

# Destiny Portfolio Range

## Destiny Money Market Portfolio

Factsheet at 28 February 2025

**Investment horizon:** One year

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

### Investment mandate

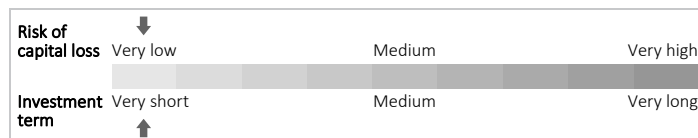
A portfolio invested in selected money-market instruments providing a high income yield and a high degree of capital stability. The portfolio is managed in compliance with Prudential Investment Guidelines as well as being comprehensively managed to comply with the limits of Annexure A to regulation 28 of the Pension Funds Act.

### Investment 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.

### Portfolio information

<b>Launch date:</b>	July 2008
<b>Benchmark:</b>	Short-term Fixed Interest Composite Index
<b>Reg. 28 compliant:</b>	Yes



### Portfolio managers



**Mohammed Sibda**  
BCom



**Nina Saad**  
BSc, CFA

### Long-term outcomes

Return over the investment horizon



**Portfolio**  
9.92%

**Benchmark**  
8.35%

The annualised return over the investment horizon of the portfolio.

### Short-term risk

Risk of negative one-year return

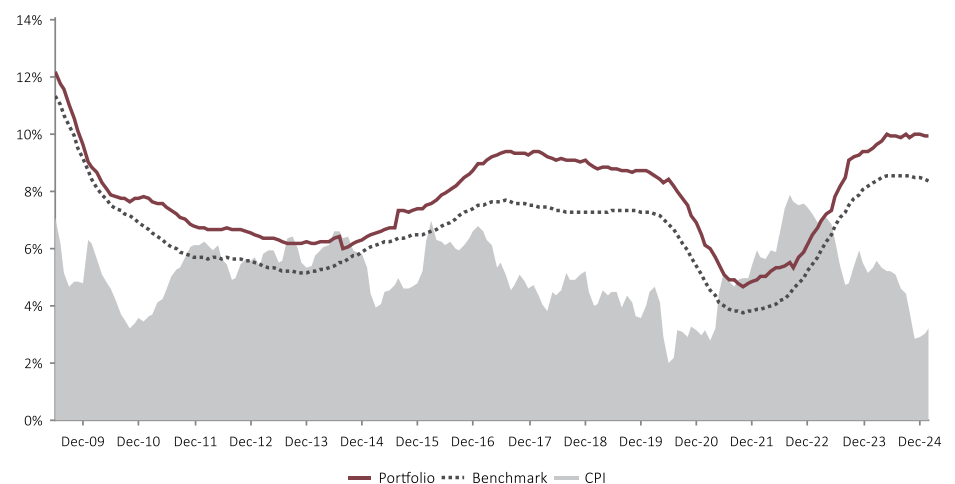


**Portfolio**  
0.00%

**Benchmark**  
0.00%

The likelihood of negative returns over any one-year rolling period.

### 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
<b>Portfolio</b>	<b>0.68%</b>	<b>2.24%</b>	<b>9.92%</b>	<b>9.73%</b>	<b>8.71%</b>	<b>7.78%</b>	<b>7.45%</b>	<b>7.65%</b>	<b>7.83%</b>	<b>7.90%</b>
Benchmark	0.59%	1.92%	8.35%	8.32%	7.44%	6.54%	6.20%	6.37%	6.50%	6.75%
Risk-adjusted ratio <sup>1</sup>					15.91	11.83	11.89	12.97	13.90	14.37
Tracking error <sup>2</sup>					0.28	0.25	0.27	0.25	0.24	0.25

<sup>1</sup>A ratio of the actual return achieved per unit of risk taken.

<sup>2</sup>Tracking error/difference (variability of alpha).

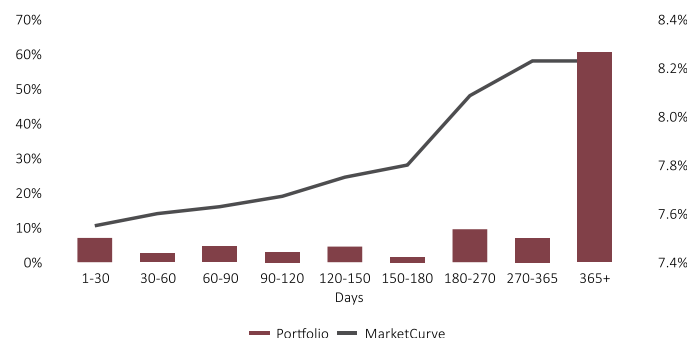


## Investment manager returns

	One year	Three years	Seven years
<b>Local cash</b>			
ALUWANI	9.73%	8.83%	7.87%
Momentum Enhanced Yield Fund	10.01%	8.79%	
Momentum Money Market	9.48%	8.37%	

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).

## Term to maturity allocation and MarketCurve



## Quarterly portfolio commentary for Q4 2024

As Donald Trump gears up for his second non-consecutive term as president of the United States, his foreign policy initiatives, proposed immigration reforms, anticipated tax cuts and commitment to deregulation are set to significantly impact both domestic and international economies and markets.

Meanwhile, in South Africa (SA), the country's future economic prospects further hinge on the stability of its government of national unity (GNU). An unexpected political alliance and a recovery in energy supply have sparked hope for economic rejuvenation in SA to around 1.8% for this year and 2.1% for next, in our view. The potential for additional structural reforms under a second term of Operation Vulindlela and increased investor confidence further enhance this optimistic outlook and could help shelter SA from negative global political developments. Support for parties within the GNU has increased but there is room for disappointment should reform momentum slip.

Interest rate expectations, globally, have been pared back significantly, following inflation concerns and fears over fiscal risks under Trump's second term. This rise in risk aversion has placed emerging market assets, including the rand, on the back foot. Nonetheless, we still expect inflation in SA to drift lower to an average of 4.2% this year. Together with inflation expectations remaining around the mid-point of the 3% to 6% target, this should create room for the SA Reserve Bank to lower interest rates by up to two more times this year by 25 basis points each, reaching neutral territory.

The monetary easing cycle continued in Q4, with a 25bp cut in the repo rate at the November meeting. This move by the authorities takes the repo down to 7.75% (prime at 11.25%), as they target an appropriate policy setting for the current growth and inflation reality. The traded money market responded accordingly, with rates moving lower. The 3-month JIBAR declined 30 bps to 7.75%, while the 12-month rate declined less significantly, by 10 bps to 8.12%. Based on these JIBAR levels the total return for the STeFI Composite Index was 2.01% for the quarter.

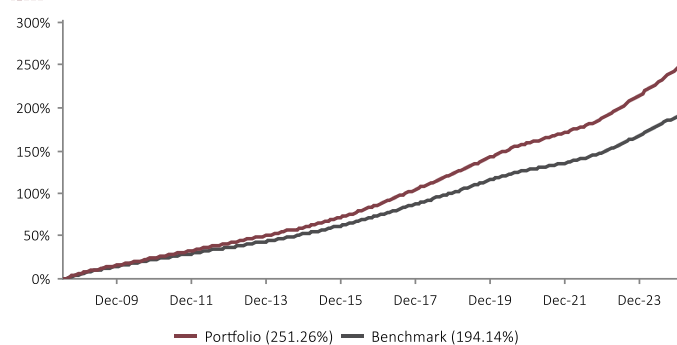
Q4 saw fixed income asset classes take a breather after the outsized positive performance delivered in Q3, as yields moved higher across the board. Both nominal bond and ILB yields were up, although the ALBI (0.43%) and the IGOV (0.82%) held on to deliver positive returns. The laggards were the ZAR and Listed Property, with the currency losing 8.6% against the U.S. dollar and property limping to -0.83% total return. Cash (STeFI) was king, returning 2.01% for the quarter.

The credit market saw some further tightening of spreads over the quarter which has contributed positively to portfolio yield enhancement, but there is not a lot of opportunity by way of new issuance or spread compression at the moment.

For the quarter, the building block delivered a return of 2.35% compared to 2.01% for the STeFI benchmark.

For the year, the building block delivered a return of 9.97% against the STeFI benchmark of 8.46%. It consistently met its objective of capital preservation by maintaining positive returns on a one-year rolling basis. Both investment managers had a high exposure to floating-rate notes, which provided a fair degree of liquidity, while also providing above-benchmark yields.

## Cumulative returns



The cumulative growth of the portfolio since launch compared to its Benchmark.

## The 10-largest portfolio holdings

Holding	
Toyota Financial Services (SA) Limited FRN	3.57%
The Standard Bank of SA Limited - SSN120	3.46%
FirstRand Bank Limited - FRJ26	2.76%
The Standard Bank of SA Limited NCD	2.67%
Clindeb Investments Limited - NTC38	2.10%
Nedbank Limited NCD	2.04%
Discovery Limited - DSY06	2.02%
Telkom SA SOC Limited FRN	1.97%
FirstRand Bank Limited NCD	1.54%
Capitec Bank Limited - CBL31	1.41%

The 10-largest instruments at 28 February 2025, looking through all asset classes held.



## Notes

The information used to compile the Term to maturity allocation and MarketCurve graph is lagged one month.

## Disclosures

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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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