



# Digiwealth Conservative Model Portfolio Fact Sheet

## 1.1 Fund Overview

The Digiwealth Conservative Fund is a low-risk, passively managed portfolio designed for conservative investors seeking capital preservation, steady income, and modest long-term growth. It emphasizes high-quality fixed-income securities while providing limited exposure to global equities for diversification and potential upside. The fund is constructed using low-cost Exchange Traded Funds (ETFs). This model portfolio is suitable for investors with a short- to medium-term horizon who prioritize stability over high returns.

- **Fund Manager:** Digiwealth Pty Ltd
- **Inception Date:** November 2025 (model portfolio), 3 years backdated data
- **Investment Objective:** To deliver consistent returns with minimal volatility, targeting inflation + 2-4% annualized over the long term, while preserving capital.
- **Risk Profile:** Low (primarily bond-focused, with 90% in fixed income)
- **Minimum Investment:** ZAR 10,000 (subject to platform terms)
- **Total Expense Ratio (TER):** 0.31% (weighted average, including VAT)

## 1.2 Asset Allocation

The fund maintains a strategic allocation focused on bonds for stability, with a small equity component for growth.

Asset Class	Allocation	Objective
South African Government Bonds	60.00%	Domestic fixed income exposure
Global Investment-Grade Bonds	30.00%	Diversified international bonds
Global Developed Equities	10.00%	Broad equity diversification
<b>Total</b>	<b>100.00%</b>	

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### 1.3 Performance

Performance is calculated as a weighted average of underlying ETF trailing total returns (net of fees). Past performance is not indicative of future results. Returns are in ZAR.

Period	Fund Return (p.a)	CPI (Inflation)
YTD	4.73%	~4.50%
1 Year	7.15%	~5.20%
3 Years (Ann.)	5.50%	~4.80%
5 Years (Ann.)	3.94%	~4.60%

### 1.4 Risk Considerations

- **Volatility:** Expected low due to 90% allocation to bonds. Underlying ETFs exhibit bond-like stability (e.g., SA Bond ETF historical volatility ~5-7% annualized; Global Bond ~6-8%; Equity ~15-20%). Portfolio standard deviation estimated at ~4-6% over 3 years.
- **Key Risks:** Interest rate risk (bond prices fall when rates rise), currency risk (global exposure), credit risk (minimal, investment-grade focus), and equity market downturns (limited by 10% allocation).
- **Maximum Drawdown:** Historically low for similar conservative portfolios (~5-10% in stress periods).

This fund is not guaranteed, and capital is at risk. Investors should consult a financial advisor. Past performance does not guarantee future performance