Melville Douglas Global Growth Fund Limited
USD Global Growth Class

MelvilleDouglas
A Member of Standard Bank Group

Fund information update at 31 March 2023

What is the fund's objective?

The objective of the Class Fund is to provide long-term capital growth in US Dollar terms by investing in a balanced portfolio of globally diversified equity, fixed income and cash.

What does the fund invest in?

The Class Fund invests in a well-diversified portfolio comprising quoted global equities, global fixed income securities including government and corporate bonds and money market instruments which will maximise investment returns in USD.

What possible risks are associated with this fund?

The risk rating seen below is designed to give an indication of the level of risk, measured by volatility, associated with this specific portfolio. In order to arrive at the specific risk rating of the portfolio in question, Melville Douglas measures the volatility of the fund, in the form of standard deviation, over a three year rolling period, and compares the result to internal risk parameters. Please note that these risk ratings are designed as a guide only.

Risk rating				
Conservative	Moderately conservative	Moderate	Moderately aggressive	**Aggressive**

What is the suggested investment period for this fund?

Minimum period					
1 Month	6 Months	1 Year	3 Years	**5 Years**	7 Years

Who should consider investing in this fund?

The fund is suitable for investors with above average risk profiles given the benchmark of 65% Global Equity and 35% Global Fixed Income. The risk in the fund is balanced through active asset allocation between equity, fixed income and interest bearing money market securities.

Income

Distribution Income available for distribution attributable to the Class Fund shall be accumulated and not distributed to Shareholders.

General fund information

Manager(s) Bernard Drotschie, Karl Holden and Derinia Mathura

Size (NAV) $ 205.38 million

Peer group EAA Fund USD Flexible Allocation

Benchmark MSCI ACWI 65%
JPM Global Agg Bond TR 35%

Section 65 Approved

This Class Fund is approved for sale in South Africa under Section 65 of the Collective Investment Schemes Control Act, 2002 (CISCA).

	Class B	Class C
Launch	17 May 2017	27 July 2017
ISIN number	JE00BD2X3T71	JE00BD2X3V93
SEDOL code	BD2X3T7	BD2X3V9
Bloomberg	MDGGUBB JY	MDGGUBC JY
Minimum investment requirements -		
New business	Open	Open
Initial	$ 2,500	$ 2,500
Subsequent	$ 1,000	$ 1,000

What are the costs to invest in this fund?

Maximum charges	Class B	Class C
Initial fee (manager)	0.000%	0.000%
Initial fee (adviser)	3.000%	3.000%
Annual fee (manager)	1.650%	0.950%
Annual fee (adviser)	0.500%	0.000%
Performance fee	N/A	N/A

Annual fee (manager) - this is a service charge (% based) applicable to each class of a fund, that is levied on the value of your portfolio and includes the **Annual fee (adviser)** fee (where applicable). Annual fees are calculated and accrued daily and recovered monthly from the income awaiting distribution in the fund.

Cost ratios (annual) including VAT as at 31 March 2023	Class B	Class C
Based on period from:	01/04/2020	01/04/2020
Total Expense	1.72%	1.02%
Transaction Costs	0.00%	0.00%
Total Investment Charge	1.72%	1.02%
1 Year Total Expense	1.73%	1.03%

Total Expense (TER): This ratio shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over the period shown and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.
Transaction Costs (TC): This ratio shows the percentage of the value of the fund incurred as costs relating to the buying and selling of the fund's underlying assets. TC are a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, investment decisions of the investment manager and the TER.
Total Investment Charges (TIC): This ratio is simply the sum of the TER and TC, showing the percentage of the value of the fund incurred as costs relating to the investment of the fund. It should be noted that performance figures account for all costs included in the TIC ratio, so you should not deduct the TIC from performance figures, the performance is already net of the TIC.

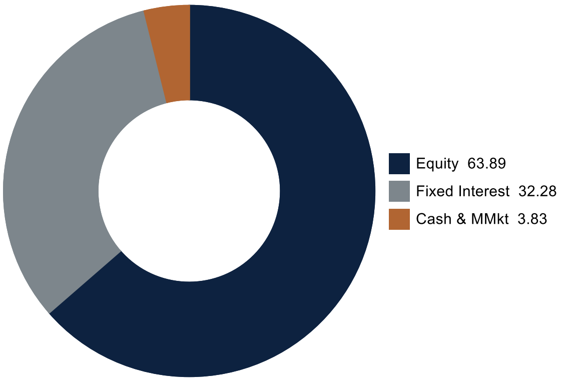
Melville Douglas Global Growth Fund Limited
USD Global Growth Class

MelvilleDouglas
A Member of Standard Bank Group

Monthly update at 31 March 2023

Holdings

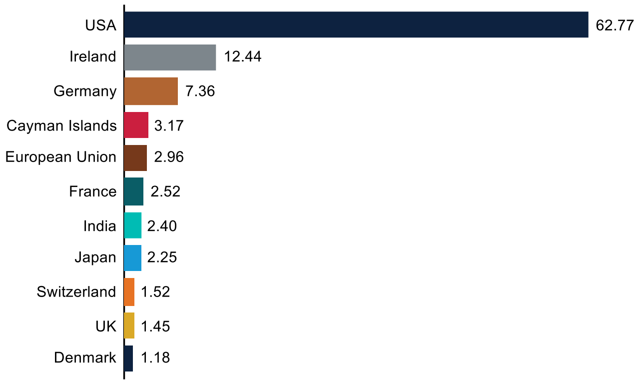
Asset class (%)



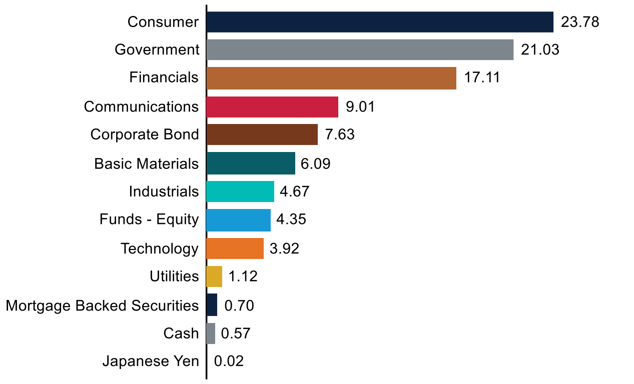
Top holdings (%)

iShares $ Corp Bond UCITS ETF USD (Dist)	5.57
US TSY Note/Bond 2.625% 15/02/2029	5.47
KfW 0.75% 15/01/2029	4.35
Melville Douglas SFL - Global Impact USD Class X	4.35
Microsoft Corp	3.92
US TSY Note/Bond 2.875% 15/05/2028	3.78
Boston Scientific Corp	2.90
US TSY Note/Bond 1.875% 15/02/2032	2.76
US TSY Bill 0% 06/04/2023	2.74
Linde plc	2.63

Country (%)



Category (%)



Performance and Income

Class B Launch: 17 May 2017 Class C Launch: 27 July 2017

Benchmark: MSCI ACWI NR (MSCI World NR from launch to 30/04/20) 65%; JPM Global Aggr Bond TR (JPM Global Agg (unhedged) from launch to 30/04/21) 35%

Peer group: EAA Fund USD Flexible Allocation

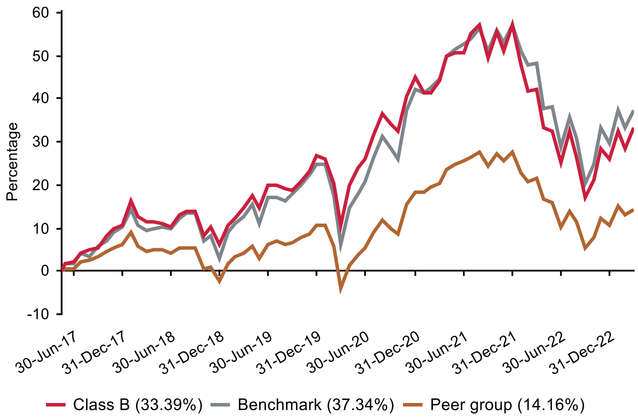
Returns (%)	1yr	2yrs	3yrs	5yrs	Launch
Class B					
Class	-6.26	-3.85	6.42	3.68	5.03
Benchmark	-7.44	-2.57	8.90	4.64	5.55
Peer group	-6.14	-2.67	5.89	1.77	2.25
Class C					
Class	-5.60	-3.18	7.17	4.29	5.02
Benchmark	-7.44	-2.57	8.90	4.64	5.09
Peer group	-6.14	-2.67	5.89	1.77	1.88

Returns (%) shown are cumulative for all periods shorter than or equal to 1 year and annualised for all periods greater than 1 year.

Statistics (%)	1yr	2yrs	3yrs	5yrs	Launch
Class B					
Positive Months	5	13	22	35	43
Max Gain	13.93	13.93	42.12	48.31	59.37
Max Drawdown	-17.72	-25.56	-25.56	-25.56	-26.65
Highest	-6.26	24.78	30.39	30.39	30.39
Lowest	-22.15	-22.15	-22.15	-22.15	-22.15
Class C					
Highest	-5.60	25.65	31.30	31.30	31.30
Lowest	-21.60	-21.60	-21.60	-21.60	-21.60

Highest - this reflects the highest 12 month return during the period.
Lowest - this reflects the lowest 12 month return during the period.

Cumulative performance (%) from Launch



Who are the investment managers?

Bernard Drotschie
BCom (Hons), CFA®, CFPTM
Chief Investment Officer

Bernard joined Melville Douglas in 2002 as a portfolio manager and analyst, prior to which he worked for Absa Asset Management. He is the lead manager on the Melville Douglas Global Growth Fund (USD) and co-manages the Melville Douglas Balanced Fund (USD) and the Melville Douglas Income Funds. He holds a BCom (Hons) degree in Econometrics, is a CFA® Charterholder and a Certified Financial Planner™ professional.

Karl Holden

Head of International Fixed Interest and Currency Strategy

Karl joined Standard Bank in 1991 and specialises in global fixed income and currency markets. He is lead manager of the Melville Douglas Income funds and also manages the investments of a number of high-net-worth clients. Karl is a Chartered Wealth Manager, Fellow of the Chartered Institute for Securities and Investment and holds the Private Client Investment Advice and Management Certificate. Karl is based in Jersey.

Derinia Mathura
BBusSci (Hons) Finance, CFA®
Fund Manager

Derinia joined Melville Douglas in 2013 as the lead analyst for a range of global equity holdings within the consumer discretionary sector. She is the co-manager of the Melville Douglas Select Global Equity Fund. Prior to joining, she worked for RMB Morgan Stanley as a sell-side equity research analyst covering financials. Derinia has a BBusSci (Hons) degree in Finance and is also a CFA® Charterholder.

Melville Douglas Investment Management (Pty) Ltd, FSP 595, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002, manage the investments of the fund. Since 1983 Melville Douglas has been delivering superior investment returns across a number of asset classes. As a global boutique investment management company within the Standard Bank Group, we are uniquely positioned to offer domestic and offshore investment solutions. What truly sets Melville Douglas apart is our experienced investment team and our approach to investing – driven by balance, a long-term view and a commitment to fundamental research – which informs our investment decisions across the board.

Fund review

Over the quarter, the fund returned 5.9% (Class A), 5.8% (Class B), 6.0% (Class C) and 6.2% (Class X) in line to a benchmark return of 5.9%. The performance was the result of positive relative performance from the equity component within the fund which benefitted from positive stock selection. The fixed income component performed in line with benchmark, while cash was a drag on performance during the quarter. The outperformance from equity during 1Q23 was driven by a combination of style given the outperformance of Growth/Quality over Value, and stock selection. Sector performance was consistent with a cyclical rally with more defensive sectors underperforming. The fund was overweight to healthcare which underperformed in a risk on first quarter after the outperformance last year where it was seen as a safe haven. Having no exposure to energy which was the worst performing sector helped as the sector was impacted by falling oil prices. IT was the best performing sector followed by communication services, as investors looked for safety in mega cap tech (healthy cash generation and strong balance sheets amidst the turmoil in credit) and with the sector benefiting from lower yields. The quarter was characterised by heighted volatility stemming from stress in the banking sector. Silicon Valley Bank a US regional bank collapsed after a run on its funds driven by venture capital depositors. In the European banking sector UBS had to step in to rescue struggling Credit Suisse. The fund had no exposure to US regional banks and European banks. Stock selection was the primary reason for the fund outperformance relative to the MSCI All Country World benchmark index. Notable contributors included Meta, LVMH and Keyence. The healthcare names J&J, United Healthcare and Elevance were detractors from performance. The waxing and waning of sector and regional performance is why it pays to be diversified across sectors. Given the 'short-term' negative outlook for government bond markets, the Fund maintains a moderately defensive duration strategy relative to benchmark. However, we are cognisant that the majority of the spike in yields is in the rear-view mirror and at current levels, the bond market represents value on a medium to long-term time horizon. As such, we continue the process of incrementally closing the 'duration gap' versus benchmark with the view to potentially trading towards neutral in the coming months. The Fund has maintained the overweight exposure to the US Dollar which despite some weakness in the quarter, has not materially weighed on performance given the relative outperformance of the US bond market versus counterparts such as Germany and Japan. Exposure to the Investment Grade Corporate bond market remains slightly underweight to benchmark and despite higher yields in this sector, we are currently reluctant to increase exposure given our view that spreads may have limited scope to tighten as interest rates remain at higher levels than the market is forecasting. In the reporting period the fixed income allocation has performed in line with benchmark.

Market overview

Financial markets started 2023 on an upbeat tone on the back of some positive developments, but lost momentum as the quarter progressed. China's reopening, lower energy prices in Europe after an unusually warm winter and evidence that inflation has turned the corner all contributed to a belief that a soft landing in the global economy was achievable, and that may still be the case as confidence levels have improved from their lows. However, persistently high core inflation fuelled by excess savings and a vibrant jobs market, changed the narrative from central banks in February. They guided that a step up in the pace of interest rate increases would ultimately be required to slow demand enough to contain inflation. Asset prices reacted to the renewed risk of a policy error by monetary authorities at a time when the global economy is expected to slow as credit conditions tighten and the full lagged effects from higher interest rates start to take hold. In recent weeks, worrisome memories of the 2008 global financial crisis were reawakened by runs on three US regional banks and by Credit Suisse's shotgun marriage to UBS - portfolios have no equity exposure to these banks but in the fixed income weightings of some strategies there is negligible, under 0.2%, indirect exposure to Credit Suisse debt. Fortunately, the Federal Reserve (by guaranteeing deposits and by providing banks with access to loans based on the face value of their bond holdings) was much swifter in intervening to stem contagion than in 2007-2008. The long-term risk of promoting moral hazard was probably worth averting a potential systemic banking crisis. The worst appears to be behind us, although we would not be surprised to see a few more casualties during this shake-out as it takes a long time for the effects of higher interest rates to ripple through the system. The silver lining is that central banks tempered their hawkishness lest they tip the banking sector into meltdown and the more benign interest rate outlook boosted government bond prices. This acted as a powerful countervailing force for global stock markets during the latter part of March amidst sliding corporate earnings expectations. Financial market expectations are now discounting, prematurely in our view, a series of interest rate cuts in the second half of the year. We believe the path for interest rates will primarily be determined by the outlook for inflation, and with core inflation looking set to remain stubbornly high in the short term, central banks are unlikely to be in a hurry to ease tight monetary conditions by lowering interest rates early. This raises the prospect that markets, in the months ahead, will again adjust lower on renewed fears of central bank policy error. Monetary authorities run the risk of raising rates too high, keeping them there for too long and not easing until it has become clear that inflation is beat, but by then the economic cycle is likely to have already turned for the worse leading to a recession and a natural decline in inflation, as it always does during an economic contraction.

From an asset allocation perspective, no changes were made during the quarter, and we remain underweight equity, neutral fixed income and overweight cash. Valuations for risk assets, including equities, credit and EM currencies appear to have run ahead of fundamentals in the very short term, and at current prices offer lower margins of safety. Our one year expected top-down return for global equity is in line with the other (risk free) asset classes, assuming a positive outcome from earnings growth in 2023, which we believe is unlikely to materialise. It should be noted however that some of the leading economic indicators appear to have bottomed, and this is something that we will be monitoring closely for signs of an economic recovery. The job market has also remained robust and does provide an underpin to consumer spending. The question remains however – can this trend persist?

Looking ahead

Although favourable developments in Europe and China are welcome, and indeed should be viewed as very supportive to the economic 'soft landing' rhetoric, we still feel that it is too early to call such an outcome. The lagging effect of higher interest rates has yet to play out, whilst better than expected demand from Europe and China will likely lead to inflation being elevated for longer, thereby requiring central banks to keep interest rates higher for a lengthier period than currently predicted. In the very short term, the 'soft landing' narrative is likely to support financial assets, but further out risks very much remain. Corporates, investors and households need to go through the process of adapting to an environment of higher for longer interest rates, inflationary costs and a rise in unemployment, all of which looks set to dampen end demand and consumer confidence and result in lower economic activity and corporate earnings. We continue to actively monitor the key drivers of asset class returns, which include valuations, the outlook for inflation and interest rates, the change in the direction of leading economic indicators and developments in employment. We stand ready to change tack as the environment dictates and although we believe investors should look forward to a year of improved investment returns in response to lower starting valuations, declining inflation, a peaking interest rate cycle and defensive positioning by market participants, for now, we remain underweight to equites, neutral to fixed income and overweight cash plus.

The commentary gives the views of the portfolio manager at the time of writing. Any forecasts or commentary included in this document are not guaranteed to occur.

Change in allocation of the fund over the quarter

Asset type	Q1 2023	Q4 2022	Change
Cash & MMkt	3.83	4.65	-0.82
Equity	63.89	58.65	5.23
Fixed Interest	32.28	32.47	-0.19
Funds	0.00	4.23	-4.23

The portfolio adhered to its portfolio objective over the quarter.

Fund classes

Class	Type	Price ($)	Units	NAV ($)
B	Retail	13.21	1,732,619.55	22,880,863.88
C	Retail	13.20	1,324,548.55	17,487,944.94

All data as at 31 March 2023.
Units – amount of participatory interests (units) in issue in relevant class.

Important information at 31 March 2023

Disclosures

Collective Investment Funds (CIF) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIF are traded at ruling prices and can engage in borrowing and scrip lending.

The USD Global Growth Class is a class fund of the Melville Douglas Global Growth Fund Limited (the Fund). The Fund is an 'umbrella fund' and an open-ended investment fund company registered by way of continuation in Jersey under a certificate of continuance dated 31 March 2003 with limited liability under the Law as a no par value company. The Fund is regulated as a Collective Investment Fund by the Jersey Financial Services Commission. The manager of the Fund is STANLIB Fund Managers Jersey Limited (the Manager). The Manager is 100% owned by STANLIB Limited, which is wholly owned by Liberty Holdings Limited. Liberty is a full member of the Association for Savings and Investments of South Africa (ASISA). The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of the class fund. A schedule of fees and charges and maximum commissions is available on request from the Manager. The custodian/trustee of the Fund is Apex Financial Services (Corporate) Limited (the Custodian). The Fund, the Manager and the Custodian are regulated by the Jersey Financial Services Commission.

The investments of this class fund are managed, on behalf of the Manager, by Melville Douglas Investment Management (Pty) Ltd (the Investment Manager), an authorised financial services provider (FSP), FSP No. 595, under the Financial Advisory and Intermediary Services Act (FAIS), Act No. 37 of 2002. The Investment Manager, pursuant to a distribution agreement made between it and the Manager, acts as distributor to the class fund in South Africa.

STANLIB Collective Investments (RF) (Pty) Limited is the appointed Fund's representative in the RSA, by the Manager, in respect of the Fund. The RSA Representative is responsible for assisting the Fund with compliance with RSA regulatory requirements in respect of certain Classes to be marketed to investors in the RSA.

Prices are calculated and published on each working day, these prices are available on the Manager's website (www.stanlib.com). This portfolio is valued at 23h59 (GMT). Forward pricing is used. Investments and repurchases will receive the price of the next day if received prior to 14h30 (GMT). Settlement must be made in the relevant class fund's base currency.

This portfolio is permitted to invest in foreign securities. Should the portfolio include any foreign securities these could expose the portfolio to any of the following risks: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information.

All return figures quoted are in USD, as at 31 March 2023, based on data sourced from Morningstar.

Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager.

Fund performance figures are calculated for the relevant class of the Fund, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Fund performance figures account for all costs that contribute to the calculation of the cost ratios quoted, all fund returns quoted are therefore after these costs have been accounted for.

Statistics - Positive Months: the number of individual 1 month periods during the specified time period where the return was not negative; Max Gain: the maximum gain in a trough-to-peak incline before a new trough is attained, quoted as the percentage between the trough and the peak. It is an indicator of upside risk over a specified time period (quoted for all periods of 1 year or longer); Max Drawdown: the maximum loss in a peak-to-trough decline before a new peak is attained, quoted as the percentage between the peak and the trough. It is an indicator of downside risk over a specified time period (quoted for all periods of 1 year or longer, where blank no loss was experienced); Highest and Lowest: the highest and the lowest 1 year return (%) that occurred during the specified time period (quoted for all relevant classes launched 1 year or more prior to current month end date).

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Investment Manager and from the Investment Manager's website (www.melvilledouglas.co.za).

This document does not constitute an offer of sale. Investors are requested to view the latest Prospectus and Minimum Disclosure Document for information pertaining to this product, as well as seeking professional advice, should they be considering an investment in this product. The Manager provides no guarantee or warranty as to the accuracy of the content of this document. Every effort has been made to ensure that the content is accurate at time of issue. This document is not advice, as defined under FAIS. Please be advised that there may be a representative acting under supervision.

Trail fees are paid inclusive of VAT meaning, where a South African adviser is registered for VAT, the VAT levied is included in the fee payable to the adviser out of the fund's annual management charge. Initial fees are also paid inclusive of VAT.

Contact details

Manager and Registrar
STANLIB Fund Managers Jersey Limited
Reg. No. 30487
Standard Bank House, 47-49 La Motte Street, JE2 4SZ
Telephone: +44 (0)1534 881400
Email: SFMJ@stanlib.com
Website: www.stanlib.com

Fund Directors
GS.Baillie, M.Farrow, O.Sonnbichler and R Stewart

Trustee/Custodian
Apex Financial Services (Corporate) Limited
Reg. No. 702
12 Castle Street, JE2 3RT
Telephone: +44 (0)1534 847000

Investment Manager and Distributor
Melville Douglas Investment Management (Pty) Ltd
An authorised financial services provider, FSP No. 595
Reg. No. 1987/005041/07
8th Floor West Wing, 30 Baker Street, Rosebank, 2196
Telephone: +27 (0)11 721 7964
Website: www.melvilledouglas.co.za

RSA Representative
STANLIB Collective Investments (RF) (Pty) Limited
Reg. No. 1969/003468/07
17 Melrose Boulevard, Melrose Arch, 2196
Telephone: 0860 123 003