



Metropolitan Managed Risk Fund

June 2023

UNTAXED

Risk profile - Conservative to Moderate

INVESTMENT STRATEGY

This fund is a low to medium equity, multi-asset-class portfolio with the objective of delivering a consistent total return above inflation of CPI + 2% to CPI + 3% over appropriate investment terms. It has a medium-term investment horizon and is suitable for members with an intended investment horizon of four years or longer.

MARKET INDEX RETURNS

	3 Months	6 Months	1 Year	3 Years	5 Years
FTSE/JSE Capped Swix All Share	1,16%	3,63%	13,48%	15,69%	6,91%
BEASSA ALBI	-1,53%	1,81%	8,23%	7,60%	7,39%
IGOV	-0,84%	0,02%	1,06%	8,71%	5,28%
STEFI Composite Index	1,92%	3,70%	6,76%	4,98%	5,81%
FTSE/JSE SA Listed Property	0,66%	-4,42%	10,00%	11,33%	-3,55%
MSCI World All Countries Gross	13,24%	27,35%	35,04%	14,70%	15,83%
Citigroup World BIG	5,34%	13,92%	14,00%	-2,70%	5,29%
FTSE EPRA NAREIT ZAR	8,83%	12,82%	11,13%	7,27%	7,24%

INVESTMENT RETURN

	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception
Managed Risk Fund	2,74%	6,18%	11,96%	10,25%	8,05%	10,30%
Strategic Benchmark	3,22%	7,48%	13,47%	9,32%	6,34%	10,06%
Performance Benchmark CPI + (2%)	2,05%	3,59%	8,31%	8,17%	7,79%	10,59%

QUARTERLY COMMENT

In Q2, developed markets saw inflation fears ease, but concerns over US rate hikes persisted due to strong labor markets. The US economy improved after resolving its debt ceiling issues, benefiting US equities, especially growth and Artificial Intelligence stocks. In contrast, the Eurozone and the UK struggled with inflation, signaling possible rate hikes ahead. China's market reopening disappointed, impacting commodities like platinum group metals and iron ore, affecting the South African market.

Despite facing challenges like the ongoing electricity crisis and accusations against the ruling government of supplying Russia with arms, South Africa narrowly avoided a recession. However, the local equity market benefited from global economic conditions, resulting in a +1.2% advance in the JSE Capped Swix index. Local bonds experienced a sharp sell-off but recovered to -1.5%, while cash was king with favorable +2.2% returns.

The Rand weakened 6.5% against the dollar, boosting global returns in local currency terms. The Momentum Sustainable Global Equity Fund was the top contributor, achieving a 13% return for the quarter. The Managed Growth Fund added +2.74%, bringing one-year returns to 11.96%.

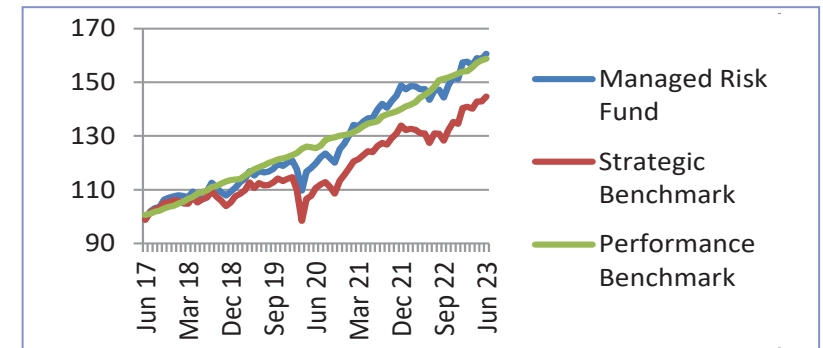
PORTFOLIO MANDATE

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	20,00%	Direct Property	10,00%
SA Bonds	25,00%	Global Equity ZAR	20,00%
SA Index Listed Bonds	0,00%	Global Bonds ZAR	5,00%
SA Cash	20,00%	Global Property ZAR	0,00%
SA Listed Property	0,00%		

CUMULATIVE RETURNS SINCE JUNE 2017



DISCLAIMERS

Returns illustrated above apply to lump sum investments and are gross of fees. 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.