

# Metropolitan Growth Portfolio Range

## Metropolitan Cautious Growth Portfolio

Factsheet at 29 February 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

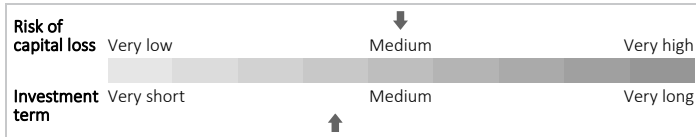
The portfolio consists of the full universe of asset classes, including global investments of up to 45% and alternative investments. Through the optimum selection of asset classes, the probability of achieving the outcome is maximised within acceptable risk parameters. It is suitable as a standalone 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

<b>Launch date:</b>	December 2005
<b>Benchmark:</b>	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%
<b>Target:</b>	Inflation plus 2% a year over four-year rolling periods
<b>Reg. 28 compliant:</b>	Yes



### 👤 Portfolio managers



**Jako de Jager**

BCom (Hons) Investment Management

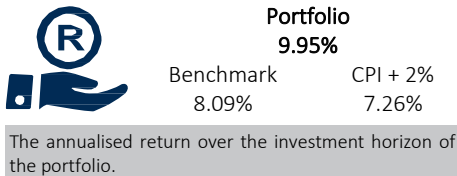


**Ronnie Bornman**

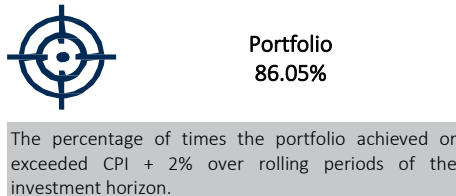
BSc (Mathematical Statistics), CFA

### 📈 Long-term outcomes

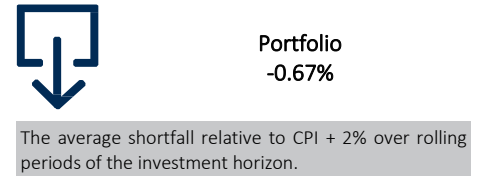
Return over the investment horizon



Hit rate

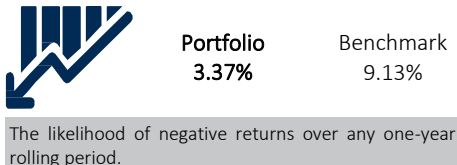


Average shortfall

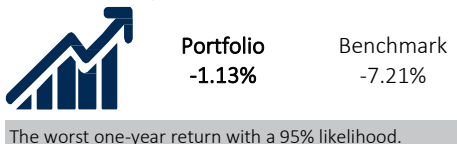


### 📈 Short-term risk

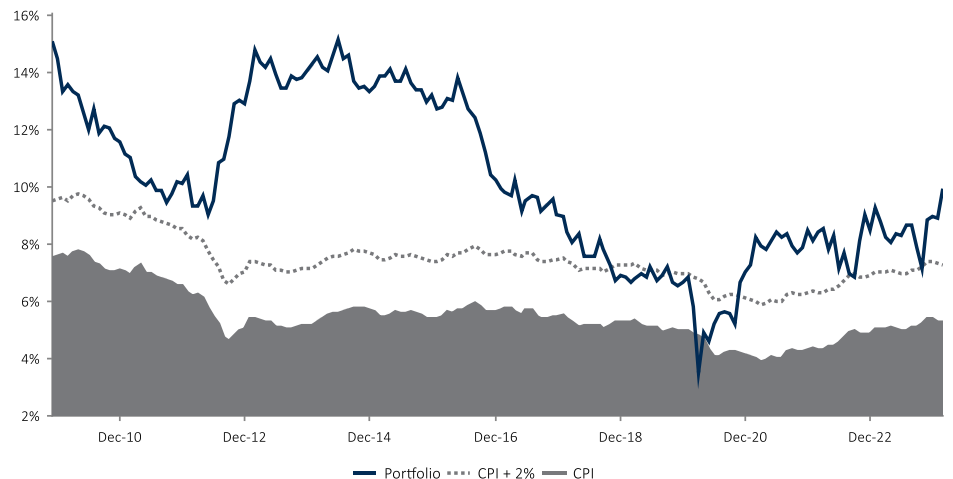
Risk of negative one-year return



Minimum one-year returns



### 📈 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
<b>Portfolio</b>	<b>1.10%</b>	<b>3.08%</b>	<b>8.80%</b>	<b>7.47%</b>	<b>8.60%</b>	<b>9.95%</b>	<b>8.79%</b>	<b>8.09%</b>	<b>8.41%</b>	<b>11.08%</b>
Benchmark <sup>1</sup>	0.90%	2.93%	9.36%	7.72%	8.36%	8.09%	6.65%	6.12%	6.43%	9.71%
Risk-adjusted ratio <sup>2</sup>					1.41	1.29	1.24	1.18	1.29	2.00
CPI + 2%	0.25%	0.50%	7.32%	8.10%	7.97%	7.26%	7.10%	6.92%	6.84%	7.63%

<sup>1</sup>The benchmark is calculated using the composite benchmark allocation.

<sup>2</sup>A ratio of the actual return achieved per unit of risk taken.

## Index returns

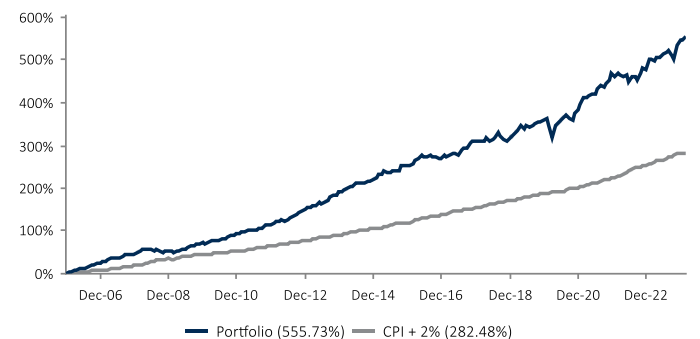
Asset class	Index	One month	One year	Two years	Three years	Four years	Five years	Strategic allocation
Local equity	FTSE/JSE Capped SWIX All Share Index	-2.27%	-1.97%	0.85%	7.77%	11.59%	7.00%	<b>22.00%</b>
Direct property	Direct property	0.61%	2.89%	5.23%	4.52%	3.01%	4.47%	<b>10.00%</b>
Local bond	FTSE/JSE All Bond Index	-0.58%	7.64%	6.27%	7.18%	7.46%	7.75%	<b>24.50%</b>
Local cash	STeFI Composite Index	0.65%	8.30%	6.99%	5.95%	5.67%	5.98%	<b>15.00%</b>
Global equity	MSCI All Countries World Index	5.89%	28.17%	18.32%	15.23%	18.04%	17.44%	<b>20.00%</b>
Global property	FTSE EPRA/NAREIT Developed Index	2.02%	5.79%	3.95%	7.80%	5.07%	7.02%	<b>2.00%</b>
Global bond	FTSE World Government Bond Index	2.08%	6.85%	3.70%	0.84%	0.71%	4.15%	<b>4.00%</b>
Global cash	ICE BofA US 3-Month Treasury Bill Index	3.36%	10.00%	15.52%	11.17%	7.26%	8.51%	<b>2.50%</b>

## Investment manager returns

	One year	Three years	Seven years
<b>Local equity</b>			
Momentum Capped SWIX	-1.67%	7.95%	
Momentum Quality Equity	0.71%	6.67%	
Momentum Trending Equity Index	-2.39%	6.25%	
Momentum Value Equity Index	-6.46%	8.95%	
<b>Local property</b>			
Eris Direct Property	3.91%	5.29%	6.31%
Momentum ALPI Tracker Fund	15.92%	13.42%	
Momentum SA Real Growth Property Fund	17.77%	14.01%	
<b>Local flexible</b>			
Laurium	1.33%	8.54%	
Sentio	-0.71%	2.46%	
<b>Local bond</b>			
Momentum Bond Fund	7.18%	7.42%	
Momentum Flexible Bond	7.78%	8.31%	
<b>Local cash</b>			
Momentum Active Money Market Fund	9.60%	7.03%	
Momentum Passive Money Market Fund	8.99%	6.64%	7.21%
<b>Global equity</b>			
MGIM Global Equity	27.60%	15.85%	
<b>Global property</b>			
BlackRock Global Property	5.40%	6.91%	
<b>Global bond</b>			
MGIM bond managers	5.94%	0.24%	
Momentum Outcome Based Solutions	10.69%		

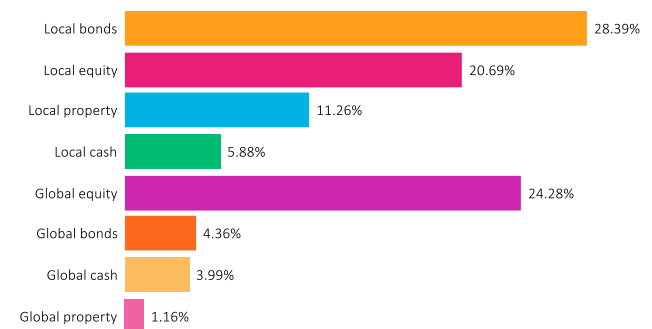
Where no returns are shown, the investment manager has a return history in this portfolio of less than the relevant period (one, three or seven years).

## 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	3.75%
Bellville: Tygervalley	2.35%
MMI	2.14%
Sandton: Village Walk	1.79%
Republic Of South Africa I2033	1.75%
Republic Of South Africa I2038	1.74%
Republic Of South Africa R2040	1.65%
Naspers Limited	1.60%
Firststrand Bank Limited	1.56%
Republic Of South Africa R2037	1.52%

The 10-largest instruments at 31 January 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.

The information used to prepare this factsheet includes information from third-party sources and is for information purposes only. This factsheet does not constitute any form of advice and should not be used as a basis to make investment decisions or as an offer or a solicitation to purchase any specific product. Given that past returns may not be indicative of future returns and the value of investments will fluctuate over time, independent professional advice should always be sought before making an investment decision. Fluctuations in exchange rates may cause the value of international investments, if included in the mandate, to go up or down. Investors should be aware that investing in a financial product entails a level of risk that depends on the nature of the investment. The merits of any investment should be considered together with the investor's specific risk profile and investment objectives. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this factsheet, Momentum Metropolitan Life Limited does not guarantee the accuracy, content, completeness, legality or reliability of the information contained in this factsheet and no warranties and/or representations of any kind, expressed or implied, are given to the nature, standard, accuracy or otherwise of the information provided nor to the suitability or otherwise of the information to your particular circumstances. Under no circumstances shall Momentum Metropolitan Life Limited, its affiliates, directors, officers, employees, representatives or agents (the "Momentum Metropolitan Parties") have any liability to any persons or entities receiving the information made available in this factsheet for any claim, damages, loss or expense, whether caused by Momentum Metropolitan Life Limited or the Momentum Metropolitan Parties' negligence or otherwise, including, without limitation, any direct, indirect, special, incidental, punitive or consequential cost, loss or damages, whether in contract or in delict, arising out of or in connection with information made available in this factsheet, whether relating to any actions, transactions, omissions resulting from this information, or relating to any legal proceedings brought against you as a result of this information, and you agree to indemnify Momentum Metropolitan Life Limited and the Momentum Metropolitan Parties accordingly.

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.

The information contained in this factsheet is confidential, privileged and only for the use and benefit of the intended recipient and may not be used, published or redistributed without the prior written consent of Momentum Metropolitan Life Limited. Under no circumstances will Momentum Metropolitan Life Limited be liable for any cost, loss or damages arising out of the unauthorised dissemination of this factsheet or the information contained herein, and you agree to indemnify Momentum Metropolitan Life Limited and the Momentum Metropolitan Parties accordingly.

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

## Contact and other information

**Momentum Outcome-based Solutions (Pty) Ltd**

268 West Avenue, Centurion, 0157

PO Box 7400, Centurion, 0046

**T** +27 (0)12 671 8911

**F** +27 (0)12 684 5869

**Email** emailus@momentum.co.za

**Web** www.momentum.co.za/momentum/invest-and-save/for-businesses

Signatory of:

