

## Destiny Moderate Portfolio

December 2023

## Investment strategy

The investment strategy is to maximise the allocation of investment receipts towards retirement funding investments, and to objectively select and manage asset manager allocations on its members' behalf so as to maximise investment returns at an appropriate level of risk.

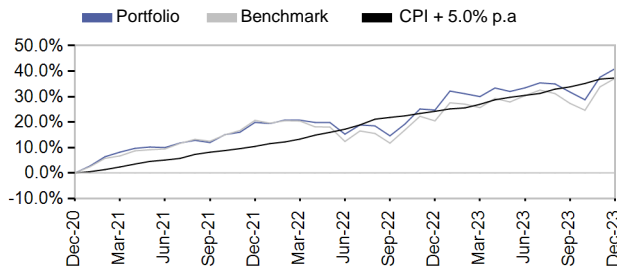
## Benchmark allocation

Asset Class	Allocation	Benchmark
Local equities	43.50%	FTSE/JSE Shareholder Weighted Capped Index
Local property	5.00%	FTSE/JSE All Property Index
Local bonds	12.50%	FTSE/JSE All Bond Index
Local cash	11.00%	Short-term Fixed Interest Composite Index
Global	28.00%	Global composite benchmark

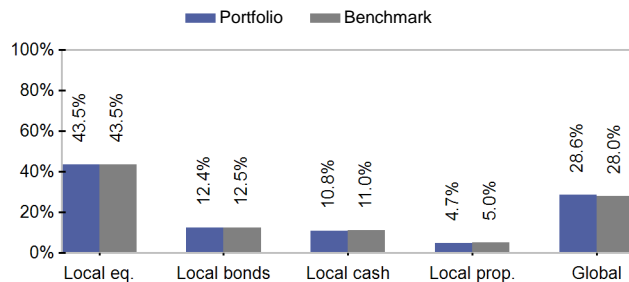
## Investment returns

	One Month	Three Months	One Year	Three Years	Five Years	Since Inception
Portfolio	2.42%	6.95%	13.04%	12.13%	11.05%	13.52%
Benchmark	2.50%	7.72%	13.87%	11.11%	9.56%	12.25%
CPI + 5.0% p.a			10.53%	11.13%	10.01%	10.24%

## Cumulative investment returns for three years



## Asset allocation



## Comments


\*The fee was reduced from 1 October 2019. It is made up of the underlying investment managers' fees and Momentum Outcome-based Solutions administration fee. It excludes GIB's fee as well as performance-based fees, which are currently limited to those charged by Coronation, Laurium, Independent Securities, Fairtree and Allan Gray for its global portfolio.

The benchmark for the local equity component was changed from the FTSE/JSE Shareholder Weighted Index to the FTSE/JSE Shareholder Weighted Capped Index going back to 1 May 2013.

## Investment portfolio mandate

This investment portfolio is aimed at income and capital growth. The equity content will be greater than the bond and cash components. The portfolio, however, would tend to be less volatile than the market as a whole. The portfolio is managed in compliance with Prudential Investment Guidelines as well as being comprehensively managed to comply with the limits of Annexure A to regulation 28 of the Pension Funds Act.

## Investment portfolio information and risk analysis

Inception Date	May 2003	
Investment Horizon	Long term	
Risk Profile		
Fee (including VAT)*	(Calculation based on three-year period)	0.39%
Volatility	Portfolio	8.4%
Maximum drawdown	Portfolio	-5.1%
Active risk	Portfolio	1.8%
Information ratio	Portfolio	0.6
Beta	Portfolio	0.9

## Largest 10 holdings

	% of portfolio
SA Government Bond R2032	3.2%
Naspers Ltd	3.0%
SA Government Bond R2037	2.3%
Firststrand Ltd	2.3%
SA Government Bond R2035	2.3%
Prosus	2.0%
Standard Bank Group Ltd	1.7%
Compagnie Financiere Richmont Sa	1.5%
British American Tobacco Plc	1.4%
Anheuser-Busch Inbev Sa/N	1.3%
<b>Total</b>	<b>21.0%</b>

## Investment manager allocation and returns

	One Month	One Year	Weighting
<b>Local equity managers</b>	<b>1.62%</b>	<b>6.38%</b>	
Fairtree	-0.25%	4.08%	10.9%
Coronation	2.56%	8.36%	11.0%
Laurium	-0.11%	2.50%	5.2%
Independent Securities	2.84%	7.53%	5.3%
Momentum Capped SWIX Equity	2.86%	8.23%	11.0%
FTSE/JSE Shareholder Weighted Capped Index	2.90%	7.87%	
<b>Local property managers</b>	<b>9.90%</b>	<b>10.23%</b>	
Momentum ALPI Tracker Fund	9.90%	10.23%	4.7%
FTSE/JSE All Property Index	9.92%	10.70%	
<b>Local bond managers</b>	<b>1.68%</b>	<b>10.59%</b>	
ALUWANI	1.49%	10.42%	6.1%
Prescient	1.88%	10.75%	6.2%
FTSE/JSE All Bond Index	1.49%	9.70%	
<b>Local cash managers</b>	<b>0.80%</b>	<b>9.39%</b>	
ALUWANI	0.80%	9.47%	0.5%
Momentum Enhanced Yield	0.81%	9.52%	8.2%
Liquidity			2.1%
Short-term Fixed Interest Composite Index	0.70%	8.06%	
<b>Global equity managers</b>	<b>3.44%</b>	<b>26.42%</b>	
Allan Gray Life	5.72%	26.17%	13.4%
60% MSCI All Countries World Index (lagged) and 40% Citigroup World Government Bond Index (lagged)	1.66%	25.50%	
Blackrock (developed markets)	2.34%	33.45%	5.4%
MSCI Developed Markets (BGI Lagged)	2.11%	33.38%	
Blackrock (emerging markets)	0.87%	18.10%	4.8%
MSCI Emerging Markets Index	1.13%	18.53%	
Fundsmith	1.30%	28.70%	5.0%
MSCI World Index	2.09%	33.41%	
<b>Total</b>			<b>100%</b>

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Sources: Momentum Investments, Morningstar, Iress, www.msci.com, www.yieldbook.com, www.ft.com. Data accessed monthly on the 10th working day.  
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