

# Metropolitan Balanced Fund

**UNTAXED**

**Risk profile - Moderate**

**September 2025**

## 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 members 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	12,77%	23,70%	28,13%	21,59%	18,83%
BEASSA ALBI	6,94%	13,23%	14,51%	15,70%	12,07%
IGOV	5,51%	6,08%	7,61%	7,94%	9,37%
STEFI Composite Index	1,81%	3,71%	7,80%	7,96%	6,43%
FTSE/JSE SA Listed Property	6,65%	16,38%	11,36%	23,93%	21,81%
MSCI World (ACWI) ZAR	4,61%	12,86%	17,99%	22,03%	14,84%
Citigroup World BIG	-2,05%	-1,16%	3,14%	4,35%	-1,07%
FTSE EPRA NAREIT ZAR	1,41%	1,90%	-0,75%	7,83%	6,05%

## INVESTMENT RETURN

	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception
Balanced Fund	7,04%	14,72%	17,51%	16,34%	13,80%	10,98%
Strategic Benchmark	6,43%	14,44%	16,97%	16,52%	12,85%	N/A
Performance Benchmark (CPI +3%)	1,80%	5,51%	6,29%	7,17%	8,03%	N/A

## QUARTERLY COMMENT

Global markets rallied in Q3, lifted by the US Fed's widely anticipated rate cut in September and expectations of further easing as the US jobs market starts to show signs of strain. Investor sentiment in general improved despite earlier concerns over tariffs and fiscal tightening, as global growth held firm and inflation cooled. Equities, led by tech and AI, outperformed bonds again and Gold soared to record highs, while global property and cash lagged. Emerging markets outpaced developed markets, aided by a weaker dollar. In SA, the rand gained 2.9% against the US dollar, further supporting commodity-linked stocks. SA equities rose 12.8% overall, driven by Resources, while nominal bonds and listed property delivered solid returns. SA cash yielded 18%, trailing other asset classes in this reduced rate environment.

The Balanced Fund delivered a strong return of 7.04% over the quarter, taking the 12-month return to a healthy 17.51%.

Looking forward, SA's falling interest rates and attractive valuations support local equities and bonds. Limited US exposure shields SA companies from new US tariffs, while strong year-to-date performance may draw foreign interest. Rising inflation expectations also favors ILBs, while cash appears less attractive and the outlook for listed property is improving. Towards the end of Q3 we have reduced the global underweight position to manage potential currency volatility.

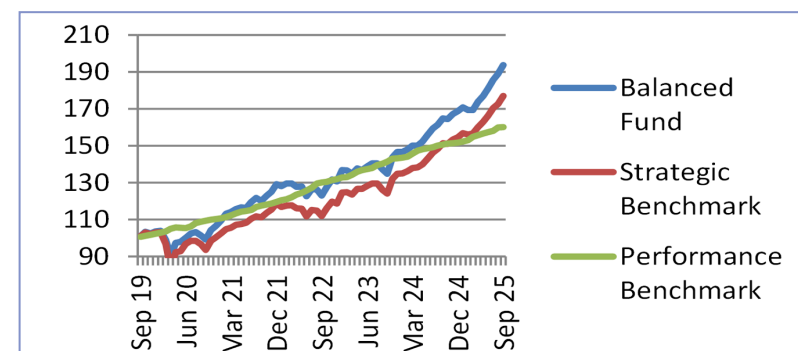
## PORTFOLIO MANDATE

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 2019



## 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.