

# Equilibrium Global Managed Portfolio

month ended 28 February 2025



## Managed portfolio details

Investment manager: <b>Equilibrium Investment Management</b>	Platform availability: <b>Momentum Wealth</b>	Reporting currency: <b>ZAR</b>
Inception date: <b>01 January 2019</b>	Investment timeframe: <b>5 years +</b>	Investment manager fee: <b>0.25%</b>
Investment target: <b>Global Cash<sup>1</sup> +4.0% + ZAR/USD movement</b>	Peer group: <b>Morningstar Moderate Allocation<sup>2</sup></b>	Total investment charges (TIC) <sup>3</sup> : <b>0.65%</b>

## Investment objective

The portfolio is designed to offer a balance between capital preservation and capital appreciation over the medium to long term through investment in a diversified range of international asset classes and currencies.

## Risk appetite

The portfolio is ideally suited to investors with a medium risk tolerance with an investment horizon of 5 years or longer.



## Investment policy

The portfolio will invest primarily in participatory interests of collective investment schemes or other similar schemes whose underlying portfolios provide exposure to a diversified portfolio of investments across a broad range of asset classes, currencies and market sectors, in varying proportions over time. These asset classes include cash, equity, fixed income, money market instruments, property, and commodities. Asset allocation portfolios that provide an exposure to a combination of these asset classes may also qualify for inclusion in the portfolio. All holdings must be approved by the Financial Sector Conduct Authority in South Africa.

## Holdings

Holding	Asset type	Weight
<b>Equity</b>		<b>56.4%</b>
Robeco Multi-Factor Global Equity <sup>i</sup>	Global equity	19.9%
Evenlode Global Equity <sup>i</sup>	Global equity	7.2%
Jennison Global Equity Opportunities <sup>i</sup>	Global equity	5.7%
Lyrical Global Value Equity Strategy <sup>i</sup>	Global equity	5.7%
Fidelity Emerging Markets	Emerging market equity	3.0%
Coronation Global Emerging Markets	Emerging market equity	3.0%
Sands Capital Emerging Markets Growth	Emerging market equity	3.0%
Artisan Global Value <sup>i</sup>	Global equity	2.5%
Paradise Global SMID Cap <sup>i</sup>	Global equity	2.3%
Rainier International SMID Cap Growth <sup>i</sup>	Global equity	1.4%
Granahan US Focused Growth <sup>i</sup>	US equity	1.1%
Contrarius Global Equity <sup>i</sup>	Global equity	0.9%
Morant Wright Fujii Yield <sup>i</sup>	Japan equity	0.7%
<b>Fixed income</b>		<b>30.0%</b>
Dodge & Cox Global Bond	Aggregate bonds	12.0%
iShares Global Government Bond	Government bonds	8.0%
STANLIB Global Bond	Aggregate bonds	5.0%
Coronation Global Strategic Income	Strategic bonds	5.0%
<b>Property</b>		<b>4.5%</b>
Catalyst Global Real Estate	Listed property	4.5%
<b>Commodities</b>		<b>3.0%</b>
Ninety One Global Gold	Gold & gold miners	3.0%
<b>Cash &amp; money market</b>		<b>6.1%</b>
Ninety One US Dollar Money	Money market	6.0%
Cash <sup>i</sup>	Cash	0.1%

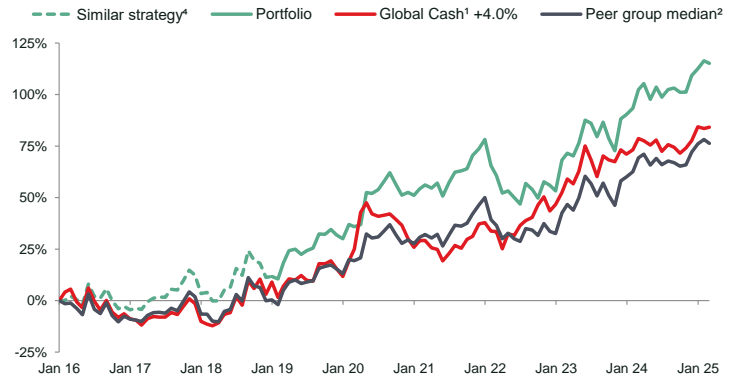
<sup>i</sup> Indirectly held in the Momentum GF Global Equity Fund

## Top 10 underlying security holdings (on a look-through basis)

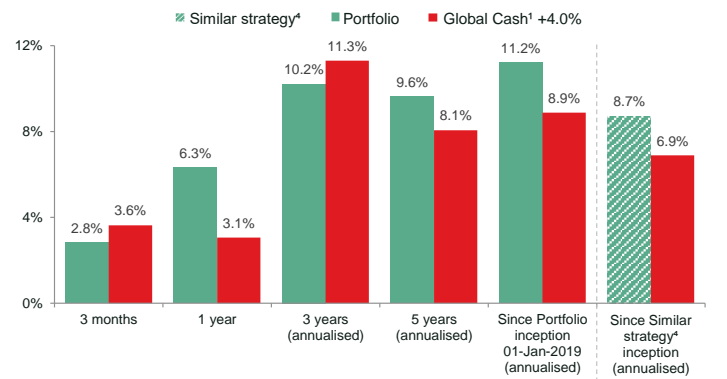
Underlying holding	Weight
NVIDIA Corporation	1.3%
Apple Inc	1.3%
Microsoft Corporation	1.2%
Alphabet Inc A	0.9%
Meta Platforms Inc A	0.9%
Taiwan Semiconductor Manufacturing Co Ltd Sponsored ADR	0.8%
Amazon.com Inc	0.8%
Taiwan Semiconductor Manufacturing Co Ltd	0.6%
SAP SE	0.6%
MercadoLibre Inc	0.5%

Data as at 31.12.2024, updated quarterly. The Portfolio is exposed to securities such as stocks and bonds via the underlying collective investment schemes (CIS) in which it invests. The table shows the 10 biggest stock positions the Portfolio is exposed to, and is calculated by aggregating the stocks held by each of the underlying CISs.

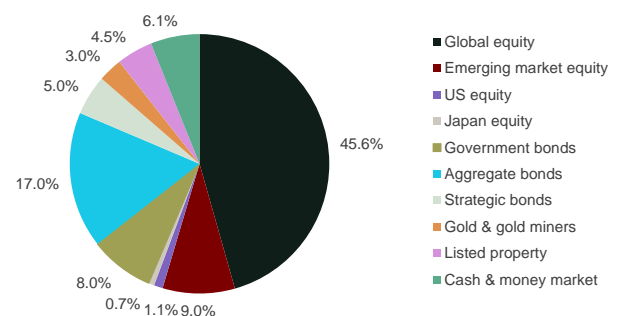
## Cumulative returns



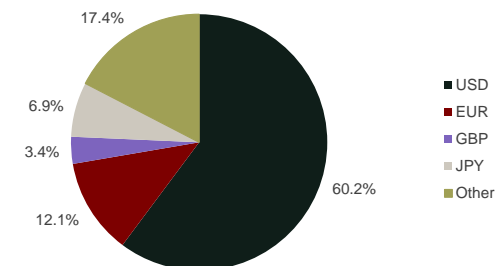
## Portfolio performance



## Strategy allocation<sup>5</sup>



## Currency allocation



Sources: Momentum Global Investment Management, Morningstar. Past performance is not indicative of future returns.

<sup>1</sup> Global Cash comprises two components: i) prior to 01.01.2022 Global Cash was a composite of 50% ICE LIBOR 3M USD; 25% ICE LIBOR 3M EUR; 10% ICE LIBOR 3M GBP; 15% ICE LIBOR 3M JPY; ii) from 01.01.2022 to present Global Cash is a composite of 50% ICE BoA 3M US Treasury Bill Index; 25% ICE BoA 3M German Treasury Bill Index; 10% ICE BoA 3M Sterling Government Bill Index; 15% ICE BoA 3M Japan Treasury Bill Index.

<sup>2</sup> Peer group is Morningstar Global Category: Moderate Allocation. Filtered for: i) share class = Oldest; ii) registered for sale = South Africa; iii) domicile ≠ South Africa; iv) investment area = Global.

<sup>3</sup> This is an estimated TIC based on the weighted average of the collective investment schemes (CIS) in which the Portfolio invests. The TIC has been calculated using the latest available data from Morningstar.

<sup>4</sup> Performance figures prior to the inception date of the Portfolio (shown dotted/striped green) correspond to a similar strategy managed by the same investment team since 01.01.2016. This strategy has the same investment objective and investment restrictions as the Portfolio. The Portfolio's live track record began on 01.01.2019 (shown in solid green).

<sup>5</sup> Strategy allocation figures reflect the classification of the CISs (or similar schemes) held by the Portfolio and look through to the underlying holdings of such schemes.



## ■ Market commentary

February's market performance reflected the escalating uncertainty brought by President Trump's sweeping policy agenda. His administration's rapid moves—imposing tariffs on key trading partners, restructuring the federal government, and reshaping foreign policy—have unsettled markets. The US has sharpened its focus on China as its primary geopolitical threat, with Europe urged to take greater responsibility for its own security.

Equity markets struggled for direction amid these shifts. The unwinding of the 'Trump trade' saw the dollar's rise stall and bond yields decline. US growth concerns deepened, reflected in February's PMI data: the Composite PMI fell to 51.6, with Services PMI falling to 51.0, and Manufacturing PMI, though robust at 53.9, saw slowing new orders, suggesting front-running ahead of tariffs.

Global government bonds benefitted, returning 1.8%, while equities drifted. MSCI World declined -0.7%, driven by a -5.4% drop in the 'Magnificent 7' as trade war fears and China's AI sector, particularly DeepSeek, pressured US megacap tech. The S&P 500 slipped -1.3%, trimming year-to-date gains to 1.4%. In contrast, European equities outperformed, with MSCI Europe ex UK rising 3.7% (10.9% YTD), and MSCI UK up 2.4% (8.3% YTD). China led global markets in February, with MSCI China up 11.8% (USD terms). The rally, driven by AI optimism, regulatory easing, and policy support, was led by tech giants Alibaba and Tencent. Despite new US tariffs, China's measured response and focus on domestic innovation have mitigated broader economic concerns.

One clear consequence of Trump's policy shifts is Europe's and the UK's urgent need to increase defence spending, fuelling a surge in defence stocks. Unlike in the US, where the 10-year Treasury yield fell 33bps to 4.21% in February, European yields declined more modestly, as investors anticipated higher borrowing to fund military expansion.

European growth prospects remain subdued, but expectations of further rate cuts have buoyed markets. Eurozone leading indicators ticked up slightly, while UK data stabilised. A resolution in Ukraine could lower energy prices, further supporting sentiment.

Geopolitical uncertainty remains high. While European defence spending may lift growth, tariffs introduce inflationary risks and dampen global trade. The uncertain policy environment calls for caution, but the current growth scare in the US could be overdone. We remain cautiously constructive about markets in 2025. With US megacap tech volatility persisting, diversification across and within asset classes will be vital, and we will be seeking tactical opportunities provided by volatility to add to risk in our portfolios.

Source: Bloomberg Finance LP, Momentum Global Investment Management Limited.

## ■ Risk warnings and important notes

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The launch date is the start date of the portfolio. Returns before this date are back tested using the portfolio's fund holdings and published returns for these as at the date of launch date, which would not reflect Equilibrium's historic asset allocation views, or any changes, which would have been made to the portfolio's holdings over time. From the launch date, returns are based on the published returns for the portfolio's fund holdings and any changes which are made to these. All returns are calculated on a total return basis after the deduction of all fees. Returns for periods exceeding one year are annualised. All returns are quoted in US dollars, unless otherwise stated. Total investment charges (TIC) are the sum of a fund's total expense ratio (TER) and the transaction costs (TC). The portfolio's TIC is an estimated total for the portfolio based on the weighted average of the underlying funds in which the portfolio invests using the latest available data. If a TIC is not available, we may use the TER, which is the TIC excluding transaction costs. Where neither a TIC nor a TER is available, we may use the investment manager's ongoing fee.

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