

Momentum Investments Target Factor Portfolio Range

Momentum Investments Target Factor 5 Portfolio

Factsheet at 31 July 2025

Target: CPI + 3% to 4%

Investment horizon: Five years

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

Momentum outcome-based investing philosophy

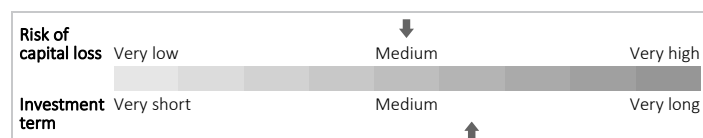
Investment success is about consistently maximising the probability of you achieving your investment goals – whether that is to preserve capital, generate an income stream in retirement or grow wealth within the parameters of a certain risk profile. In response to the ever-evolving investment landscape, 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%. The strategies used include passive, enhanced passive, smart beta and select active investment strategies. 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

Launch date:	August 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



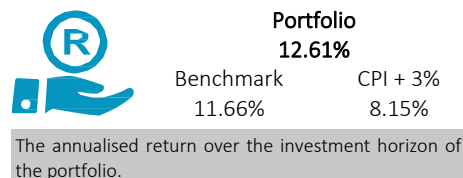
Mohammed Sibda
BCom



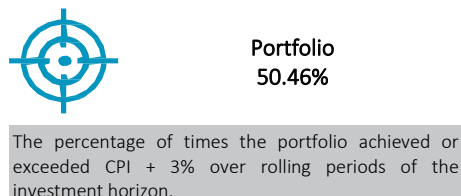
Nina Saad
BSc, CFA

Long-term outcomes

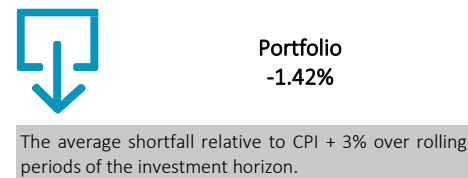
Return over the investment horizon



Hit rate

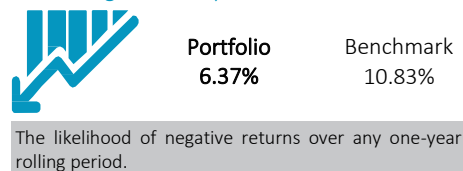


Average shortfall

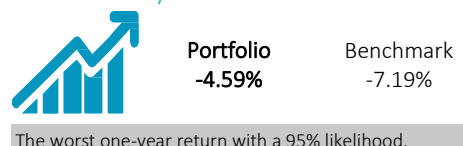


Short-term risk

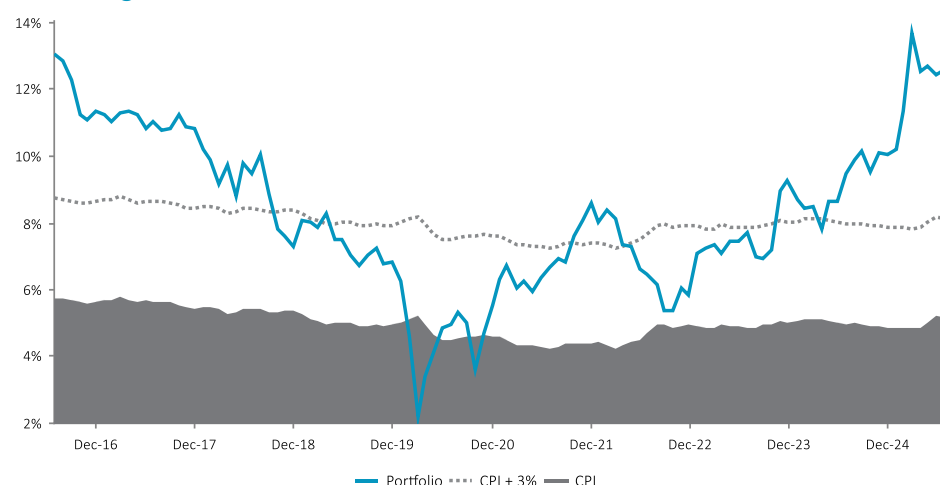
Risk of negative one-year return



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	2.74%	6.33%	16.19%	14.77%	13.66%	11.43%	12.61%	10.59%	9.68%	10.29%
Benchmark ¹	2.61%	6.39%	16.37%	14.72%	13.74%	11.27%	11.66%	9.22%	8.38%	9.84%
Risk-adjusted ratio ²					1.97	1.60	1.77	1.18	1.10	1.42
CPI + 3%	0.53%	1.51%	6.02%	7.06%	7.50%	8.22%	8.15%	7.65%	7.62%	8.05%

¹The benchmark is calculated using the composite benchmark allocation.

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

Index returns

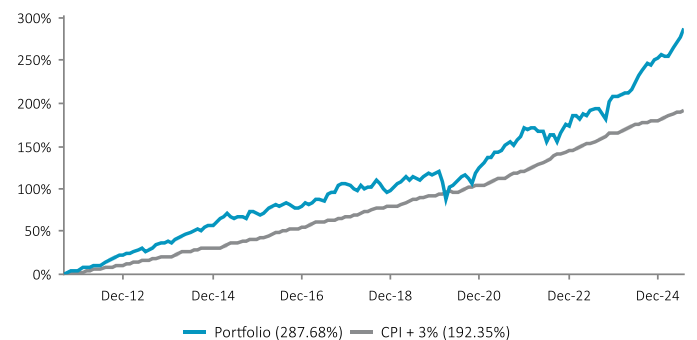
Asset class	Index	One month	One year	Two years	Three years	Five years	Seven years	Strategic allocation
Local equity	FTSE/JSE Capped SWIX All Share Index	2.24%	22.33%	16.01%	15.64%	16.07%	9.84%	30.00%
Local property	FTSE/JSE All Property Index	4.38%	25.70%	27.11%	18.26%	18.55%	3.84%	2.50%
Local bond	FTSE/JSE All Bond Index	2.73%	16.97%	16.27%	13.47%	11.36%	9.84%	23.00%
Local cash	STeFI Composite Index	0.62%	7.98%	8.27%	7.87%	6.34%	6.52%	12.00%
Global equity	MSCI All Countries World Index	4.40%	18.02%	18.05%	19.22%	14.35%	15.69%	20.00%
Global property	FTSE EPRA/NAREIT Developed Index	3.14%	4.68%	7.17%	4.08%	5.79%	7.03%	3.50%
Global bond	FTSE World Government Bond Index	0.70%	4.18%	3.77%	3.56%	-2.26%	4.17%	5.00%
Global cash	ICE BofA US 1-Month Treasury Bill Index	2.49%	4.32%	6.20%	7.94%	4.37%	7.60%	4.00%

Investment manager returns

	One year	Three years	Seven years
Local equity			
Momentum Systematic Strategies 1	19.74%	14.50%	9.96%
Local property			
Momentum ALPI Tracker	25.83%	18.06%	
Local bond			
Target Bond Building Block	18.69%	13.77%	9.91%
Local cash			
ALUWANI	9.41%	9.30%	7.88%
Momentum Enhanced Yield	9.64%	9.30%	
Momentum Money Market	9.14%	8.85%	
Global equity			
Target Global Equity Building Block	18.01%	19.01%	15.68%
Global property			
Momentum Global Property	3.12%	3.74%	
Global bond			
Amundi	4.82%	4.33%	4.86%
Global cash			
State Street	3.91%		

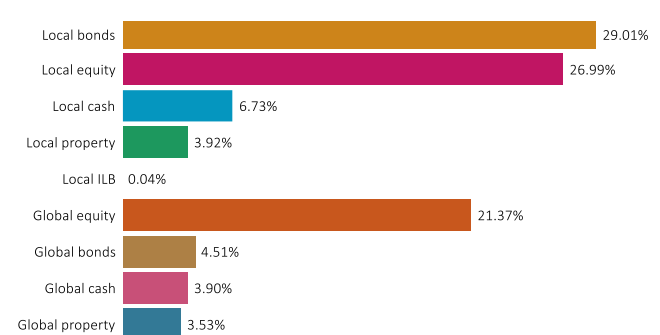
Where no returns are shown, the investment manager has a return history in this portfolio of less than the relevant period (one, three or seven years).

Cumulative returns



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

Effective asset allocation



The 10-largest portfolio holdings

Holding	
Republic of South Africa R2032	8.26%
Republic of South Africa R2037	6.30%
Republic of South Africa R2035	4.21%
Republic of South Africa R2040	3.06%
Naspers Limited	2.73%
FirstRand Limited	1.73%
Gold Fields Limited	1.62%
Standard Bank Group Limited	1.54%
British American Tobacco plc	1.53%
Capitec Bank Hldgs Limited	1.43%

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



Quarterly portfolio commentary for Q2 2025

Markedly higher effective tariffs should negatively impact United States (US) inflation and economic growth going forward, with corresponding adverse read-throughs for US bonds and equities. The US fiscal outlook has also worsened on the back of US President Trump's stimulus package progressing through Congress and a weaker growth outlook. However, this fiscal slippage should be detrimental to US bonds rather than equities. The erratic nature of policy making and disregard for previous alliances and agreements under the current Trump administration have led investors to start questioning the historically perceived security and reliability of the US as an investment destination, particularly considering the large exposures investors have to US assets. New investment flows could thus be less inclined to favour the US as much as in the past, which would be negative for US asset prices and the US dollar but beneficial for the relative performance of emerging market (EM) equities and bonds against their developed market (DM) counterparts. With South African (SA) equities a high-beta play on EM equities and trading at a large valuation discount to EM, we maintain a preference for SA equities. Any renewed interest from foreign investors in the EM equity asset class and by extension under-owned and cheap SA equities in a new Trump world, even if it just culminates in some closing of the SA global EM (GEM) underweight or the taking of some off-benchmark exposure by global funds to SA, would provide significant flow support for SA equities. SA vanilla government bonds still provide some of the highest backward-looking real yields in the world. Positive SA inflation surprises in 2025 and indications from both the SA Treasury and Reserve Bank (SARB) that the country's inflation target would be lowered are fundamentally supporting local nominal bonds but undermining inflation-linked bonds (ILBs). SA cash returns now look less attractive to us than those available from other asset classes. The operating and financial metrics in the SA listed property sector have been improving for some time. The downside potential for SA nominal bond yields should also support valuations in the sector going forward. Heightened fears about overexposure to US dollar assets in the unpredictable Trump era by global central banks and investors alike are likely to continue to support gold demand.

The portfolio benefitted from the allocation to local and global equity as well as local bonds, delivering a return of 6.3% against the benchmark return of 6.1% for the quarter.



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.

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



Contact and other information

Momentum Multi-Manager (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/business

Signatory of:

