# Equilibrium Global Growth Portfolio

*month ended 30 May 2025*

equilibrium

## Managed portfolio details

| | | |
|---|---|---|
| Investment manager: **Equilibrium Investment Management** | Platform availability **Momentum Wealth** | Reporting currency: **ZAR** |
| Inception date: **01 January 2019** | Investment timeframe: **7 years +** | Investment manager fee: **0.25%** |
| Investment target: **Global Cash[1] +5.5% + ZAR/USD movement** | Peer group: **Morningstar Global Equity Large Cap[2]** | Total investment charges (TIC)[3]: **0.64%** |

## Investment objective

The portfolio is designed to offer capital appreciation over the longer term through investment primarily in a basket of international equity markets and currencies.

## Risk appetite

The portfolio is ideally suited to investors with a high risk tolerance with an investment horizon of 7 years or longer.

very low medium very high

**Capital**

*Probability of a capital loss or negative return in any 12-month period*

## 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 equity investments across a wide range of markets and sectors globally and across a broad range of currencies over time. A small and restricted exposure to underlying portfolios which invest in asset classes such as cash, money market instruments, fixed income, property and commodities, as well as asset allocation portfolios that provide exposure to a combination of these asset classes, may also, from time to time, be included in the portfolio. All holdings must be approved by the Financial Sector Conduct Authority in South Africa.

## Holdings

| Holding | Asset type | Weight |
|---|---|---|
| **Equity** | | **87.2%** |
| Robeco Multi-Factor Global Equity [i] | Global equity | 30.0% |
| Evenlode Global Equity [i] | Global equity | 11.2% |
| Lyrical Global Value Equity Strategy [i] | Global equity | 9.7% |
| Jennison Global Equity Opportunities [i] | Global equity | 9.2% |
| Fidelity Emerging Markets | Emerging market equity | 4.8% |
| Sands Capital Emerging Markets Growth | Emerging market equity | 4.7% |
| Coronation Global Emerging Markets | Emerging market equity | 4.7% |
| Artisan Global Value [i] | Global equity | 3.4% |
| Paradice Global SMID Cap [i] | Global equity | 3.3% |
| Granahan US Focused Growth [i] | US equity | 1.8% |
| Rainier International SMID Cap Growth [i] | Global equity | 1.7% |
| Contrarius Global Equity [i] | Global equity | 1.5% |
| Morant Wright Fuji Yield [i] | Japan equity | 1.2% |
| **Property** | | **6.0%** |
| Catalyst Global Real Estate | Listed property | 6.0% |
| **Commodities** | | **1.0%** |
| Ninety One Global Gold | Gold & gold miners | 1.0% |
| **Cash & money market** | | **5.8%** |
| Ninety One US Dollar Money | Money market | 5.8% |

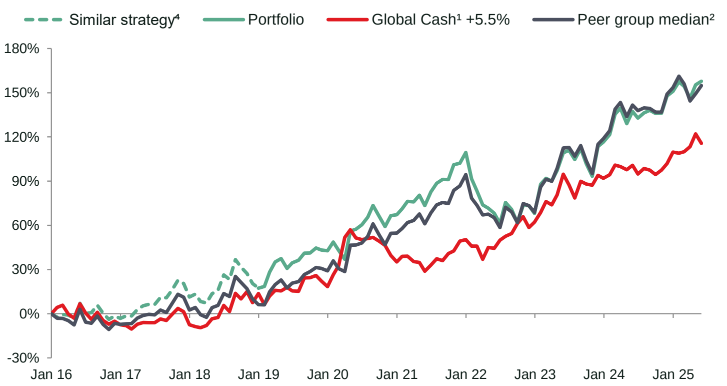
[i] *Indirectly held in the Momentum GF Global Equity Fund*

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

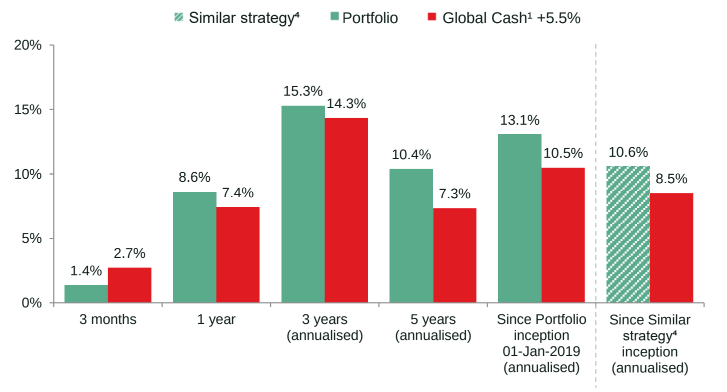
| Underlying holding | Weight |
|---|---|
| Apple Inc | 1.7% |
| Amazon.com Inc | 1.3% |
| NVIDIA Corporation | 1.2% |
| Alphabet Inc A | 1.2% |
| Microsoft Corporation | 1.2% |
| Meta Platforms Inc A | 1.1% |
| MercadoLibre Inc | 0.9% |
| TSMC Ltd | 0.9% |
| Progressive Corporation | 0.8% |
| Mastercard Incorporated A | 0.8% |

Data as at 31.03.2025, updated quarterly. The Portfolio is exposed to securities such as stocks and bonds via the underlying collective investment schemes (CISs) 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.

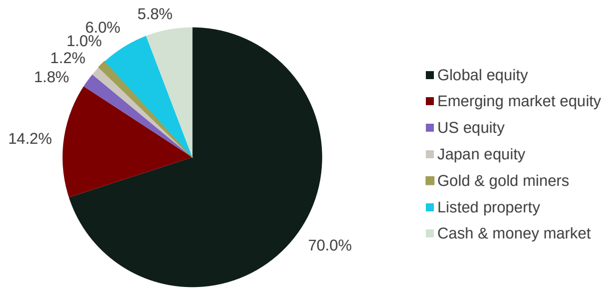
## Cumulative returns



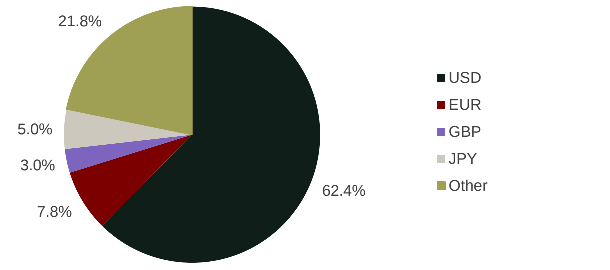

## Portfolio performance




## Strategy allocation[5]




## Currency allocation




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

[1] 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 BofA Japan Treasury Bill Index.

[2] Peer group is Morningstar Global Category: Global Equity Large Cap. Filtered for: i) share class = Oldest; ii) registered for sale = South Africa; iii) domicile ≠ South Africa; iv) investment area = Global.

[3] 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.

[4] 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).

[5] 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

Markets rallied in May despite a volatile backdrop dominated by renewed tariff tensions, resilient inflation, and rising bond yields. The prevailing narrative was one of 'TACO': Trump Always Chickens Out, with fears of trade wars subsiding as the US and China agreed to a 90-day negotiation window, cutting tariffs on each other's goods. Trump also postponed proposed 50% tariffs on EU imports, calming recessionary concerns and boosting investor sentiment.

Equities surged, led by US megacap tech stocks, with Nvidia up 24% and the broader Magnificent 7 gaining 14%. The S&P 500 returned 6.3%, global developed markets 5.9%, and emerging markets 4.3%. Earnings resilience helped sentiment, with Q1 US EPS growth averaging nearly 13%.

In contrast, bond markets struggled. Longer-dated yields rose sharply amid concerns over fiscal sustainability. The US 30-year Treasury yield rose 25bps to 4.93%, the highest since before the Global Financial Crisis. Moody's downgrade of US sovereign credit to Aa1, coupled with the House passing Trump's expansive "Big Beautiful Bill Act", reignited focus on America's $36tn national debt. With a forecast fiscal deficit of 6.3% of GDP this year, markets are pricing in a structural premium for US borrowing.

Other developed markets face similar challenges. UK 30-year gilt yields reached 1998 highs, as April CPI surprised at 3.5% and resilient growth constrained the Bank of England's ability to ease. Japan, with government debt at 260% of GDP, faces policy tightrope walking as the BoJ attempts to normalise rates without triggering market dislocations. Inflation remains above target, and a poorly managed bond auction sparked significant volatility. PM Ishiba's comparison of Japan's finances to "worse than Greece" didn't help.

Central banks remain cautious. The Fed held rates in May and expectations for cuts have been revised down from four to two 25bps reductions in 2025. Markets are adjusting to "higher for longer" rates, with 30-year real yields now at 2.6%, restoring some value to fixed income.

While the immediate tariff threats have faded, the path ahead remains unpredictable, with Trump's July deadline for further trade agreements looming. We recognise the wide range of potential outcomes given current uncertainties, and firmly believe that diversification will be vital, but volatility will create opportunities to add to risk in our portfolios, albeit with caution and patience in the short term.

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.

The portfolio's asset allocation is based on the weighted average of the underlying funds in which the portfolio invests using the latest available data. The portfolio's asset allocation may differ from time to time due to market movements, changes to the portfolio and the underlying fund data and limitations. The underlying funds will contain exposure to assets that are invested globally, which may present additional risks. The value of an investor's investment and the income arising from it will therefore be subject to exchange rate fluctuations. Foreign securities may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. The portfolio may also invest in funds which do not permit daily dealing. Investments in such funds will only be realisable on their dealing days. It is not possible to assess the proper market price of these investments, other than on the fund's dealing days. Higher risk investments may be subject to sudden and larger falls in value in comparison to other investments. Higher risk investments include, but are not limited to, investments in smaller companies (even in developed markets), investments in emerging markets or single country debt or equity funds and investments in high yield or non-investment grade debt. Individual investor returns may differ as a result of platform and adviser fees, the actual investment date, cash flows and other transactions.

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