BEST UNIT TRUST FUND

COMMENDATIONS

- Excellent investor communications and outreach by participants
- Growing digital presence of participants and attempts to grow the same
- Small investor focus and affordable fees: as well as growing strength of the sales function and distribution channels
- High standards of governance, independence and quality of management / process followed by the funds which got shortlisted
- Efforts to expand retail investor awareness and education on unit trusts beyond the Western Province, while monitoring participation and uptake.

AREAS FOR IMPROVEMENT

- Provision of commentary and disclosure around investor concentration to enable understanding of the risks arising therefrom – eg unit holder distribution classified by value bands
- Ease of finding information via websites and ease of navigation of the website
- Fund manager points of view to be in publications / reports as opposed to documenting macroeconomic data
- Quality and variety of investor information – some websites did not carry basics such as annual and interim reports, latest factsheets etc.
- Benchmarking of fund performance and disclosure of same to help investors understand performance in a useful context
- Clear disclosure of fund risks and publishing of indicators that will assist in risk assessment
- Inclusion in the governance documents of how related party exposures and conflicts of interest are managed
- Need to refresh KIID on a regular basis