

Destiny Passive Defensive 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 the allocation to asset classes through mainly passive indices on its members' behalf to maximise investment returns at an appropriate level of risk.

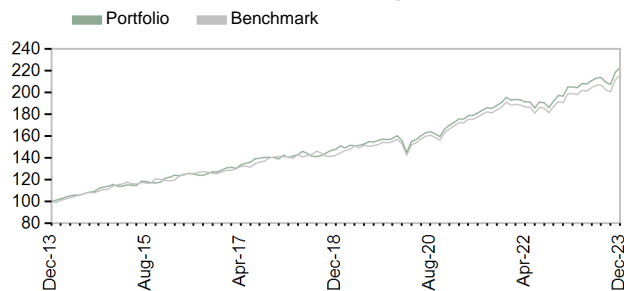
Benchmark allocation

Asset Class	Allocation	Benchmark
Local equities	19.00%	FTSE/JSE Shareholder Weighted Capped Index
Local property	5.00%	FTSE/JSE All Property Index
Local bonds	22.00%	FTSE/JSE All Bond Index
Local cash	30.00%	Short-term Fixed Interest Composite Index
Global	24.00%	Global composite benchmark

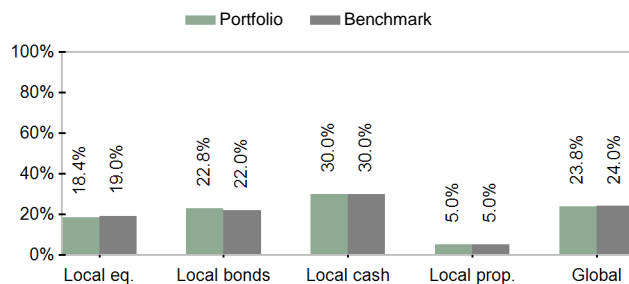
Investment returns

	One Month	Three Months	One Year	Three Years	Five Years	Since Inception
Portfolio	1.96%	6.46%	13.27%	9.47%	8.55%	8.33%
Benchmark	1.99%	6.58%	13.17%	9.03%	8.69%	7.99%

Cumulative investment returns since inception



Asset allocation



Comments


The portfolio returns are based on a combination of actual and back-tested returns, with November 2019 the first month of actual returns.

The fee is made up of the underlying investment managers' fees and MOBS investment administration fees. It excludes the fees payable to GIB.

Investment portfolio mandate

This investment portfolio is aimed at achieving capital preservation protected from extreme volatility. The allocation to asset classes is achieved by investing mainly in a combination of passive indices. The portfolio's exposure to bonds and cash will increase in times of uncertainty. 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	November 2019	
Investment Horizon	Short to medium term	
Risk Profile		
Total Fee (incl. VAT)		0.23%
(Calculation based on period since inception)	Portfolio	Benchmark
Volatility	5.8%	5.8%
Maximum drawdown	-9.6%	-9.3%
Active risk	4.2%	
Information ratio	0.1	
Beta	0.7	

Largest 10 holdings

	% of portfolio
SA Government Bond R186	3.8%
SA Government Bond R2030	3.4%
SA Government Bond R2048	2.8%
SA Government Bond 2032	2.7%
SA Government Bond R2035	2.4%
SA Government Bond R2037	2.1%
SA Government Bond R2044	1.8%
SA Government Bond R2040	1.7%
SA Government Bond R213	1.5%
Naspers Ltd	1.4%
Total	23.6%

Investment manager allocation and returns

	One Month	One Year	Weighting
Local equity managers			
Momentum Capped SWIX Equity	2.86%	8.23%	18.4%
FTSE/JSE Shareholder Weighted Capped Index	2.90%	7.87%	
Local property managers			
Momentum ALPI Tracker Fund	9.90%	10.23%	5.0%
FTSE/JSE All Property Index	9.92%	10.70%	
Local bond managers			
SA Government Bond Index	1.44%	9.63%	22.8%
GOVI	1.50%	9.67%	
Local cash managers			
Momentum Money Market	0.76%	9.01%	5.9%
ALUWANI	0.80%	9.47%	1.3%
Momentum Enhanced Yield	0.81%	9.52%	22.8%
Short-term Fixed Interest Composite Index	0.70%	8.06%	
Global equity managers			
Blackrock (developed markets)	2.34%	33.45%	14.3%
MSCI Developed Markets (BGI Lagged)	2.11%	33.38%	
Blackrock (emerging markets)	0.87%	18.10%	4.6%
MSCI Emerging Markets Index	1.13%	18.53%	
Global bond managers			
Amundi	0.83%	14.21%	4.8%
Citigroup World Government Bond Index	0.98%	14.27%	
Total			100%

The policy is underwritten by Momentum Metropolitan Life Limited, a registered life insurer under the Long-term Insurance Act, an authorised financial services (FSP6406) and registered credit provider (NCRCP173), and rated B-BBEE level 1. This investment portfolio is administered and managed by Momentum Outcome-based Solutions (Pty) Ltd, which is an authorised financial services provider (FSP19840) in terms of Section 8 of the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS Act), as may be amended and/or replaced from time to time. Investment returns for periods exceeding one year are annualised. All returns quoted are before deduction of fees, except where a portfolio includes underlying investments where fees are deducted from the return, but after the deduction of performance-based fees. 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. The investment manager returns shown in the table are based on the history of Momentum Outcome-based Solutions (Pty) Ltd's investment in that particular investment manager's portfolio, and not necessarily when the investment manager was included in this portfolio. 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. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, the company does not accept any responsibility for any claim, damages, loss or expense, howsoever arising, out of or in connection with the information in this document, whether by a client, investor or intermediary. 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.

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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