



AND



PRESENT

INVESTMENT FUNDAMENTALS WORKSHOP

1. BACKGROUND

The ASISA Academy, in partnership with the ASISA Foundation, makes available online a full series of Retirement Fund Trustee Education (RFTE) workshops at no cost to South African retirement funds and their trustees. The Academy is the preferred service provider for the ASISA Foundation which receives grant funding from sponsors for trustee education, thus allowing the workshops to be made available in this way. This pooled initiative ensures the independence of the education programme from the individual sponsors of the ASISA Foundation. Our workshops are aimed primarily at trustees and principal officers of retirement funds and are ideally run with individual funds but can also be delivered as multi-fund courses. Since inception we have delivered more than 360 workshops to more than 4,800 trustees and principal officers in South Africa, Botswana and Namibia, with highly favourable feedback.

In the wake of South Africa (and the world) experiencing its first lockdown during the Coronavirus pandemic, the team at the ASISA Academy reflected on how we could offer our Retirement Fund Trustee Education workshops online in live sessions using videoconference and for practical time periods instead of our traditional 1-day and ½-day face-to face workshops. We have therefore, adapted our content and composition of the RFTE programme into an online offering using either MS Teams or Zoom depending on your preference. Our preference is to use Zoom with its new enhanced security features.

2. MONITORING AND EVALUATION

The ASISA Foundation-sponsored Trustee Education workshops are formally monitored and evaluated (M&E) by an independent agency. This M&E process ensures our trustee education programmes are planned and presented in a manner which brings about effective knowledge transfer, with real improved governance and financial literacy amongst delegates for the ultimate benefit of fund members and beneficiaries. The context of our online workshops has required adaptation of the M&E process, as explained below.

DELEGATE INTAKE FORMS

Each delegate will be asked to complete and submit online intake forms before the commencement of the workshop, including details of their retirement fund, role in the fund board, email address and demographics. We are required by the Financial Sector Code in the context as a BEE Regulator to keep statistics based on demographics and gender, hence we request that all demographic and gender statistics should be completed.

ASSESSMENT FORMS

Delegates will receive an online link to a workshop assessment form at the end of a workshop on which they are required to score various aspects of the workshop and make compliments or suggestions for improvements. Comments made by delegates may be used in marketing material.

M&E FEEDBACK FORMS

A first set of online questions is supplied to delegates via an online link before the workshop which delegates are asked to complete before the workshop commences. A second set of the same questions will be supplied via an online link to delegates at the end of the workshop. Answers are completely anonymous.

ATTENDANCE CERTIFICATES

Delegates who have submitted all of the workshop documentation described above will receive emailed ASISA Academy attendance certificates which reflect 3 Batseta CPD points in respect of the half-day workshop. The fund remains responsible for ensuring that the CPD points awarded are updated on the Batseta database.

3. WORKSHOP CODE OF CONDUCT

Delegates, presenters and other Academy staff are all expected to engage in the following ways.

1. Delegates commit to learning on the course.
2. Delegates and Academy staff commit to signing in at least 10 minutes prior to the starting time so as not to delay the commencement of the session which puts pressure on the presenter and other delegates. The Zoom/ MS Teams room will open 10 minutes before the workshop is due to start. Please ensure that you have logged in and settled down comfortably by the starting time.
3. Academy staff commit to starting the workshop on time.
4. Delegates are requested to switch on their cameras at the start of the session. After introductions we request delegates to switch off their cameras in order to keep the platform stable and data usage optimised.
5. Delegates must ensure that their audio is muted throughout the session, except when participating in discussions or posing questions.
6. If delegates have questions or comments, they can use the chat platform or click the raised hand icon which can be located on the screen's "floating bar" in Microsoft Teams and by clicking on the "Participants" button in Zoom.
7. The presenter will agree a break time with delegates as part of the introductions.
8. When returning from the breaks, delegates are requested to switch on their microphones on re-entering the session so that the presenter can have an indication of the number of delegates that are back.
9. Delegates must advise the Academy if they are not able to make a session or if, for unavoidable reasons, they are going to be late.

4. WORKSHOP LEARNING OUTCOMES

The following tables summarise the Learning Areas and Learning Outcomes covered in this workshop:

INVESTMENT FUNDAMENTALS (2 parts, 3 hours each: 6 hours total)

Part 1 (½ day – 3 hours)

| Learning Area | Learning Outcomes - By the end of the course successful delegates will be able to... |
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| The South African economy | <ul style="list-style-type: none"> • Describe the high-level economic functioning of South Africa with specific focus on the following concepts: Inflation, interest rates and currencies, commodities (gold & oil), how supply and demand impact markets, GDP, monetary policy and central bank roles. • Draw up a glossary of commonly used acronyms and terms. |
| Asset classes part 1 | <ul style="list-style-type: none"> • Identify the most common asset classes and expand on each. <ul style="list-style-type: none"> ○ Equities: <ul style="list-style-type: none"> ▪ Definition and unique characteristics; ▪ The South African and foreign markets for this asset, the key indices and latest developments; ▪ Approaches to valuing this asset. ▪ Risks inherent in equities |

Part 2 (½ day – 3 hours)

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| Asset classes part 2 | <ul style="list-style-type: none"> • Identify the most common asset classes and expand on each. <ul style="list-style-type: none"> ○ Bonds: <ul style="list-style-type: none"> ▪ Definition, terminology and unique characteristics. Distinguish between different types: government, corporate, inflation linked; ▪ The South African and foreign markets for this asset and the key indices; ▪ Approaches to valuing this asset: Time value of money and opportunity cost. Impact on the value of bonds when interest rates change. ○ Property: <ul style="list-style-type: none"> ▪ Definition and unique characteristics; ▪ The South African market/s for this asset and the key indices; ▪ Approaches to valuing this asset. ○ Money Market: <ul style="list-style-type: none"> ▪ Definition and unique characteristics; ▪ The South African market/s for this asset and the key indices; ▪ Approaches to valuing this asset. ○ Derivatives: <ul style="list-style-type: none"> ▪ Definition and unique characteristics; ▪ The South African market/s for this asset and the key indices; ▪ Approaches to valuing this asset. ○ Alternative investments – Private Equity and Hedge Funds: <ul style="list-style-type: none"> ▪ Definition and unique characteristics; ▪ The South African market/s for this asset and the key indices; ▪ Approaches to valuing this asset. |
| Financial markets | <ul style="list-style-type: none"> • Describe the purpose of a formalised market and define the concept of an efficient market. • List the sources of information for each market. |
| Risk and Return | <ul style="list-style-type: none"> • Contrast the returns over time on each market; • Calculate typical return measures; • Explain why risk should always be considered in conjunction with return. |
| Portfolio construction and Regulation 28 of the Pension Funds Act | <ul style="list-style-type: none"> • Explain asset allocation and diversification; • Share the constraints on investment decisions e.g. Regulation 28, ethical, ESG introduction and prudential; • Describe the process of "shorting" the market and scrip lending. |

5. OUR PRESENTERS



David Morris – B Comm, CA (SA)

David has more than 26 years' experience of working in financial services in South Africa and the UK. After completing his articles with Price Waterhouse he worked as credit analyst and member of Nedbank's structured finance team. As the ASISA Academy Retirement Fund Trustee Education Programme Champion, David engages with stakeholders, develops workshop curricula and presents Trustee Education workshops. He is an independent trustee to the Nedgroup Beneficiary Fund and the Liberty Corporate Selection Suite of Umbrella Funds.



Douglas Davids – B Comm, B.Compt (Hons), MBA, MPhil in Dev. Finance

Douglas is an experienced investment professional having worked in the investment industry in South Africa for over 25 years, of which the last 12 years have been with a focus on environmental, social and governance (ESG) investing. Douglas has worked for several large investment houses including Old Mutual and Sanlam managing both institutional and retail funds. Previously Douglas was the managing director of Community Growth Management Company, before becoming an independent ESG investment advisor.



Jolly Mkorosi – B Comm, MBA, Certificate in Pension Law

As a seasoned independent retirement fund trustee Jolly sits on a number of boards of trustees of SOEs and listed companies' funds. She is the chairperson of two of these funds and has previously worked as the principal officer of the Municipal Councillors Pension Fund. She previously worked at Old Mutual within their Corporate Distribution and Employee benefits divisions. Jolly is also ASISA Academy Principal Officer Professional Qualification (NQF7) Programme Champion.

6. FEEDBACK FROM PAST DELEGATES



"Today's session meant that I could consolidate everything that I had learnt over the days of the course. It has been very valuable. I am very excited about the knowledge I have gained. Great course!"

"Overall, it was definitely encouraging, and I learnt new things once again. The course would be a great tool for all our staff members".

"What an excellent day! Learnt a tremendous amount from the brilliant speakers today."

"Great lecturers from the industry that has a wealth of knowledge to share. Thoroughly enjoyed it!"

"The program has broadened my perspective in terms of the actual industry - I am learning so much. It has been a great experience so far"

"Programme is fantastic, makes you apply your mind especially to the things you know but are ignorant of".



7. CONTACT INFORMATION

For course dates, venues and other information please contact the ASISA Academy on:

- Email: LEARN@asisaacademy.org.za
- Landline: +27 21 673 1620
- Website: <https://www.asisa.org.za/academy/programmes/retirement-fund-trustee-education/>