



# Metropolitan Balanced Fund

**TAXED**

**Risk profile - Moderate**

**METROPOLITAN**

**September 2024**

## INVESTMENT STRATEGY

This fund is a medium equity, multi-asset-class portfolio with the objective of delivering a consistent total return above inflation of CPI + 3% to CPI + 4% over appropriate investment terms. It has a medium- to long-term investment horizon and is suitable for investors with an intended investment horizon of five years or longer.

## MARKET INDEX RETURNS

	3 Months	6 Months	1 Year	3 Years	5 Years
FTSE/JSE Capped Swix All Share	9.62%	18.62%	25.41%	12.36%	11.92%
BEASSA ALBI	10.54%	18.81%	26.14%	11.14%	9.84%
IGOV	4.83%	7.38%	13.46%	7.85%	7.25%
STEFI Composite Index	2.07%	4.17%	8.55%	6.87%	6.12%
FTSE/JSE SA Listed Property	18.70%	25.23%	51.34%	15.97%	5.37%
MSCI World All Countries Gross	0.71%	-0.16%	21.02%	13.62%	15.63%
Citigroup World BIG	0.67%	-4.09%	2.62%	1.20%	1.53%
FTSE EPRA NAREIT ZAR	10.90%	4.33%	19.15%	6.09%	4.95%

## INVESTMENT RETURN

	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception
Balanced Fund	5.84%	12.55%	20.34%	11.12%	10.19%	10.70%
Strategic Benchmark	5.76%	12.25%	19.96%	10.84%	8.43%	N/A
Performance Benchmark (CPI + 3%)	1.34%	5.14%	7.41%	8.60%	8.39%	N/A

## QUARTERLY COMMENT

In Q3 2024, both global and South African markets saw positive changes, mainly due to interest rate cuts and government support. The U.S. Federal Reserve cut rates by 50 basis points, boosting global assets like bonds and property. China's stimulus in September led to a big rally in emerging markets, helping overall performance. In South Africa, a rate cut and lower inflation improved market sentiment. Financial and industrial stocks performed strongly, while bonds and property delivered high returns. However, resource stocks lagged due to lower global demand. The rand strengthened by 5.6%, supported by global factors and political improvements, but the rand strength dampened returns from global building blocks in the fund. Local assets were the largest contributors to returns in absolute terms.

The Balanced fund experienced another strong quarter overall, delivering 5.84% for the 3-month period, taking the 12-month return to a pleasing 20.34%.

Looking ahead, South African stocks are now fairly priced, and global equities face limited gains due to high valuations and a strong rand. Emerging markets, however, offer attractive opportunities. Overall, the outlook remains cautiously optimistic, with a focus on balancing risks and seeking the best opportunities.

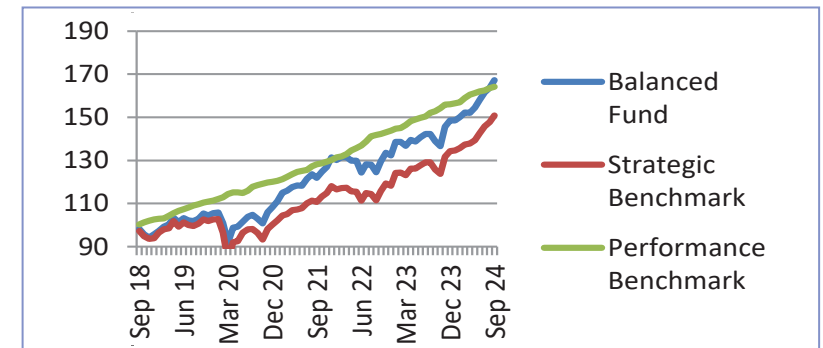
## PORTFOLIO MANDATE

To achieve the desired investment outcome, all combinations of asset classes are considered and an optimum allocation is selected to achieve this objective with a high degree of certainty. The expected returns of the various asset classes are enhanced through the appropriate selection of factor-based investment strategies. The risk of exposure to losses in the short term is continually managed by maximising diversification to asset classes, strategies and investment managers.

## ASSET ALLOCATION (Strategic benchmark)

SA Equity	30,00%	Global Equity	23,00%
SA Bonds	18,00%	Global Bonds	3,00%
SA Cash	10,00%	Global Property	2,50%
SA Listed Property	1,50%	Global Cash	2,00%
Direct Property	10,00%		

## CUMULATIVE RETURNS SINCE SEPTEMBER 2018



## DISCLAIMERS

Returns illustrated above apply to lump sum investments. Past performance is not necessarily a reliable indicator of future performance. Although reasonable steps have been taken to ensure the validity and accuracy of the information provided, Metropolitan does not accept any responsibility for any losses or damages arising from any reliance or actions taken on the basis of the information provided. An investment in the fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment.