

Metropolitan Growth Portfolio Range

Metropolitan Cautious Growth Portfolio

Factsheet at 31 March 2024



Target: CPI + 2%

Investment horizon: Four years

Investments managed by: Momentum Outcome-based Solutions (Pty) Ltd

📄 Momentum outcome-based investing philosophy

Investment success is about consistently maximising the probability of you achieving your investment goals – whether that is to preserve capital, generate an income stream in retirement or grow wealth within the parameters of a certain risk profile. In response to the ever-evolving investment landscape, we have constructed a range of outcome-based solutions that set their sights beyond mere benchmarks and instead focus on the things that matter the most to you – ensuring we maximise the probability of you achieving your investment goals. Outcome-based investing is about placing your goals at the centre of our investment process.

📄 Investment mandate

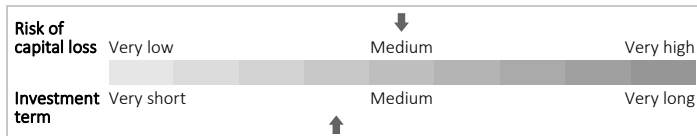
The portfolio consists of the full universe of asset classes, including global investments of up to 45% and alternative investments. Through the optimum selection of asset classes, the probability of achieving the outcome is maximised within acceptable risk parameters. It is suitable as a standalone portfolio in retirement products, where compliance with Regulation 28 is specifically required.

📄 Investment strategy

This portfolio is aimed at investors who are in the pre-retirement and preservation phase of investing. It is suitable for an investor with at least a 3-year or longer investment horizon and therefore, the aim is to maintain an average exposure of 30% to growth asset classes (local and global equities and property). The remaining exposure is to asset classes that should preserve the purchasing power of the capital accumulated. The portfolio consists of the full universe of asset classes, including global investments of up to 45% and alternative asset classes. The allocation between asset classes is actively managed, taking the market environment into account. Through the optimum selection of asset classes, the probability of achieving the outcome is maximised within acceptable risk parameters. It is suitable as a stand-alone portfolio in retirement products, where compliance with Regulation 28 is specifically required.

📊 Portfolio information

Launch date:	December 2005
Benchmark:	Composite: Local equity 22%; Direct property 10%; Local bond 24.5%; Local cash 15%; Global equity 20%; Global property 2%; Global bond 4%; Global cash 2.5%
Target:	Inflation plus 2% a year over four-year rolling periods
Reg. 28 compliant:	Yes



👤 Portfolio managers



Jako de Jager

BCom (Hons) Investment Management

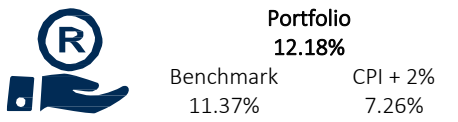


Ronnie Bornman

BSc (Mathematical Statistics), CFA

📈 Long-term outcomes

Return over the investment horizon



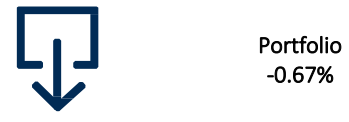
The annualised return over the investment horizon of the portfolio.

Hit rate



The percentage of times the portfolio achieved or exceeded CPI + 2% over rolling periods of the investment horizon.

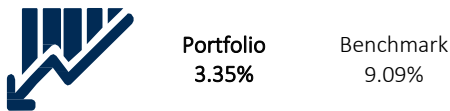
Average shortfall



The average shortfall relative to CPI + 2% over rolling periods of the investment horizon.

📈 Short-term risk

Risk of negative one-year return



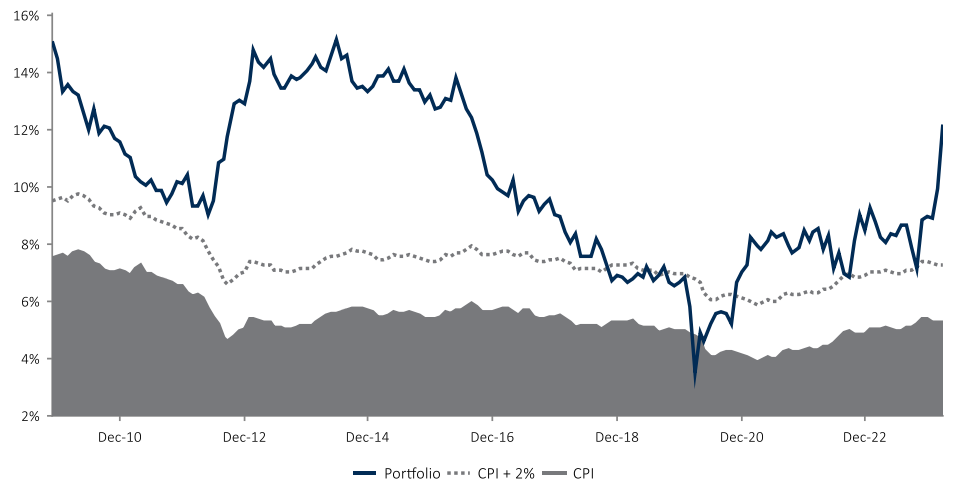
The likelihood of negative returns over any one-year rolling period.

Minimum one-year returns



The worst one-year return with a 95% likelihood.

📈 Rolling returns over investment horizon



Returns over rolling periods of the investment horizon since launch.

Investment returns

	One month	Three months	One year	Two years	Three years	Four years	Five years	Six years	Seven years	Launch
Portfolio	1.10%	2.48%	10.98%	8.11%	9.11%	12.18%	8.79%	8.39%	8.43%	11.10%
Benchmark ¹	0.81%	2.05%	10.82%	8.30%	8.68%	11.37%	6.69%	6.33%	6.38%	9.72%
Risk-adjusted ratio ²					1.53	1.62	1.24	1.22	1.29	2.01
CPI + 2%	1.12%	1.55%	7.56%	8.30%	8.09%	7.26%	7.14%	6.96%	6.82%	7.66%

¹The benchmark is calculated using the composite benchmark allocation.

²A ratio of the actual return achieved per unit of risk taken.

Index returns

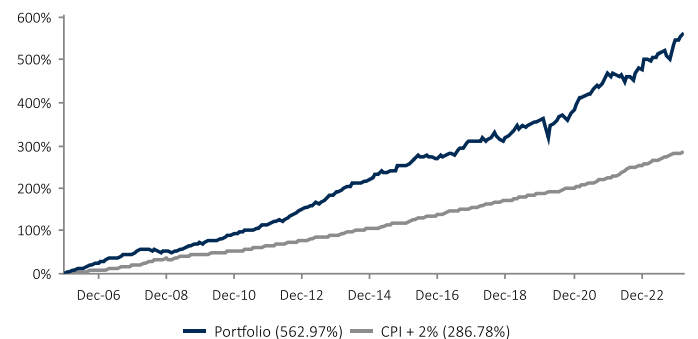
Asset class	Index	One month	One year	Two years	Three years	Four years	Five years	Strategic allocation
Local equity	FTSE/JSE Capped SWIX All Share Index	2.89%	2.87%	1.54%	7.48%	17.64%	7.65%	22.00%
Direct property	Direct property	0.59%	2.95%	5.22%	4.53%	3.83%	4.33%	10.00%
Local bond	FTSE/JSE All Bond Index	-1.93%	4.19%	5.01%	7.41%	9.72%	7.05%	24.50%
Local cash	STeFI Composite Index	0.70%	8.39%	7.17%	6.08%	5.70%	6.00%	15.00%
Global equity	MSCI All Countries World Index	2.29%	33.28%	20.88%	16.32%	20.15%	17.31%	20.00%
Global property	FTSE EPRA/NAREIT Developed Index	1.41%	16.71%	4.55%	7.58%	8.93%	6.18%	2.00%
Global bond	FTSE World Government Bond Index	-0.34%	6.23%	8.11%	1.99%	-2.84%	3.28%	4.00%
Global cash	ICE BofA US 3-Month Treasury Bill Index	-0.67%	12.50%	18.27%	11.55%	3.57%	7.75%	2.50%

Investment manager returns

	One year	Three years	Seven years
Local equity			
Momentum Capped SWIX	3.27%	7.74%	
Momentum Quality Equity	7.33%	6.39%	
Momentum Trending Equity Index	4.36%	5.90%	
Momentum Value Equity Index	0.07%	8.97%	
Local property			
Eris Direct Property	4.79%	5.58%	6.43%
Momentum ALPI Tracker	19.89%	12.72%	
Momentum SA Real Growth Property Fund	21.08%	13.49%	
Local flexible			
Laurium	1.81%	7.91%	
Sentio	0.11%	6.11%	
Local bond			
Momentum Bond Fund	3.26%	7.53%	
Momentum Flexible Bond	6.31%	8.25%	
Local cash			
Momentum Active Money Market Fund	9.66%	7.13%	
Momentum Passive Money Market Fund	9.11%	6.79%	7.21%
Global equity			
MGIM Global Equity	33.47%	16.70%	
Global property			
BlackRock Global Property	16.42%	6.96%	
Global bond			
MGIM bond managers	5.75%	1.49%	
Momentum Outcome Based Solutions	12.02%		

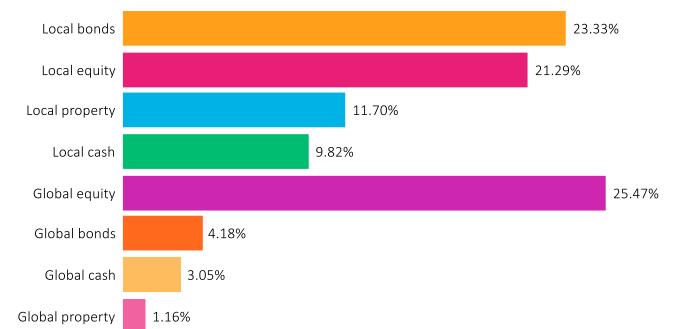
Where no returns are shown, the investment manager has a return history in this portfolio of less than the relevant period (one, three or seven years).

Cumulative returns



The cumulative growth of the portfolio since launch compared to CPI + 2%.

Effective asset allocation



The 10-largest portfolio holdings

Holding	Percentage
Republic Of South Africa R2035	3.46%
Bellville: Tygervalley	2.30%
MMI	2.11%
Sandton: Village Walk	1.75%
Naspers Limited	1.72%
Republic Of South Africa I2038	1.67%
Republic Of South Africa R2037	1.61%
Republic Of South Africa R2040	1.61%
Republic Of South Africa I2033	1.58%
Firststrand Bank Limited	1.47%

The 10-largest instruments at 29 February 2024, looking through all asset classes held.

A passive investment strategy is likely a more reliable way to give clients more stable results with lower risk during sudden market changes. Unlike an active strategy, a passive strategy doesn't have a management team making regular investment decisions for the portfolio and it closely follows an existing index (such as a total bond index, or a total stock market index). The purpose is to create growth for the portfolio that is similar to the growth of the index portfolio. A smart beta strategy offers the benefits of passive strategies and some of the advantages of active ones. With a smart beta strategy, investment managers try to give clients better growth and lower costs but, at the same time, they try to limit the portfolio's risk to sudden changes in markets.

Disclosures

The investment policy is underwritten by Momentum Metropolitan Life Limited, which is a registered insurer under the Insurance Act, 18 of 2017. This investment portfolio is administered and managed by Momentum Outcome-based Solutions (Pty) Ltd, an authorised financial services provider (FSP No. 19840) under the Financial Advisory and Intermediary Services Act No.37 of 2002 (FAIS Act), as may be amended and/or replaced from time to time, and a part of Momentum Metropolitan Holdings Limited, rated B-BBEE level 1.

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Investment returns for periods exceeding one year are annualised. All returns quoted are before deduction of fees, but after the deduction of performance fees on global underlying investments (where applicable). All returns are daily time-weighted returns. The return for the global component of a portfolio is generated at month-end using the global component's last known price. The return for Consumer Price Index (CPI) is to the end of the previous month.

For investments in collective investments schemes (CIS), please refer to the minimum disclosure document (MDD), which is available from the respective CIS manager. The MDD contains important information relating to investment in the respective CIS.

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Sources: Momentum Investments, Morningstar, Iress, msci.com, yieldbook.com, ft.com.

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