

Momentum Investments Flexible Factor Portfolio Range

Momentum Investments Flexible Factor 5 Portfolio

Factsheet at 31 March 2025

Target: CPI + 3% to 4%

Investment horizon: Five years

Investments managed by: Momentum Multi-Manager (Pty) Ltd

Momentum outcome-based investing philosophy

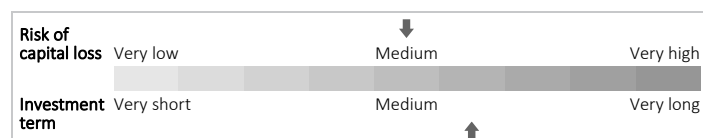
Investment success is about consistently maximising the probability of you achieving your investment goals – whether that is to preserve capital, generate an income stream in retirement or grow wealth within the parameters of a certain risk profile. In response to the ever-evolving investment landscape, 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.

Investor profile and investment strategy

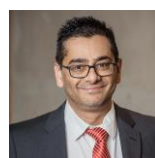
This portfolio is aimed at investors who are in the consolidation phase of investing. It has a medium-term investment horizon and, therefore, the aim is to maintain an average exposure of 56% to growth asset classes (local and global equities and property). The remaining exposure is to asset classes 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, within these balanced mandates, 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. Performance fees may be paid within investment mandates, should they sufficiently enhance investment returns after fees. It is suitable as a stand-alone portfolio in retirement products, where compliance with Regulation 28 is specifically required.

Portfolio information

Launch date:	March 2011
Benchmark:	Composite: Local equity 30%; Local property 2.5%; Local bond 23%; Local cash 12%; Global equity 20%; Global property 3.5%; Global bond 5%; Global cash 4%
Target:	Inflation plus 3% to 4% over five-year rolling periods
Reg. 28 compliant:	Yes



Portfolio managers



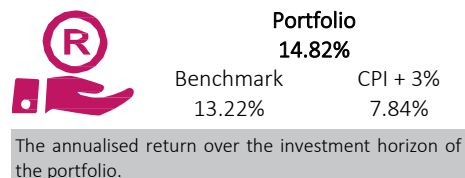
Mohammed Sibda
BCom



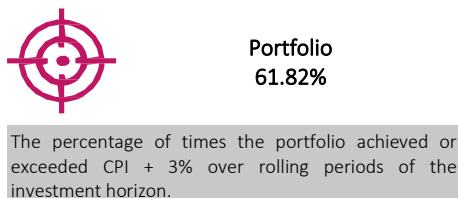
Nina Saad
BSc, CFA

Long-term outcomes

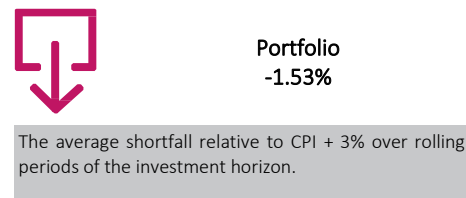
Return over the investment horizon



Hit rate

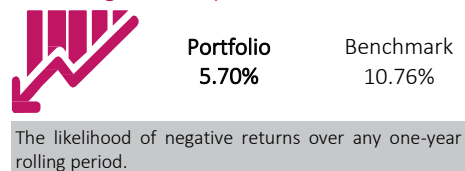


Average shortfall

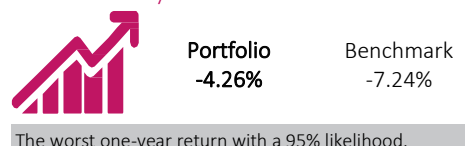


Short-term risk

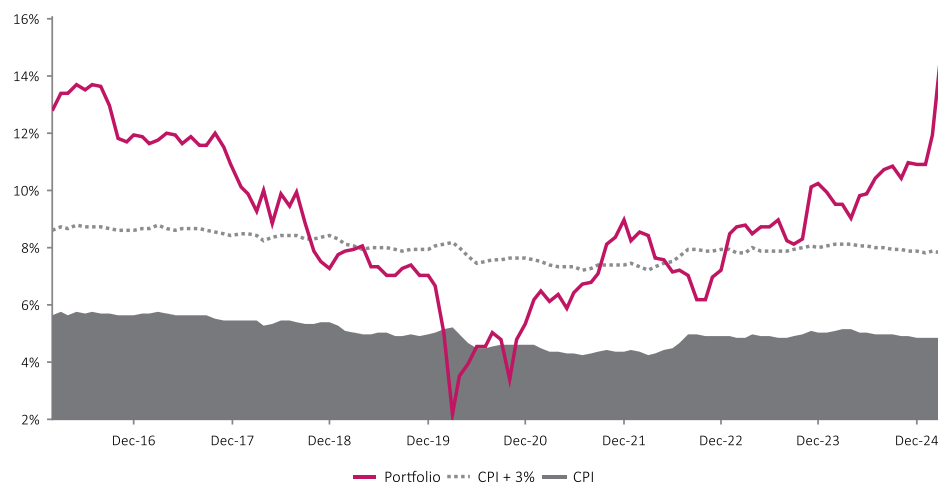
Risk of negative one-year return



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
Portfolio	0.10%	0.63%	13.24%	12.14%	10.15%	11.37%	14.82%	10.11%	9.74%	10.16%
Benchmark ¹	0.39%	1.17%	13.80%	12.24%	9.64%	10.33%	13.22%	7.98%	7.38%	9.33%
Risk-adjusted ratio ²					1.42	1.71	1.55	1.10	1.08	1.39
CPI + 3%	1.12%	2.00%	6.16%	7.35%	8.24%	8.35%	7.84%	7.80%	7.70%	8.16%

¹The benchmark is calculated using the composite benchmark allocation.

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

Index returns

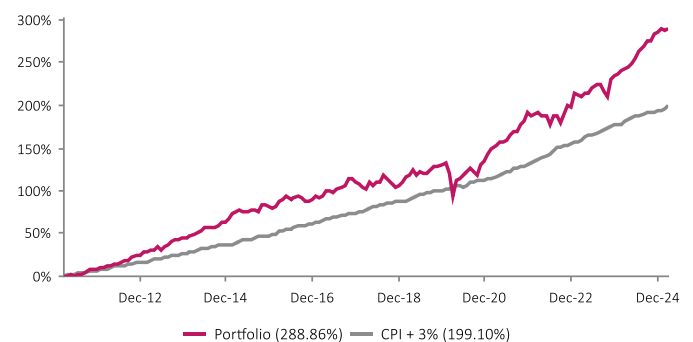
Asset class	Index	One month	One year	Two years	Three years	Five years	Seven years	Strategic allocation
Local equity	FTSE/JSE Capped SWIX All Share Index	3.60%	22.87%	12.43%	8.20%	18.67%	8.15%	30.00%
Local property	FTSE/JSE All Property Index	-1.54%	20.13%	20.23%	11.11%	18.37%	1.43%	2.50%
Local bond	FTSE/JSE All Bond Index	0.19%	20.16%	11.89%	9.83%	11.73%	8.30%	23.00%
Local cash	STeFI Composite Index	0.64%	8.28%	8.34%	7.54%	6.21%	6.51%	12.00%
Global equity	MSCI All Countries World Index	-3.47%	4.40%	17.79%	15.00%	16.75%	16.09%	20.00%
Global property	FTSE EPRA/NAREIT Developed Index	-2.26%	0.37%	8.21%	2.79%	6.79%	8.75%	3.50%
Global bond	FTSE World Government Bond Index	0.23%	-1.20%	2.45%	4.91%	-2.51%	4.85%	5.00%
Global cash	ICE BofA US 1-Month Treasury Bill Index	-0.16%	2.05%	7.24%	12.91%	3.39%	9.26%	4.00%

Investment manager returns

	One year	Three years	Seven years
Local balanced			
Abax Investments	23.76%	10.76%	11.09%
Coronation	18.61%	10.05%	10.04%
Foord	17.97%	11.62%	9.38%
Ninety One	19.54%	6.40%	8.45%
Local absolute-return			
Laurium	18.37%	8.88%	8.63%
M&G Investments	19.84%	9.01%	8.43%
Prescient	15.96%	7.34%	8.48%
Sanlam Investment Management	12.93%	9.57%	9.77%
Sentio	18.91%	7.17%	6.73%
Local cash			
ALUWANI	9.67%	8.91%	7.87%
Momentum Enhanced Yield	9.97%	8.90%	
Momentum Money Market	9.45%	8.48%	
Local alternative			
Momentum Aggressive FoHF	20.14%	10.32%	8.72%
Momentum Alternative Inv. (private equity BB)	18.23%	14.37%	6.91%
Momentum Moderate FoHF	9.36%	9.35%	9.21%
Momentum Portable Alpha FoHF	28.95%	11.18%	10.61%
Momentum Special Opportunities	8.64%	8.43%	8.28%
Global equity			
Momentum Global Investment Management	4.55%	14.98%	16.27%
Global property			
Momentum Global Property	0.51%	2.85%	
Global bond			
Amundi	-0.07%	5.97%	5.66%
Global cash			
State Street	1.77%		

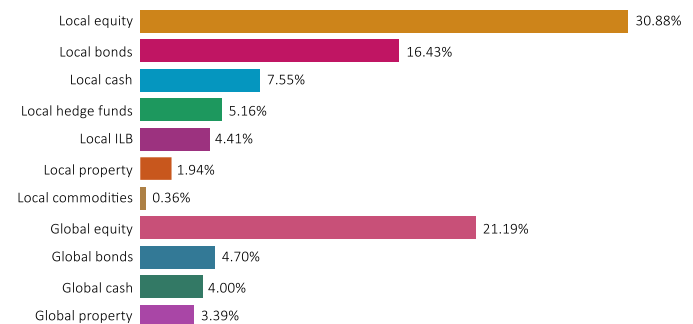
Where no returns are shown, the investment manager has a return history in this portfolio of less than the relevant period (one, three or seven years).

Cumulative returns



The cumulative growth of the portfolio since launch compared to CPI + 3%.

Effective asset allocation



The 10-largest portfolio holdings

Holding	
Realfin Collective Investment Scheme MMEHB1	2.58%
Naspers Limited	2.47%
Republic of South Africa R2040	1.90%
Prosus NV N	1.81%
Standard Bank Group Limited	1.60%
FirstRand Limited	1.54%
Republic of South Africa I2029	1.53%
Republic of South Africa R2037	1.46%
Republic of South Africa R2032	1.13%
AngloGold Ashanti plc	1.12%

The 10-largest instruments at 31 March 2025, looking through all asset classes held.



Quarterly portfolio commentary for Q1 2025

On April 2 2025, the United States (US) unveiled tariff hikes that echoed the protectionism of the Great Depression, exceeding earlier expectations in scope and severity. A pause was announced later; however, these measures threaten to disrupt global trade, with uneven regional impacts as export-reliant nations face sharper blows and retaliatory actions emerge worldwide. Sustained tariffs could drag growth projections lower for the US and beyond, shrinking trade volumes without necessarily triggering a recession. Globalisation's uneven rewards, fuelling US inequality, suggest this shift may endure past President Donald Trump's tenure. In South Africa (SA), the potential for 31% tariffs compound the local strain of a faltering Government of National Unity (GNU), where tensions between the African National Congress (ANC) and Democratic Alliance (DA) - laid bare by recent disputes around the fiscal framework, expropriation laws and changes to health and education legislation - signal fragility, raising the risk premium of the country as post election euphoria in both the US and SA fade.

We believe that the overall Trump policy package should be less negative for US economic growth (and hence for equities) than for inflation and the fiscal numbers (and thus for bonds) over time. However, in the short term, the almost immediate US growth-negative implications of an immigration clampdown and higher tariffs are taking precedence in financial markets over the more medium-term growth-friendly policy measures of deregulation and potential tax relief. Despite recent yield rises, developed market (DM) bonds outside the US remain expensive relative to their respective equity markets. In our view, US bonds could remain cheap versus US equities should inflation and fiscal numbers negatively surprise market expectations going forward. The valuations of neither the SA equity nor nominal bond markets reflect much positive sentiment about better growth potential for the country going forward, enhancing future potential returns. SA equities continue to trade around historically cheap one standard deviation lows against emerging market (EM) equities on a relative forward P/E basis and more than one-half of a standard deviation below its long-term historical average. SA vanilla government bonds still provide some of the highest backward-looking real yields in the world, while the current more than 6% real forward-looking bond yield is comfortably more than one standard deviation above the historical average. SA inflation-linked bonds (ILBs) should receive fundamental support from the anticipated rising local inflation trend until late 2025.

The portfolio produced a return of 0.6% for the quarter, which was below the benchmark.



Notes

Changes were made to the strategic asset allocations on 1 July 2023.

The benchmark for the local property component was changed on 1 October 2021 from the FTSE/JSE SA Listed Property Index to the FTSE/JSE All Property Index.

On 1 November 2020, the real return expectation for this portfolio was revised from inflation plus 5% to a range of inflation plus 3% to 4%.

Changes were made to the strategic asset allocations on 31 October 2020.



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 Multi-Manager (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 Group 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 Multi-Manager, Morningstar, Iress, msci.com, yieldbook.com, ft.com.



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