However, inflation increases have remained measured suggesting some economic 'slack' is still prevalent in key economies. From 0.8% in 2016, the IMF projects inflation in Developed Markets will average 1.7% in 2018 and 2.1% in 2019, in line with most central bank's target levels.

Against the backdrop of US economic upswing, the Federal Reserve has raised the Funds Rate six times since December 2015, each by +25 basis points, to reach 1.75% in March 2018. The improving job market has supported growth in disposable income and helped underpin consumer spending. A series of tax cuts have been implemented with a view of boosting investment and employment. As things stand, the plans are unfunded and will over the long-term add significantly to the fiscal deficit.

The global economy faces a number of key risks. Most importantly, the normalisation of monetary policy in developed markets, in particular the US, may cause a faster than expected tightening of global financial conditions, which could impact market valuations and increase market volatility. Steps by President Trump to add tariffs on steel and aluminum imports has led to corresponding steps by the Chinese authorities, leading to fears of an escalating 'tit-for-tat' trade war. Finally, China's high level of corporate indebtedness and lack of transparency on local government balance sheets also poses a key risk to the domestic economy and, by extension, the global economy too.

Global Equity markets extended their strong run into January 2018 supported by the global macro recovery and higher earnings expectations in the US post the tax reforms. The momentum was disrupted in February and market volatility has risen sharply as investors fret over the impact of the US Fed rate hike cycle on inflation and funding costs, increasing risk of a trade war emanating from the imposition of the trade tariffs by the US and more recently the threat of regulation on the mega-tech companies. Despite the recent contraction, most global indices are still trading at close to the long term average on key valuation metrics, driven by technology stocks. With increasing volatility and geo-political risks, we believe some caution is warranted and stock picking will be even more critical to generate long term value. During uncertain times, the market is likely to draw greater distinction between low and high quality companies which should play out favourably for our portfolio positioning.

Since inception of the Oasis Crescent Global Equity fund, we have constantly maintained a Beta less than that of the DJIM, illustrating that the fund's market-related risk has been kept low. The portfolio offers significantly higher sustainable Return on Equity than the DJIM while trading at substantially discounted valuations across most metrics. In addition to our portfolio's attractive valuations, a considerable number of companies are involved in share buybacks, which implies that a change in sentiment from growth to value could result in significant upside opportunity for the portfolio. The companies in our portfolio have strong balance sheets which should provide downside protection in a normalizing interest rate environment while strong free cash flow yields should allow for value enhancing opportunities to be pursued. Our companies have a proven track record of delivering superior returns throughout the cycle, but are still trading at a significant discount to the market. We are confident that our portfolio is well positioned to provide superior performance for our clients over the long-term while taking on relatively lower risk.

Geographic Split		
Region	OCGEF%	DJIM%
USA	58	62
Europe	26	14
ROW	13	16
Japan	3	8
Total	100	100

Geographic split of the Oasis Crescent Global Equity Fund and Dow Jones Islamic Market World Index (31 March 2018). (Source: Oasis Research using Bloomberg)

Sector	OCGEF%	DJIM%
Technology	25	28
Healthcare	23	16
Communications	16	1
Consumer, Cyclical	14	9
Energy	7	5
Consumer, Non-Cyclical	5	14
Industrial	5	16
Basic Materials	4	7
Financials	1	3
Utilities	0	1
Total	100	100

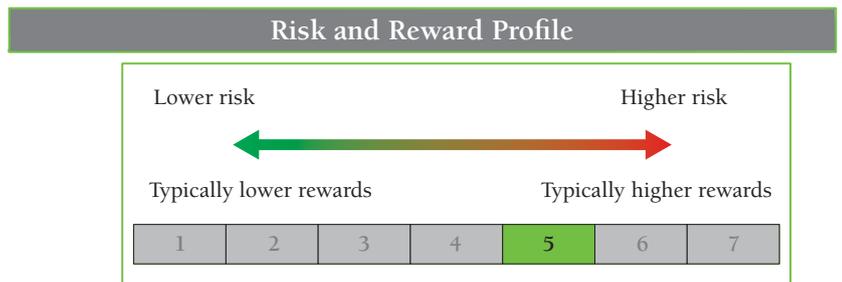
Sectoral split of the Oasis Crescent Global Equity Fund and Dow Jones Islamic Market World Index (31 March 2018) (Source: Oasis Research using Bloomberg)

Risk Analysis		
Risk Analysis	Sharpe	Sortino
	Ratio	Ratio
Oasis Crescent International Feeder Fund	0.1	0.1
Average Shari'ah Global Equity Peer Group in ZAR	(0.1)	(0.1)

Calculated net of fees, gross of non permissible income of the Oasis Crescent International Feeder Fund since inception to 31 March 2018 (Source: Oasis Research using Bloomberg and I-Net Bridge)

Distribution		
Distribution	Sep-17	Mar-18
Oasis Crescent International Feeder Fund	0.00	0.1090

Distribution (cents per unit), of the Oasis Crescent International Feeder Fund over the past two semi-annual periods. (Source: Oasis)



The risk and reward indicator:

- The above risk number is based on the rate at which the value of the Fund has moved up and down in the past
- The above indicator is based on historical data and may not be a reliable indication of the risk profile of the Fund
- The risk and reward category shown is not guaranteed and may shift over time
- The lowest category does not mean 'risk free'

**The Fund may also be exposed to risks which the risk number does not adequately capture. These may include:**

- The value of stock market investments, and the income from them, will fluctuate. This will cause the Fund price to fall as well as rise and you may not get back the original amount you invested
- Any investment in international companies means that currency exchange rate fluctuations will have an impact on the Fund
- The Fund invests in a variety of geographic regions and countries. It is therefore exposed to the market sentiment of that specific geographic region or country. This level of diversification is appropriate to deliver on our objective to generate real returns at a lower volatility for our clients over the long term.

## Fees and Charges\*

Fee Type	Financial Advisor	Administrator	Investment Manager
Initial	Maximum 3% deducted prior to each investment being made. Where the initial financial advisor fee is greater than 1.5% then the ongoing financial advisor fee is limited to 0.5%.	No charge	No charge
Ongoing	Maximum 1% per annum of the investment account. Where the ongoing financial advisor fee is greater than 0.5% then the initial financial advisor fee is limited to 1.5%.	0%	0%

\* Excluding VAT. No performance fees.

## Total Expense Ratio

Class D of the portfolio has a Total Expense Ratio (TER) of 1.68% for the period from 1 January 2015 to 31 December 2017. 1.68% of the average Net Asset Value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The ratio does not include transaction costs. Transaction cost was 0.00%.

Total Expense Ratio	1.68%	Service Fees	-	Performance Fees	-	Other Costs	1.68%	VAT	0.00%
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Class D: performance fees are payable in the case of outperformance of the underlying portfolio, relative to its benchmark. Performance is calculated for the portfolio, and individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The sharing ratio of the performance fee is 20% of the outperformance, and the total fees are capped at 3%. This fee is calculated and accrued daily, based on the daily market value of the Investment Portfolio, and paid to the Investment Manager on a monthly basis. Note that while the manager is able to charge performance fees, no such fee is charged at this time. Should the manager decide to charge a performance fee at any time in the future, this will be communicated to investors in accordance with prevailing rules and regulations.

## Disclaimer

This document is the Minimum Disclosure Document in terms of BN92 of 2014 of the Collective Investment Schemes Control Act, 2002 and also serves as a fund fact sheet. Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future.

Different classes of units apply to some of the Oasis Funds, which are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available from the management company on request. Commission and incentives may be paid and if so, would be included in the overall costs. CIS are traded at ruling prices and forward pricing is used. CIS can engage in borrowing and scrip lending. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. No guarantee is provided with respect to capital or return.

Portfolios are valued at 15h00 daily. All necessary documentation must be received before 10h00. CIS are calculated on a net asset value basis which is the total value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio which may include brokerage, commissions, STT, auditor's fees, bank charges, trustee and custodian fees. CIS prices are available daily on [www.oasiscrest.com](http://www.oasiscrest.com).

The manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Oasis is a member of the Association for Savings and Investment SA. The above portfolio performance is calculated on a NAV to NAV basis and does not take initial fees into account. Income is reinvested on the ex dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Figures quoted are from Micropal and I Net Bridge for the period ending 31 March 2018 for a lump sum investment using NAV-NAV prices with income distributions reinvested.

A feeder fund, that a feeder fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charges and which could result in a higher fee structure for the feeder fund. All information and opinions provided are of a general nature and the document contains no express or implied recommendation, warranty, guidance, advice or proposal that the product is appropriate to the investment objectives, financial situation or needs of any individual or entity.

Oasis Crescent Management Company Ltd. is registered and approved in terms of the Collective Investment Schemes Control Act, 2002. Investment performance is for illustrative purposes only and is calculated by taking the actual initial fees and all ongoing fees into account for the amount shown and the income is reinvested on the reinvestment date. The manager has a right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. This Minimum Disclosure Document is published quarterly. Additional investment information (including brochures, application forms, annual and half-yearly reports) can be obtained free of charge from Oasis. Oasis Crescent Capital (Pty) Ltd. is the investment management company of the manager and is authorized under the Financial Advisory and Intermediary Services Act, 2002 (Act No.37 of 2002). Data are sourced from Oasis Research using I-Net Bridge (31 March 2018). Kindly note that this is not the full Terms and Conditions. To view the latest Terms and Conditions please visit [www.oasiscrest.com](http://www.oasiscrest.com).

GIPS compliant & verified

## PROTECTING AND GROWING YOUR WEALTH

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