



**Equilibrium**

**Quarterly Report**

**Q1 2025**

*This report is intended for the investment committee members only.*



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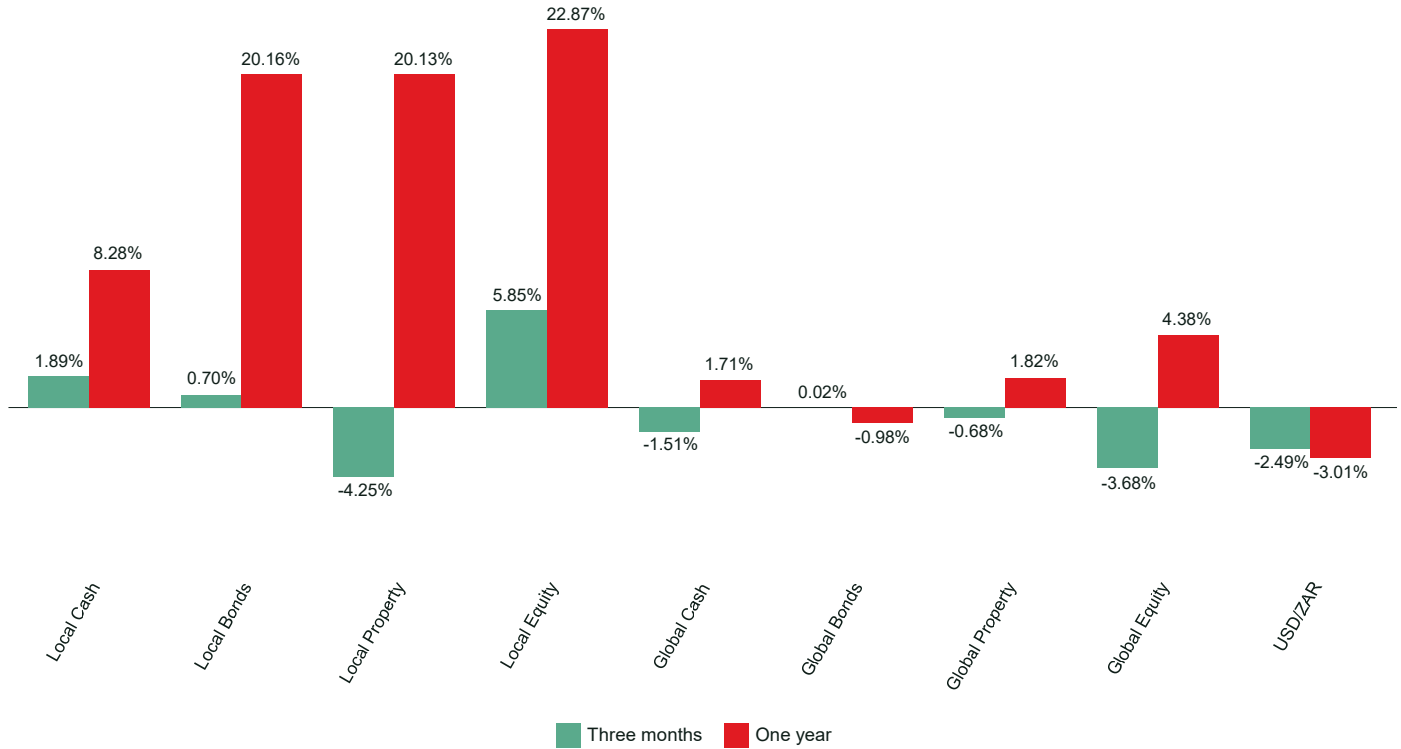
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# 1. Performance overview

## 1.1 Quarterly market summary

### Asset Class Returns



The start of 2025 has certainly been a bumpy ride and at this stage it appears unlikely that the coming quarters will be any less volatile. To understand the financial market movements in the first quarter, we must first consider the expectations at the beginning of the year.

Following another year where US stocks outperformed their regional counterparts, many investors were optimistic that the incoming administration would bolster US exceptionalism. Concurrently, "America First" policies were expected to pose additional headwinds for economic growth in other regions.

However, the reality has been quite different. Elevated uncertainty stemming from volatile US trade policies has dampened growth expectations in the US, while Europe has delivered a more robust fiscal response than initially anticipated. Tariff-related headlines impacted US equity markets throughout the first quarter. New tariffs on imports from Mexico, Canada and China in February were followed by additional tariffs on steel, aluminium, and automobiles in March.

The S&P 500 ended the quarter down 4.3% in US dollar (USD) terms, while the tech-heavy Nasdaq fell by 10.4%. Developed market equities, as measured by the MSCI All Countries World index (ACWI), ended the quarter down 1.2% in USD terms and 3.7% in rand terms. Emerging market equities (MSCI Emerging Markets Index) rose 2.9% in USD terms, driven by strong performances in the Brazilian and Chinese markets with both ending the quarter up over 14%.

In the flight to safety, the FTSE World Government Bond Index (WGBI) ended the quarter up 2.6% in USD terms and flat in rand terms, due to the offsetting effect of the rand strengthening against the US dollar over the quarter. Global property (FTSE EPRA Nareit) ended the quarter up 1.5% in USD terms but down 0.7% in rand terms. This was a significant improvement from the previous quarter, where it was down by over 10% in USD terms.

SA equities performed well, with the FTSE/JSE Capped SWIX All Share Index (Capped SWIX) up 5.8%, driven by a 27.9% increase in resources, particularly gold shares. Financials were down 2%, while industrials gained 3.1%. Local property (FTSE/JSE All Property Index) struggled, down 4.2% for the quarter, but still up 20.1% over the past twelve months.

The FTSE/JSE All Bond Index (ALBI) had a strong year in 2024 but faced challenges in Q1 2025, ending the quarter up by only 0.7%. Yields climbed steadily during Q1 at the longer end of the curve, with the 10-year government bond yield at 10.6% at quarter end. Bonds in the one to 3 and three to 7-year maturity spectrum were the main contributors.



Local cash (STeFI Composite Index) continues to give steady inflation beating returns, gaining 1.9% over the quarter and 8.3% over the past twelve months. The rand gained 2.5% against a weakening USD during the quarter, detracting from returns for all the global asset classes.

In view of the highly unpredictable political environment and elevated levels of uncertainty, a wide range of potential outcomes and higher market volatility is likely to persist for some time. During times of sharp market movements, caution and patience is required. For your clients, staying invested, diversified and focused on their long-term objectives remains the most reliable path to building and preserving their wealth.

Sources: Morningstar and Momentum Investments



## 1.2 Manager returns and comments

Trailing returns as at 31 March 2025

	3m	6m	1y	3y	5y	7y	Commentary
<b>Local Cash</b>							
Curate Momentum Enhanced Yield Fund (D)	2.25%	4.65%	10.00%	8.89%	7.51%		Fixed rate NCDs in the fund continued to deliver stable performance. There were no detractors this quarter. All assets had positive performance.
Fairtree BCI Income Plus Fund (H)	2.20%	5.00%	10.82%	11.04%	9.82%		No commentary was available at the time of preparing the report.
Prescient Income Provider Fund (A2)	1.68%	4.00%	11.68%	9.26%	8.71%	8.10%	The key contributors to performance were the higher yielding floating assets and Money Market exposure. The Preference Shares were the key detractor.
<b>STeFI Composite Index</b>	<b>1.89%</b>	<b>3.94%</b>	<b>8.28%</b>	<b>7.54%</b>	<b>6.21%</b>	<b>6.51%</b>	
<b>(ASISA) South African IB Short Term</b>	<b>2.02%</b>	<b>4.23%</b>	<b>9.53%</b>	<b>8.42%</b>	<b>7.20%</b>	<b>7.41%</b>	
<i>(ASISA) South African MA Income</i>	1.57%	3.12%	10.95%	8.52%	8.17%	7.54%	
<b>Local Bonds</b>							
Momentum SA Flexible Fixed Interest Fund (D)	0.37%	0.72%	21.45%	9.14%	11.77%		All the bond sectors delivered weak absolute performances for the quarter. The 1-3-years sector was the best-performing sector with a return of 2.08%, The 3-7-years sector had a return of 2.02%, the 7-12-years sector returned a mere 0.87%, while the 12+ years sector was the weakest performer with a negative return of -0.69%.
Visio BCI Unconstrained Fixed Interest Fund (C)	1.63%	3.44%	15.53%	10.40%	10.75%	9.25%	As was the case in the previous quarter, the underperformance of the fund for the quarter vs the STeFI x 1.25 can be mainly attributed to the fact that the benchmark has no interest rate risk, so despite lowering the fund's modified duration since the previous quarter, the fund did suffer a (temporary) capital drawdown. The increased exposure to shorter dated Inflation-Linked Bonds provided some protection for the fund from the weaker environment as they benefited from seasonal tail winds linked to the budget and the likelihood that inflation will now drift higher.
<b>FTSE/JSE All Bond Index (ALBI20)</b>	<b>0.70%</b>	<b>1.13%</b>	<b>20.16%</b>	<b>9.83%</b>	<b>11.73%</b>	<b>8.30%</b>	
<b>Local Property</b>							
Sesfikile BCI Property Fund (B2)	-3.82%	-4.28%	21.74%	11.37%	18.31%	3.39%	Top contributors included Sirius Real Estate Limited, PHP Primary Health Properties and Assura plc. Detractors included MAS plc, Hammerson plc and SA Corporate.
<b>FTSE/JSE All Property Index (J803T)</b>	<b>-4.25%</b>	<b>-4.61%</b>	<b>20.13%</b>	<b>11.11%</b>	<b>18.37%</b>	<b>1.43%</b>	
<b>FTSE/JSE SA Listed Property Index (J253T)</b>	<b>-3.51%</b>	<b>-4.31%</b>	<b>19.83%</b>	<b>11.74%</b>	<b>18.97%</b>	<b>2.28%</b>	
<i>(ASISA) South African RE General</i>	-3.96%	-4.42%	18.25%	9.51%	16.87%	1.52%	
<b>Local Equity</b>							
Aylett Equity Prescient Fund (A1)	-1.63%	-0.16%	11.51%	5.83%	19.77%	10.33%	The top contributor was Anheuser- Busch InBev. The main detractor was Curro Holdings.
BlueAlpha BCI Equity Fund (B)	-1.09%	0.99%	11.54%	5.96%	12.04%		Vertex Pharmaceuticals, Anglo Platinum, New Gold (commodity) and Boxer were leading the contributors, whereas Broadcom, Salesforce, Taiwan semi-conductor and Marriot International were detractors from the fund's returns.



	3m	6m	1y	3y	5y	7y	Commentary
Fairtree Equity Prescient Fund (A2)	4.42%	0.69%	22.36%	10.43%	25.10%	15.04%	The main contributors were Gold Fields, AngloGold, Prosus, Naspers and Anheuser-Busch. The detractors were Mr Price, Glencore, Truworths, FirstRand and Foschini.
Foord Equity Fund (B2)	0.73%	0.12%	23.60%	13.58%	19.50%	9.31%	The main contributors were Naspers, Anheuser-Busch InBev, Prosus and gold and gold producers. Positions in mid-cap SA Inc. companies detracted from returns.
Momentum Core Equity Fund (C)	2.57%	0.60%	20.17%	6.02%	17.05%	8.23%	The contributors were the collection of gold counters, including Gold Fields, AngloGold Ashanti and Harmony. The detractors were overweight positions in the banking and insurance sectors.
<b>FTSE/JSE Capped SWIX All Share Index (J433T)</b>	<b>5.85%</b>	<b>3.58%</b>	<b>22.87%</b>	<b>8.20%</b>	<b>18.67%</b>	<b>8.15%</b>	
<b>FTSE/JSE SWIX All Share Index (J403T)</b>	<b>5.94%</b>	<b>3.68%</b>	<b>22.95%</b>	<b>8.33%</b>	<b>16.82%</b>	<b>8.13%</b>	
<i>(ASISA) South African EQ General</i>	1.91%	0.83%	17.74%	7.09%	16.50%	7.91%	
<b>Global Cash</b>							
Coronation Gbl Strategic USD Income (ZAR) FF (P)	-1.07%	8.86%	2.58%	12.79%	4.62%	9.59%	The best performers in the bond market were US, Canada and Australia. The worst performers were Denmark, Japan and Netherlands.
<b>ICE BofA US 3-Month Treasury Bill Index*</b>	<b>-1.51%</b>	<b>9.12%</b>	<b>1.71%</b>	<b>12.47%</b>	<b>3.20%</b>	<b>8.94%</b>	
<i>(ASISA) Global IB Short Term</i>	-0.19%	7.37%	1.87%	10.27%	2.07%	6.75%	
<b>Global Bonds</b>							
1invest Global Government Bond Index FF (B1)	-0.22%	2.51%	-2.14%	3.89%	-3.48%	4.44%	
<b>FTSE World Government Bond Index (WGBI)</b>	<b>0.02%</b>	<b>3.58%</b>	<b>-0.98%</b>	<b>4.82%</b>	<b>-2.38%</b>	<b>4.88%</b>	
<b>FTSE Group-of-Seven (G7) Government Bond Index</b>	<b>0.27%</b>	<b>3.61%</b>	<b>-1.15%</b>	<b>4.60%</b>	<b>-2.73%</b>	<b>4.90%</b>	
<b>Global Equity</b>							
Coronation Gbl Em Mkts Flexible (ZAR) Fund (P)	0.55%	0.16%	-0.57%	11.48%	3.48%	5.26%	The biggest contributors were TSMC, SEA Limited, MercadoLibre, JD, Tencent Music Entertainment and TBC Bank. The biggest detractor was Alibaba.
Curate Momentum Global Sustainable Equity FF (E)	-4.88%	5.84%	2.86%				The top contributors were Tesla Inc, UniCredit SpA, Angnico Eagle Mines Ltd, DNB Bank ASA and BOC Hong Kong Holdings Ltd. The top detractors were Philip Morris International Inc, Vertiv Holdings Co, Illumina Inc, Deckers Outdoor Corp and Berkshire Hathaway Inc.
Satrix MSCI World Index Fund (B2)	-4.31%	4.53%	3.82%	15.22%	15.98%	16.89%	
<b>MSCI ACWI Gross Total Return</b>	<b>-3.68%</b>	<b>4.55%</b>	<b>4.38%</b>	<b>15.96%</b>	<b>16.41%</b>	<b>16.80%</b>	
<b>MSCI World Index Gross Total Return</b>	<b>-4.13%</b>	<b>4.92%</b>	<b>4.26%</b>	<b>16.69%</b>	<b>17.38%</b>	<b>17.89%</b>	
<b>MSCI Emerging Markets Index</b>	<b>0.44%</b>	<b>1.38%</b>	<b>5.38%</b>	<b>10.00%</b>	<b>9.04%</b>	<b>8.62%</b>	
<i>(ASISA) Global EQ General</i>	-2.61%	4.37%	2.48%	12.89%	12.81%	13.25%	
<b>Flexible Property Composite</b>							
Catalyst SCI Flexible Property Fund (C)	-3.02%	-3.51%	13.48%	7.97%	15.37%		The main contributors to performance were the fund's overweight positions in Vici Properties, Cellnex, CTP and Klépierre. The main detractors were Growthpoint, Digital Realty, Hyprop, Vonovia and Stor-Age.
<b>Flexible Property Composite</b>	<b>-2.82%</b>	<b>-3.34%</b>	<b>12.72%</b>	<b>8.52%</b>	<b>15.19%</b>	<b>4.64%</b>	

\*The US LIBOR benchmark has been replaced by the ICE BoAML 3-month US Treasury Bill Index G001 effective 1 December 2021. The ICE US Transition Benchmark includes the US LIBOR till 30 November 2021 and the ICE BoAML 3-month US Treasury Bill Index G001 thereafter.



## 2. Portfolio performance

### 2.1 Executive summary

- The Income portfolio outperformed its benchmark and peer group during the quarter. All the multi-asset class portfolios underperformed their respective benchmarks and peer groups over the quarter.
- During the last 12 months, tactical asset allocation (TAA) contributed to performance across all the multi-asset class portfolios. The overweight position to local equity and underweight position to local cash contributed to performance. Manager selection detracted from performance across all the multi-asset class portfolios.
- All the portfolios delivered reasonable returns over their respective time horizons with the Income, Conservative, Stable and Moderate portfolios outperforming their respective benchmarks. The relatively more aggressive portfolios, the Balanced, Growth and Unconstrained portfolios, remained under pressure and underperformed their respective benchmarks.
- Performance relative to peers was encouraging with all portfolios outperforming over their respective time horizons, barring the Income portfolio, due to the Mi-Plan IP Enhanced Income Retention Fund impairments, and the Unconstrained portfolio which only marginally underperformed.



## 2.2 Equilibrium Income Portfolio

**Data as at:** 31 March 2025  
**Benchmark:** STeFI Composite over rolling 1-year periods  
**Peer group:** (ASISA) South African MA Income

**Investment horizon:** One year  
**Launch date:** 30 June 2017  
**Returns start date:** 30 June 2007

### 2.2.1 Returns

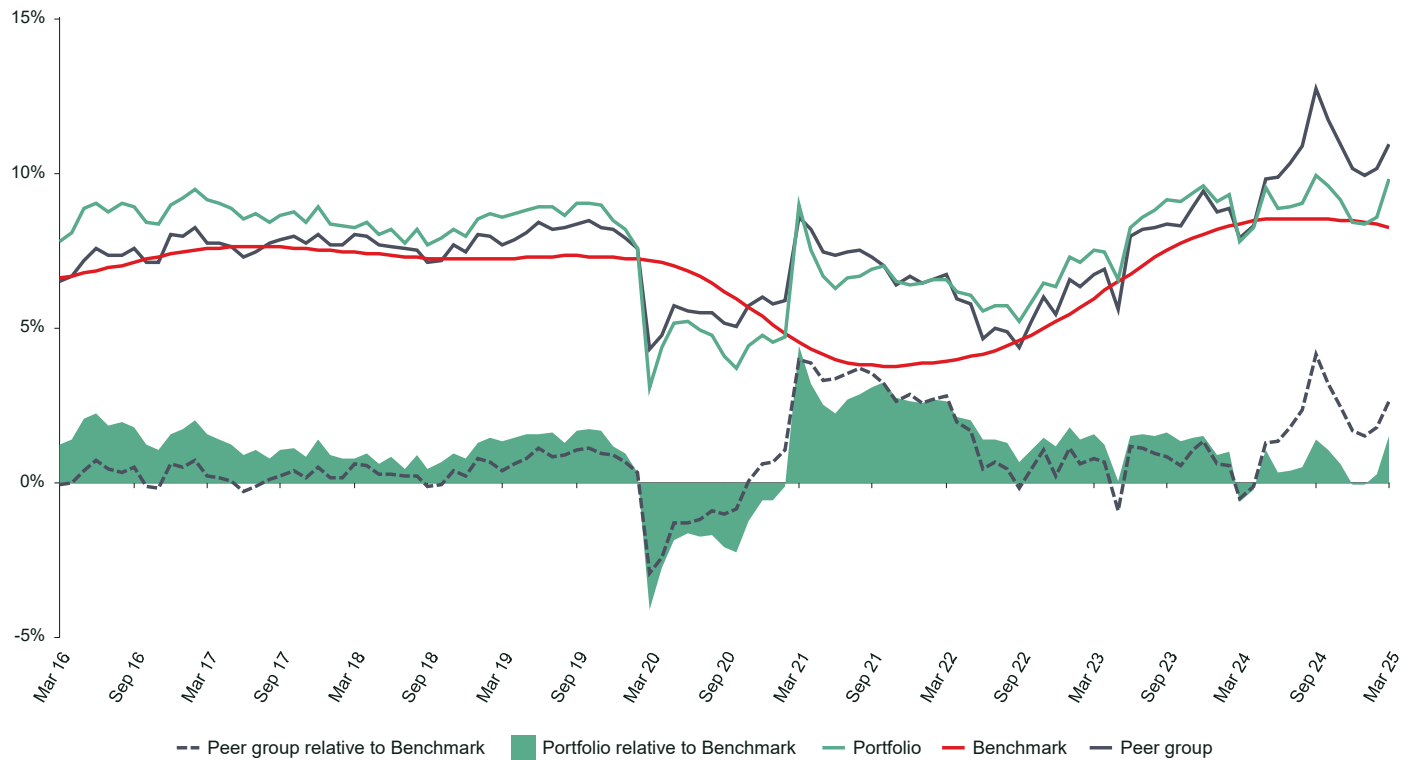
#### Trailing returns

	3m	6m	1y	3y	5y	7y	10y	SL	Mths SL
<b>Portfolio</b>	<b>1.98%</b>	<b>3.92%</b>	<b>9.81%</b>	<b>8.38%</b>	<b>8.14%</b>	<b>7.47%</b>	<b>7.75%</b>	<b>7.54%</b>	<b>93</b>
Benchmark	1.89%	3.94%	8.28%	7.54%	6.21%	6.51%	6.72%	6.59%	
Peer group	1.57%	3.12%	10.95%	8.52%	8.17%	7.54%	7.51%	7.60%	

SL = "Since Launch". This is the launch date of the tracker investment. Returns prior to the launch date are calculated on a simulated or back tested basis. Returns for all periods greater than 1y are annualised.

- The portfolio outperformed both its benchmark and peer group over the quarter.
- The portfolio outperformed its benchmark over its time horizon and underperformed its peer group due to the write downs of the non-performing credit instruments in the Mi-Plan Enhanced Income Retention Fund.

#### Rolling investment horizon returns over 10 years



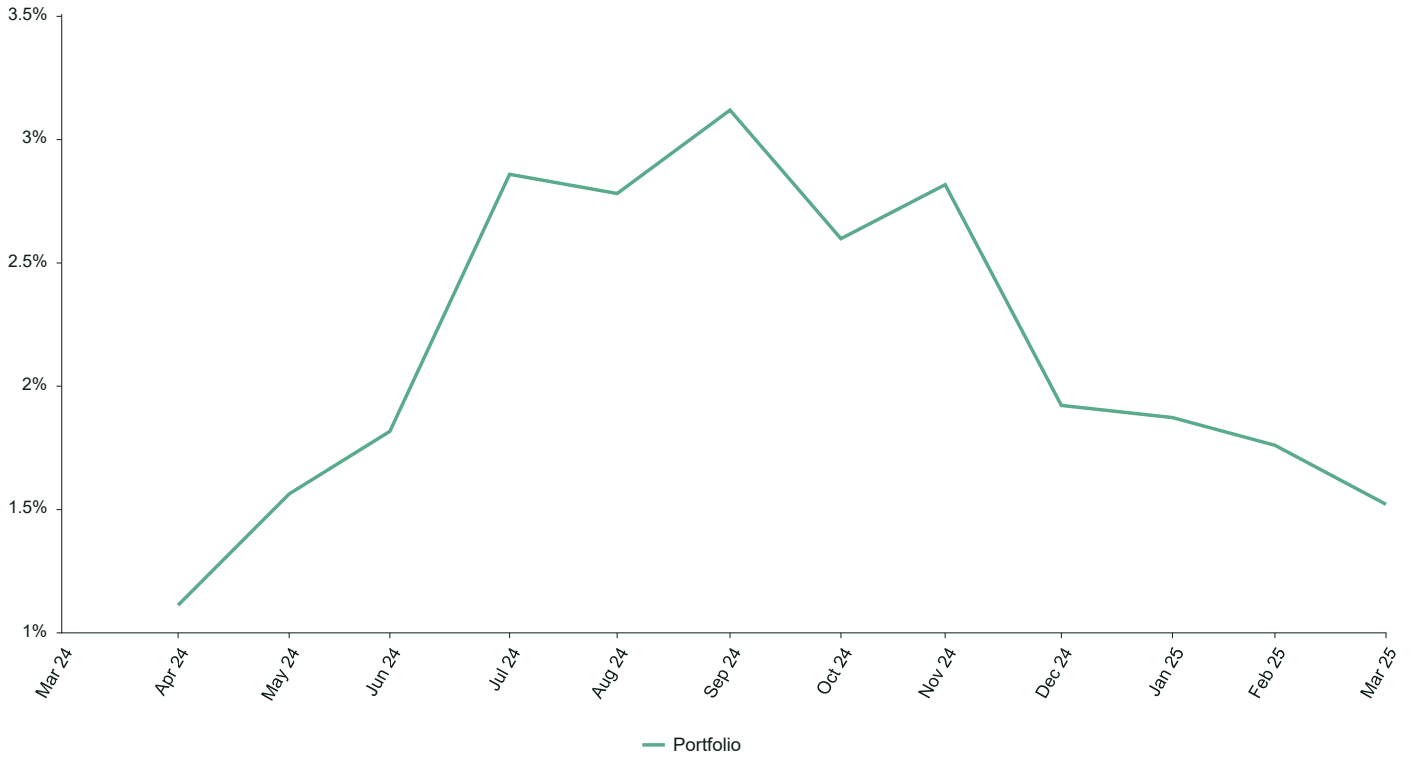
	Portfolio relative to benchmark	Peer group relative to benchmark
Number of observations	109	
Periods of outperformance	<b>93</b>	89
Realised probability of outperformance	<b>85%</b>	82%
Maximum outperformance	<b>4.44%</b>	4.18%
Maximum underperformance	<b>-4.11%</b>	-2.90%

- Over the period, the portfolio outperformed its benchmark during 85% of the rolling 1-year periods. This compares favourably with the peer group, which outperformed during 82% of the 1-year periods.





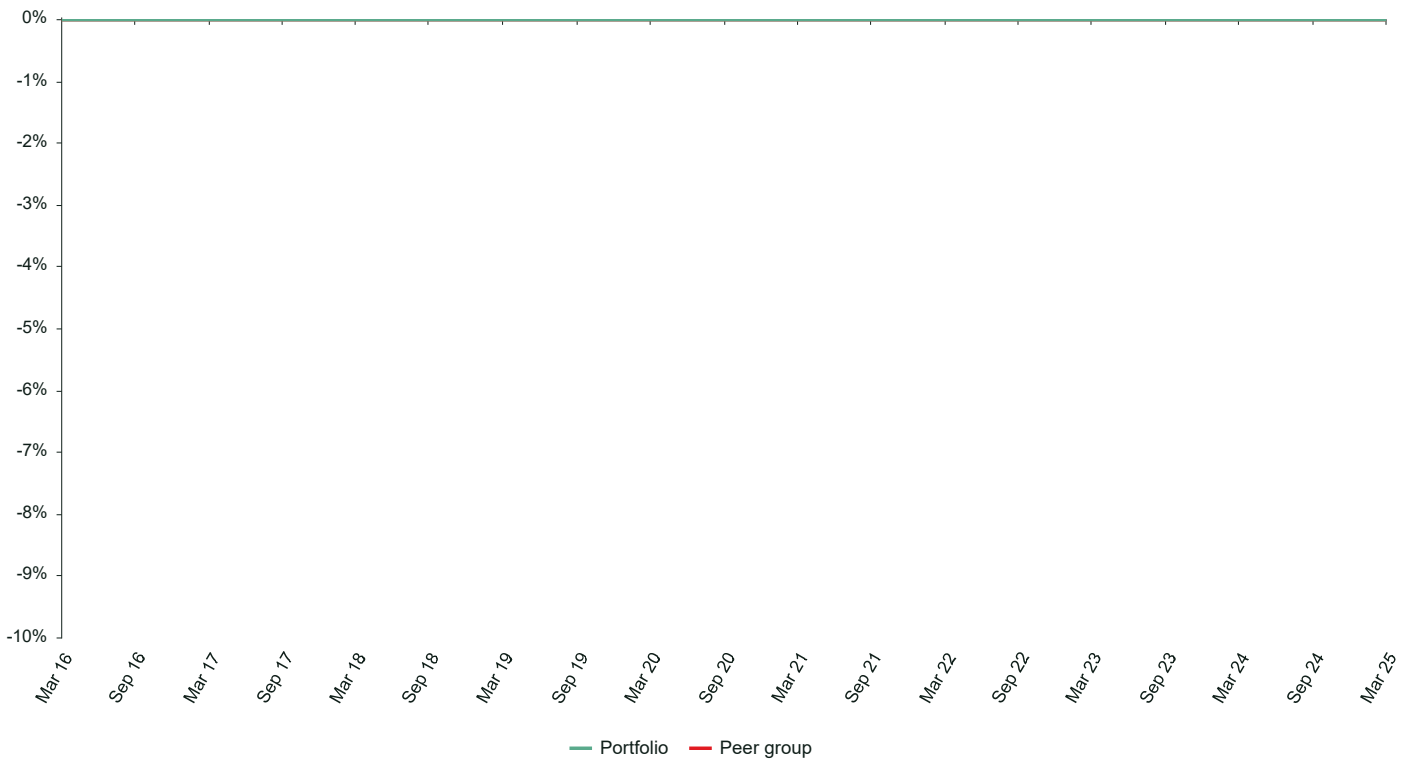
### Portfolio relative to benchmark



- The portfolio was impacted by the impairment of non-performing credit instruments in the Mi-Plan IP Enhanced Income Fund but remains ahead of its benchmark.

### 2.2.2 Risk

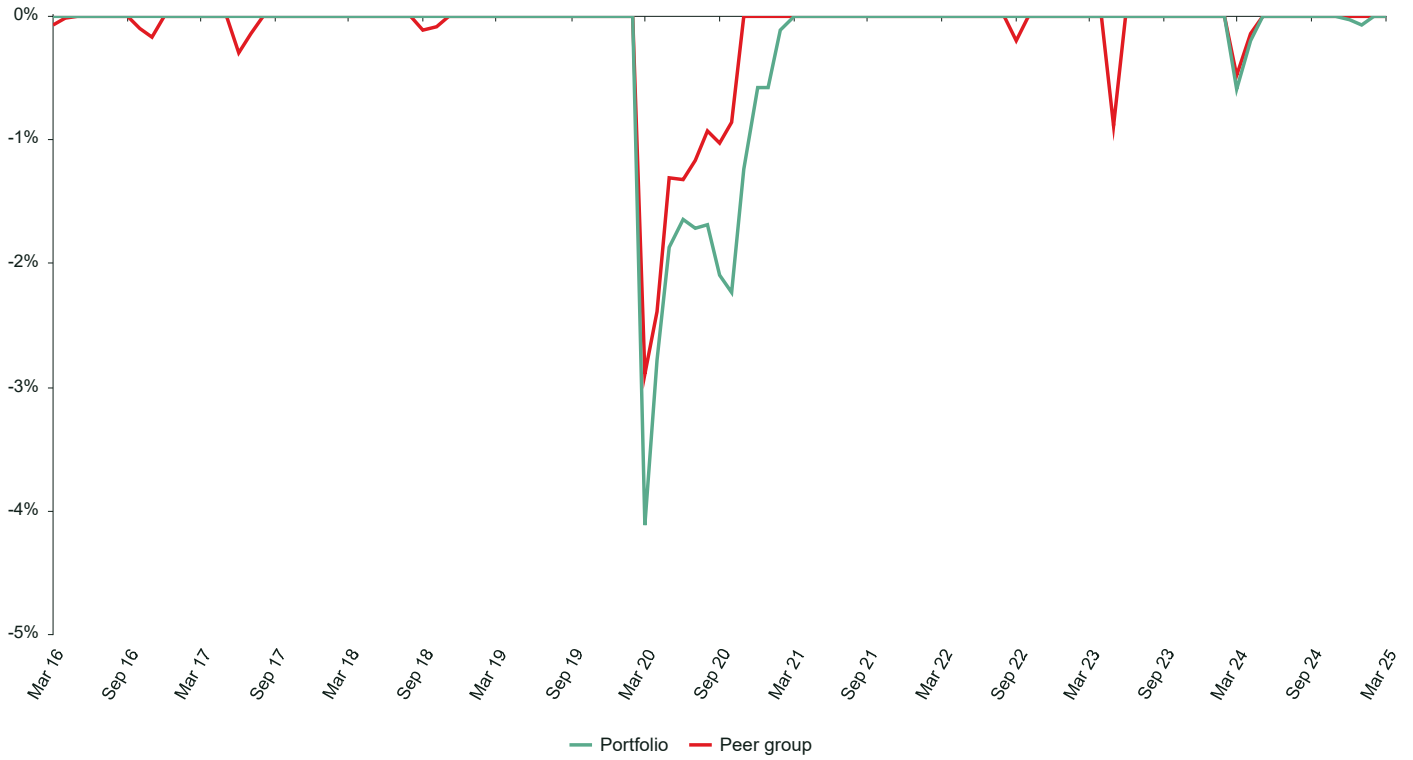
#### Rolling 1-year absolute drawdown over 10 years



- Over the period, both the portfolio and the peer group never experienced a rolling 1-year capital loss.



### Rolling investment horizon absolute drawdown over 10 years



- Over the period, the portfolio was impacted by the marginal property exposure during the COVID-19 sell off and due the write-downs in the Mi-Plan IP Enhanced Income Retention Fund.



## 2.3 Equilibrium Conservative Portfolio

**Data as at:** 31 March 2025  
**Benchmark:** CPI + 2% over rolling 3-year periods  
**Peer group:** (ASISA) South African MA Low Equity

**Investment horizon:** Three years  
**Launch date:** 30 June 2017  
**Returns start date:** 30 June 2007

### 2.3.1 Returns

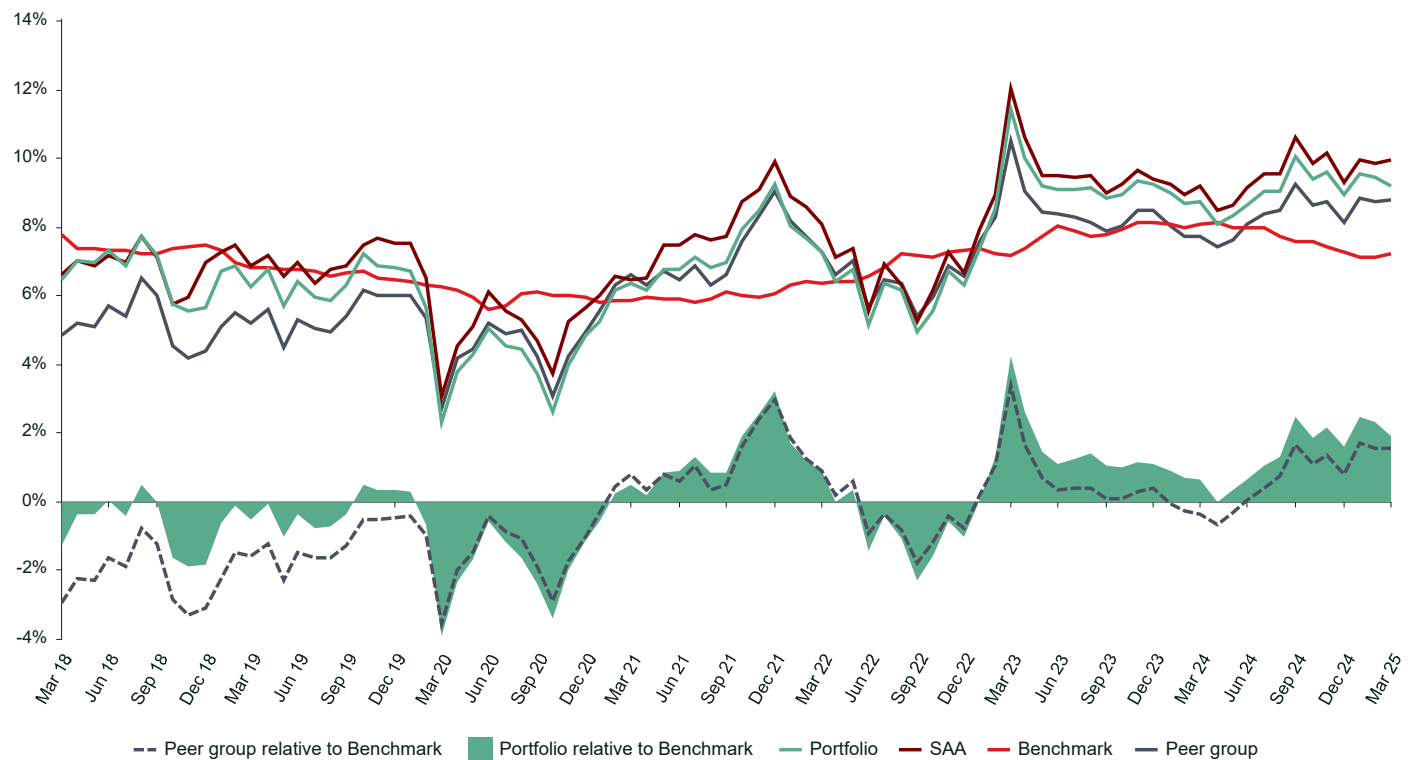
#### Trailing returns

	3m	6m	1y	3y	5y	7y	10y	SL	Mths SL
<b>Portfolio</b>	<b>-0.53%</b>	<b>1.70%</b>	<b>11.88%</b>	<b>9.18%</b>	<b>11.29%</b>	<b>8.14%</b>	<b>7.64%</b>	<b>7.94%</b>	<b>93</b>
Benchmark	1.77%	2.27%	5.16%	7.24%	6.83%	6.70%	7.02%	6.63%	
SAA	0.86%	2.89%	13.58%	9.96%	12.11%	8.62%	8.02%	8.75%	
Peer group	0.97%	2.66%	11.85%	8.79%	10.41%	7.84%	6.93%	7.59%	

SL = "Since Launch". This is the launch date of the tracker investment. Returns prior to the launch date are calculated on a simulated or back tested basis. Returns for all periods greater than 1y are annualised.

- The portfolio outperformed its benchmark by 1.94% p.a. over the 3-year period. It also outperformed its peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 1.7% over the last 12 months, net of all investment related fees.

#### Rolling investment horizon returns over 10 years

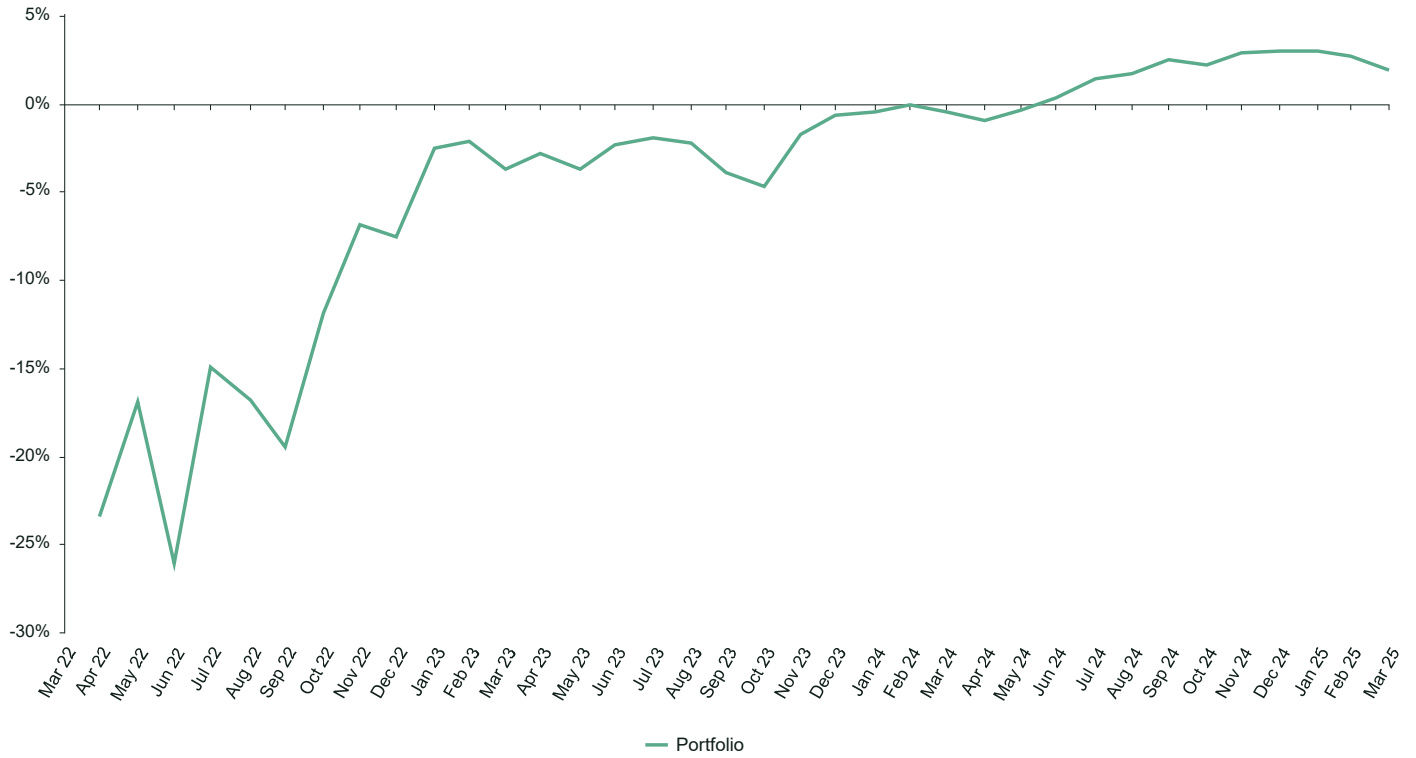


	Portfolio relative to benchmark	Peer group relative to benchmark
Number of observations	85	
Periods of outperformance	<b>47</b>	38
Realised probability of outperformance	<b>55%</b>	45%
Maximum outperformance	<b>4.24%</b>	3.38%
Maximum underperformance	<b>-3.91%</b>	-3.54%

- Over the period, the portfolio outperformed its benchmark on 55% of the total rolling 3-year periods. This compares favourably with the peer group, which only managed to outperform on 45% of the rolling 3-year periods.



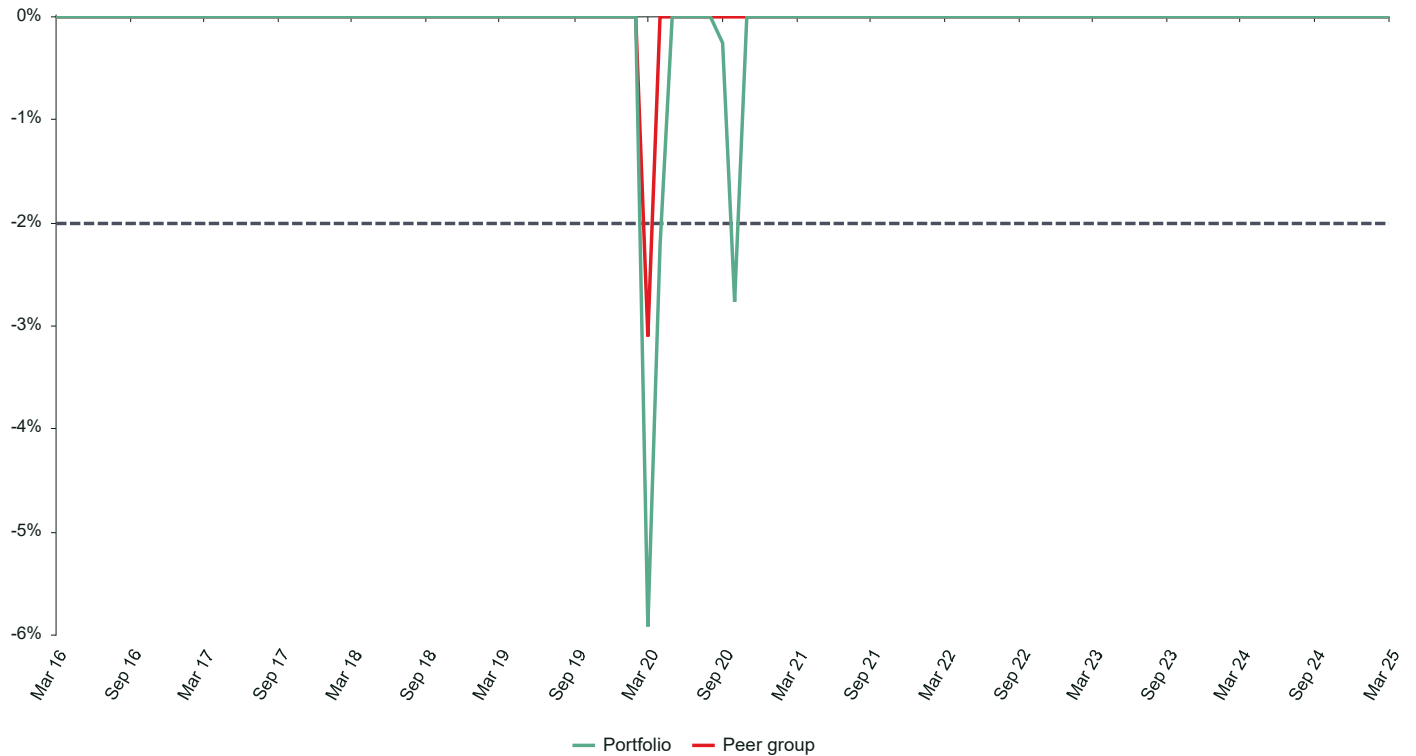
### Portfolio relative to benchmark



- Strong portfolio returns in 2021 were supported by the market recovery post the COVID-19 sell off. This was followed by a global market sell off in 2022, which led to underperformance relative to the benchmark. The portfolio recovered those losses to end the period ahead of its benchmark.

### 2.3.2 Risk

#### Rolling 1-year absolute drawdown over 10 years



- The portfolio breached the acceptable drawdown level of 2% twice.



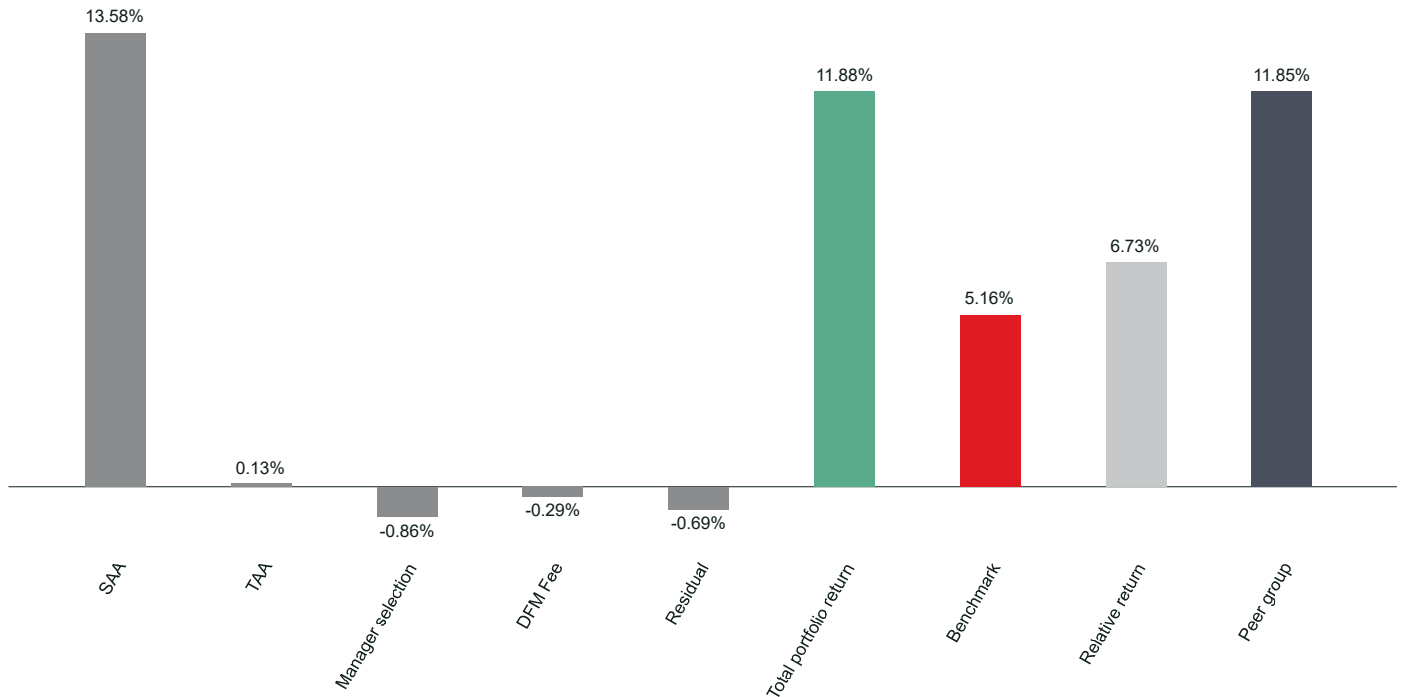
### Rolling investment horizon absolute drawdown over 10 years



- Even though there have been times of underperformance relative to the benchmark, the portfolio is currently ahead of its benchmark and peer group.

### 2.3.3 Performance attribution

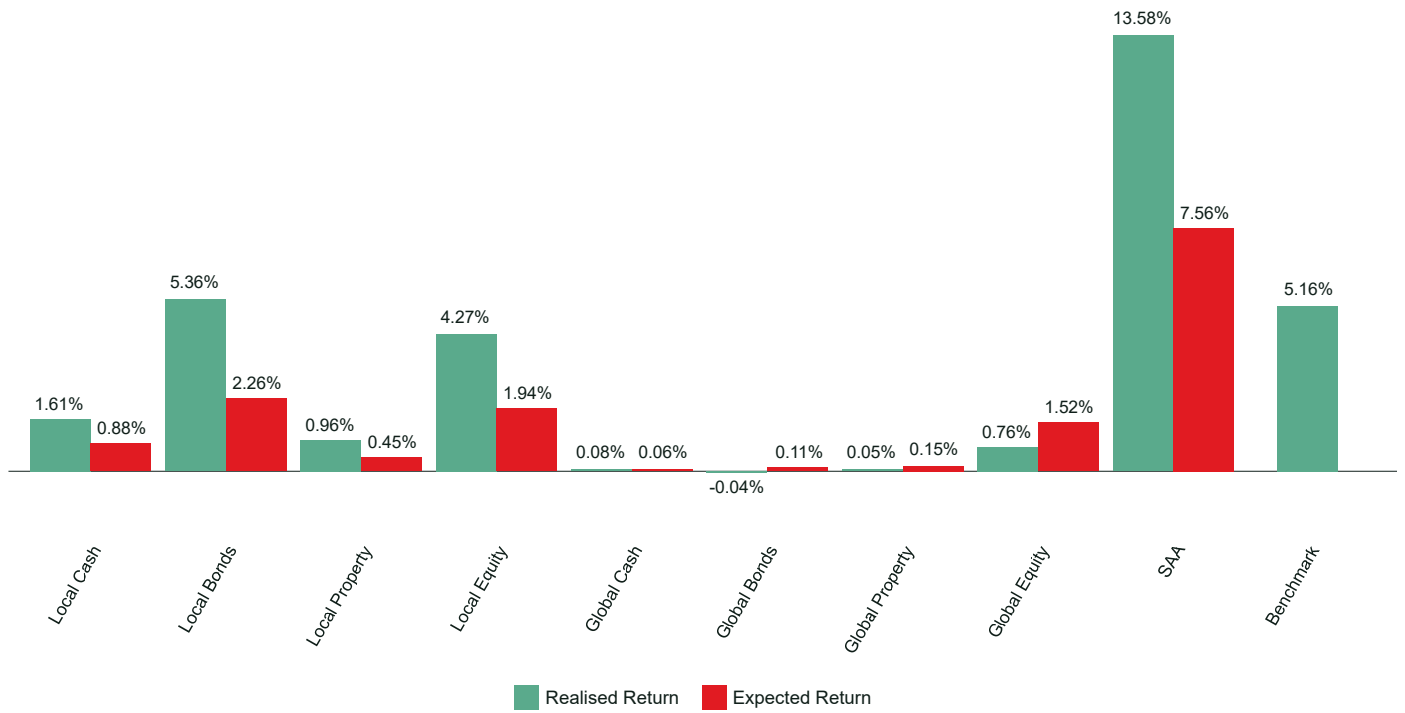
#### Total return attribution over 12 months



- Tactical asset allocation (TAA) contributed while manager selection detracted from the strategic asset allocation (SAA) return over the last 12 months.

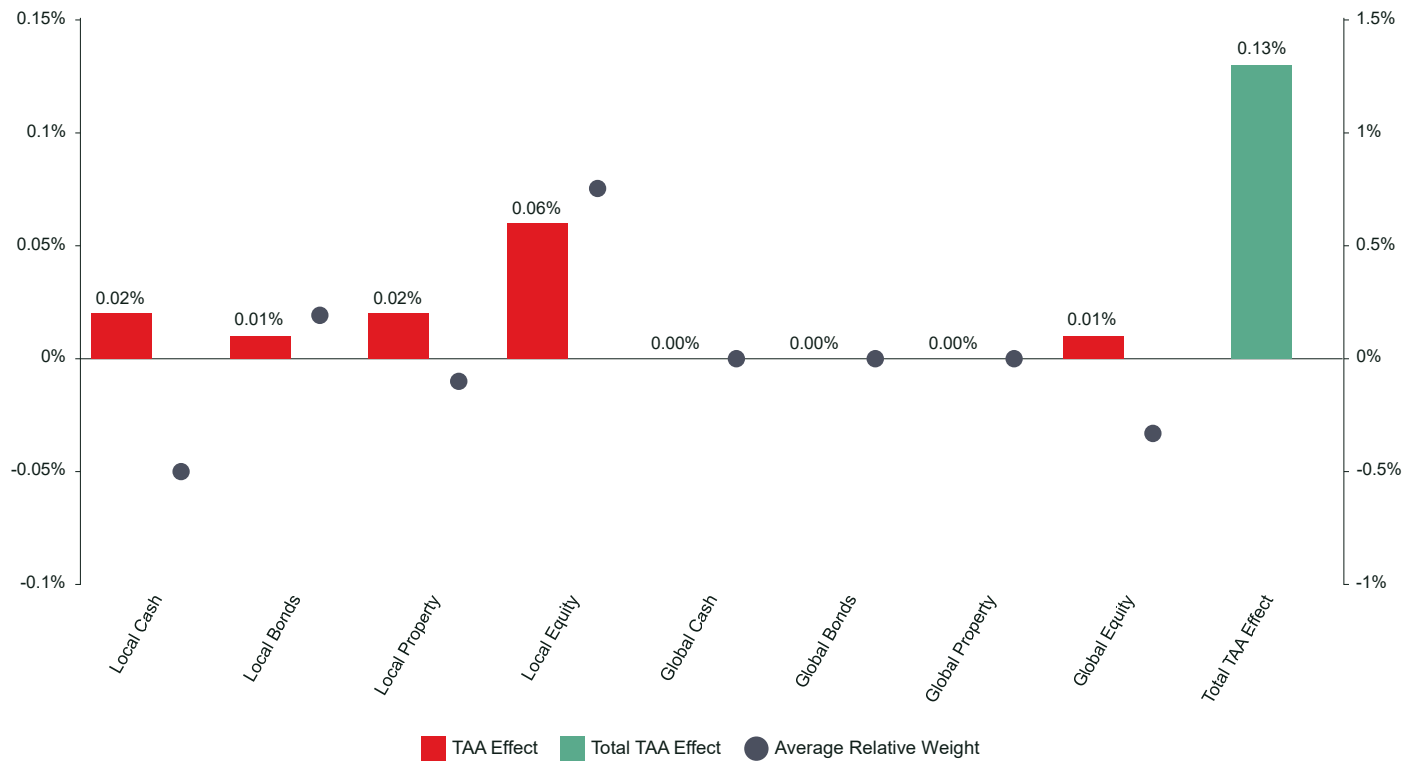


### Strategic asset allocation effects over 12 months



- The graph above illustrates the weighted realised return from each asset class over the period considered relative to our long-term forward-looking expectations.
- All local asset classes outperformed our long-term expectations.

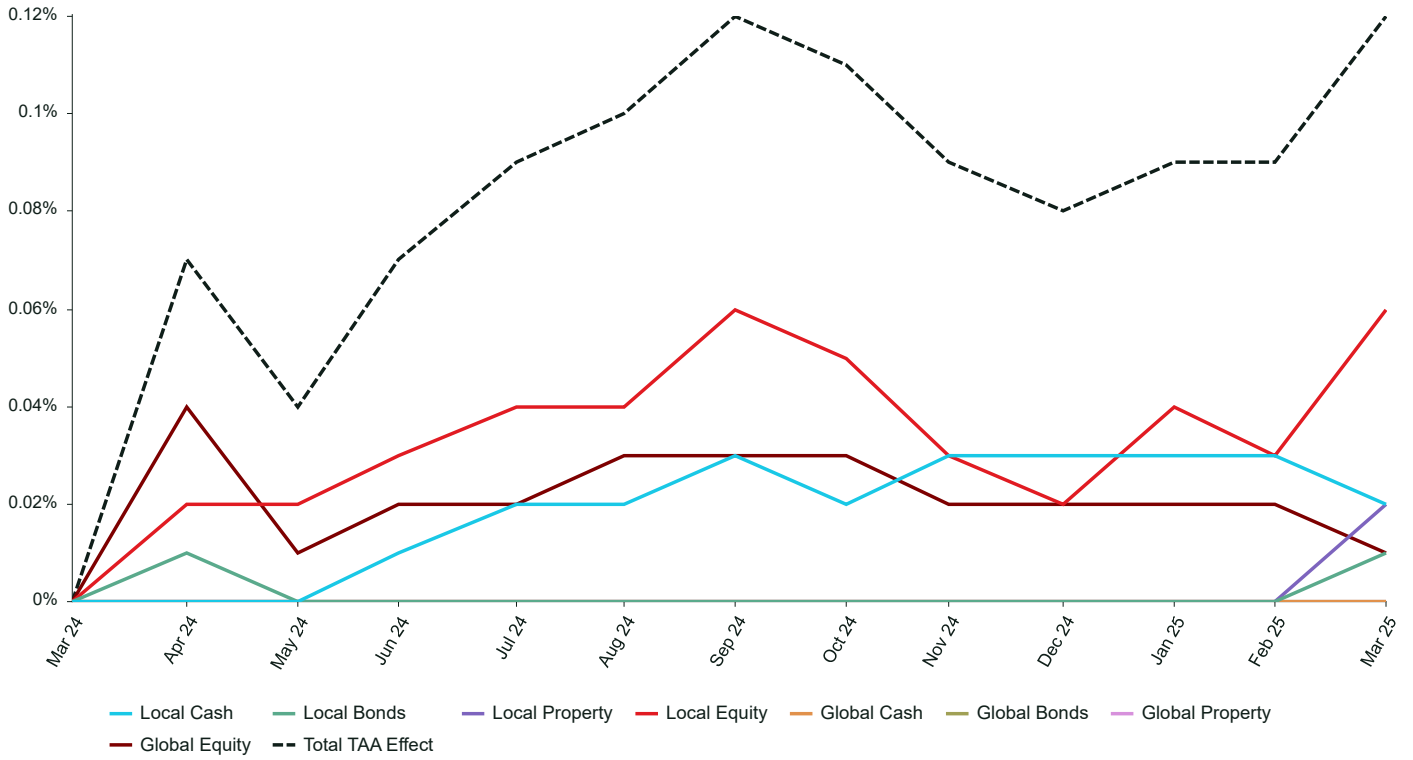
### Tactical asset allocation effects over 12 months



- The underweight position to local cash and overweight position to local equity were the largest contributors to performance over the last 12 months.



### Cumulative tactical asset allocation effects over 12 months



- The above graph illustrates the progression of the tactical asset allocation for all asset classes and in aggregate over the previous 12 months.



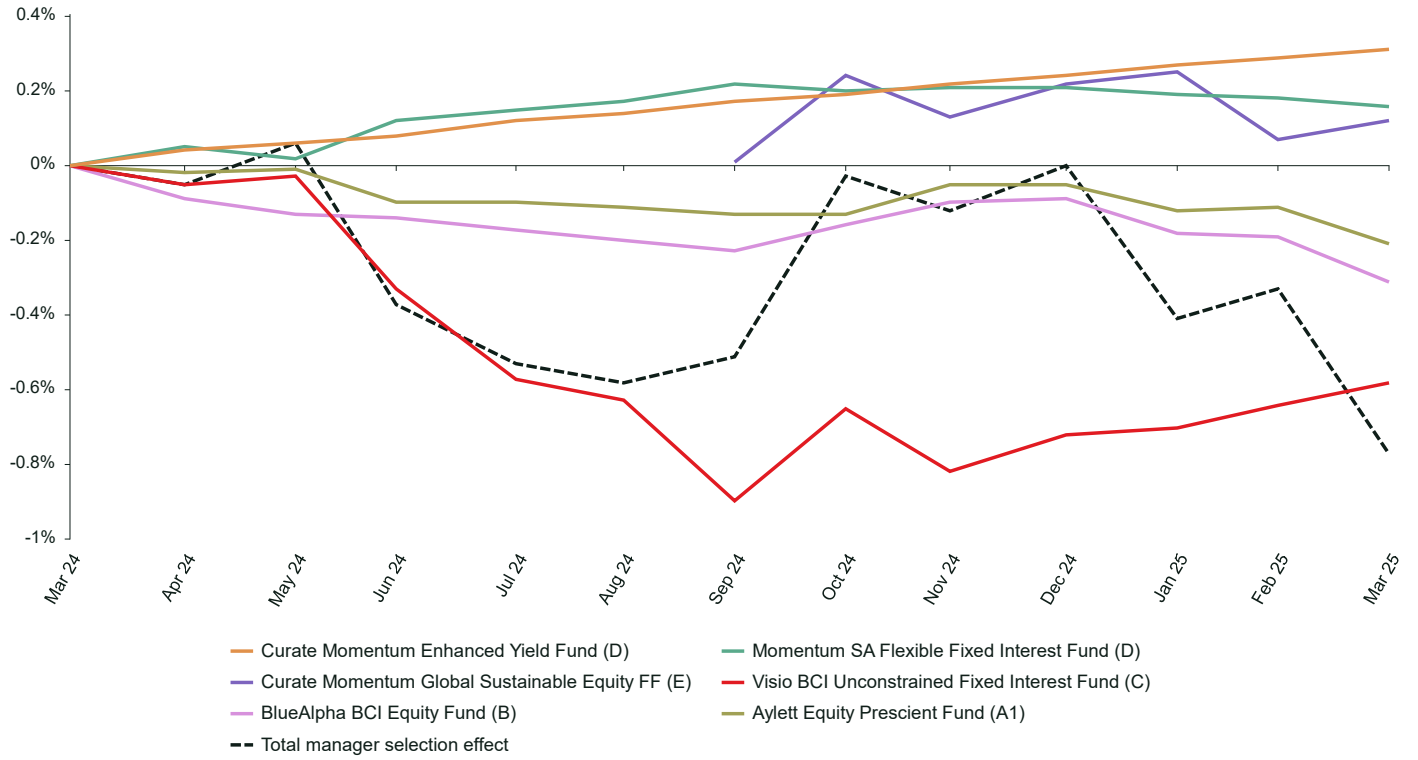
### Manager selection effects over 12 months







### Cumulative manager selection effects over 12 months





## 2.4 Equilibrium Stable Portfolio

**Data as at:** 31 March 2025  
**Benchmark:** CPI + 3% over rolling 4-year periods  
**Peer group:** (ASISA) South African MA Medium Equity

**Investment horizon:** Four years  
**Launch date:** 30 June 2017  
**Returns start date:** 30 June 2007

### 2.4.1 Returns

#### Trailing returns

	3m	6m	1y	2y	4y	6y	10y	SL	Mths SL
<b>Portfolio</b>	<b>-0.74%</b>	<b>1.55%</b>	<b>12.11%</b>	<b>11.81%</b>	<b>9.97%</b>	<b>8.91%</b>	<b>7.74%</b>	<b>8.33%</b>	<b>93</b>
Benchmark	2.00%	2.76%	6.16%	7.35%	8.35%	7.80%	8.02%	7.64%	
SAA	0.93%	2.92%	14.06%	12.86%	10.93%	9.60%	8.23%	9.13%	
Peer group	0.79%	2.41%	11.91%	10.28%	9.01%	8.20%	7.03%	7.72%	

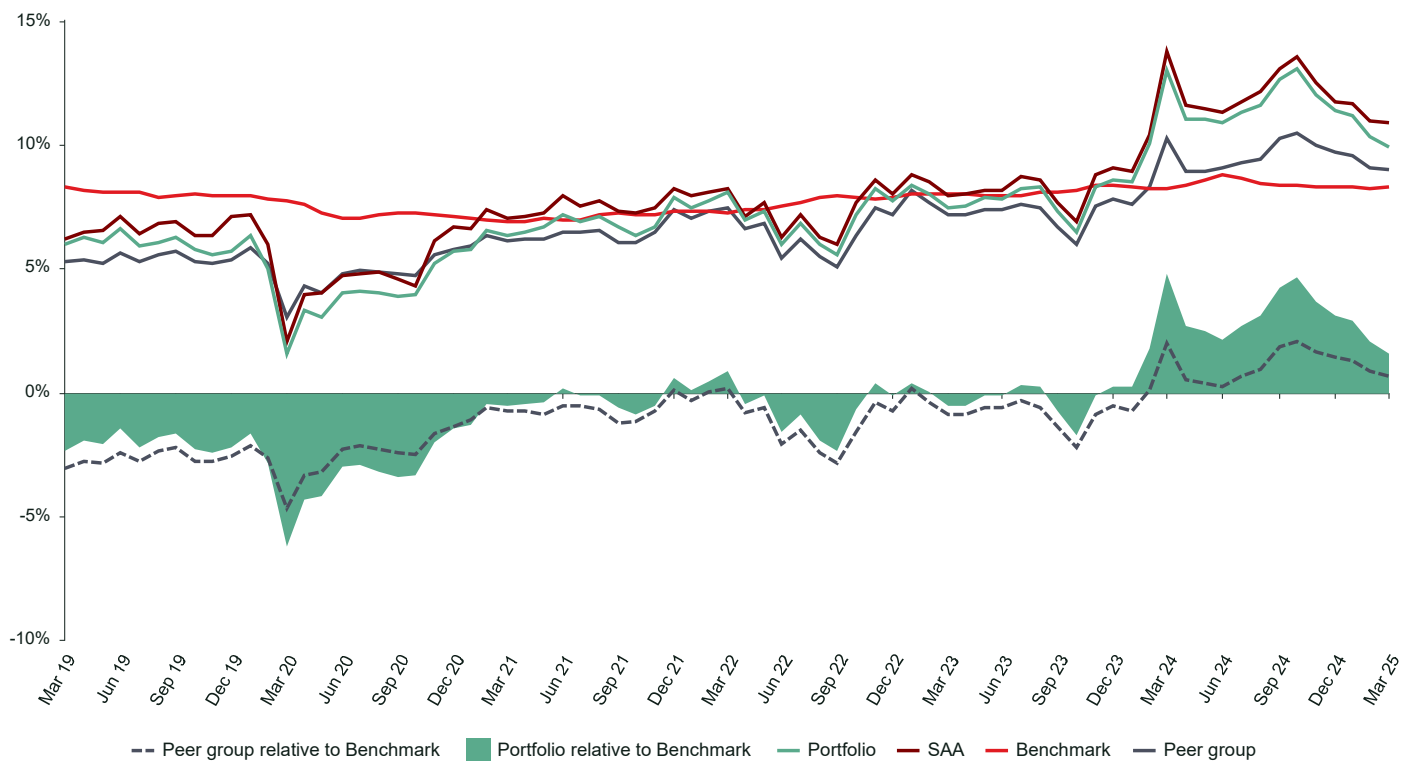
SL = "Since Launch". This is the launch date of the tracker investment. Returns prior to the launch date are calculated on a simulated or back tested basis.

Returns for all periods greater than 1y are annualised.

Peer group returns until 31 May 2021 are for the ASISA SA MA Low Equity peer group. From 1 June 2021, Peer group returns are for the ASISA SA MA Medium Equity peer group due to a change in the portfolio's strategic asset allocation.

- The portfolio outperformed its benchmark by 1.62% p.a. over the 4-year period. It also outperformed its peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 1.95% over the last 12 months, net of all investment related fees.

#### Rolling investment horizon returns over 10 years



	Portfolio relative to benchmark	Peer group relative to benchmark
Number of observations	73	
Periods of outperformance	<b>26</b>	18
Realised probability of outperformance	<b>36%</b>	25%
Maximum outperformance	<b>4.80%</b>	2.09%
Maximum underperformance	<b>-6.19%</b>	-4.69%

- Over the period, the portfolio outperformed its benchmark on 36% of the total rolling 4-year periods. This compares favourably with the peer group, which only managed to outperform on 25% of the rolling 4-year periods.



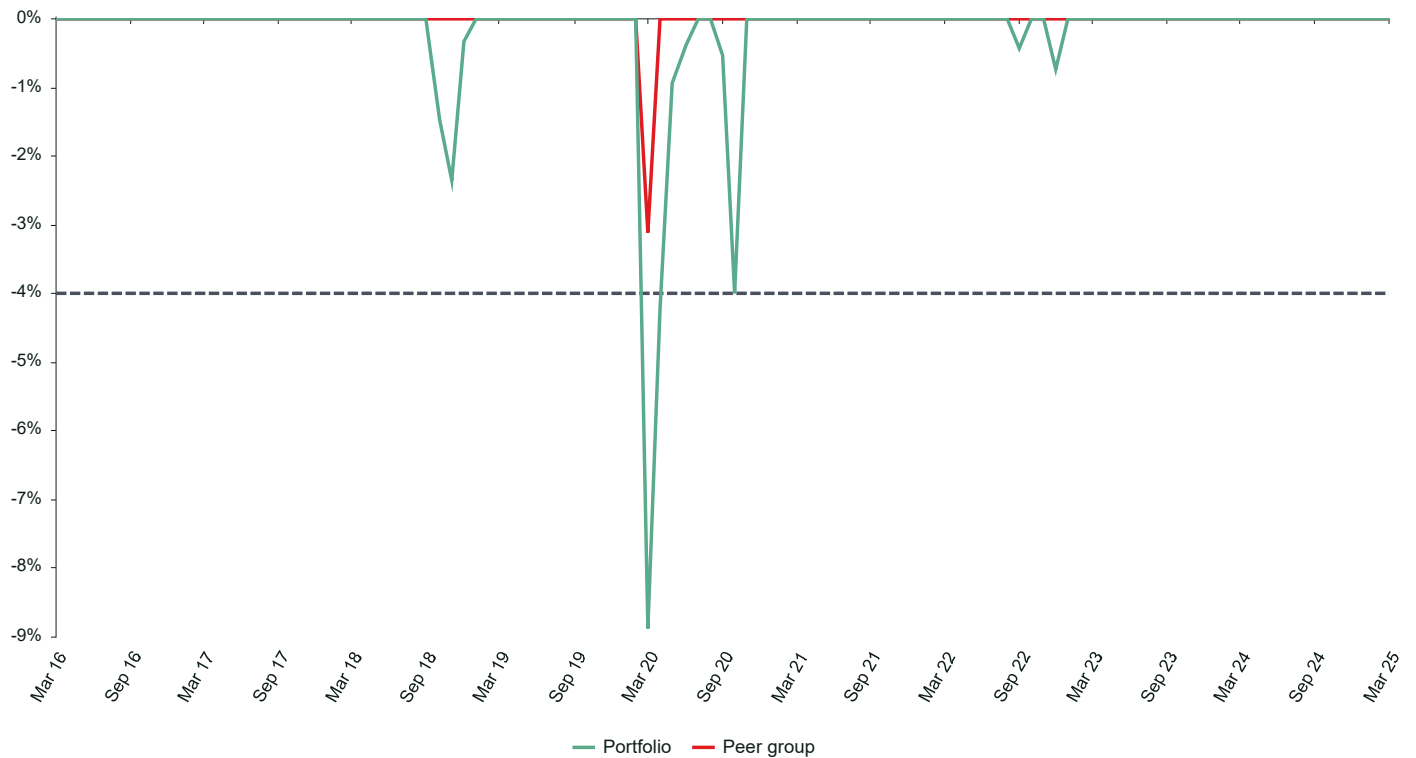
### Portfolio relative to benchmark



- Strong portfolio returns in 2021 were supported by the market recovery post the COVID-19 sell off. This was followed by a global market sell off in 2022 after which the portfolio recovered those losses in 2023. At the end of the period, the portfolio remained ahead of its benchmark.

### 2.4.2 Risk

#### Rolling 1-year absolute drawdown over 10 years



- The portfolio breached the acceptable drawdown level of 4% twice.



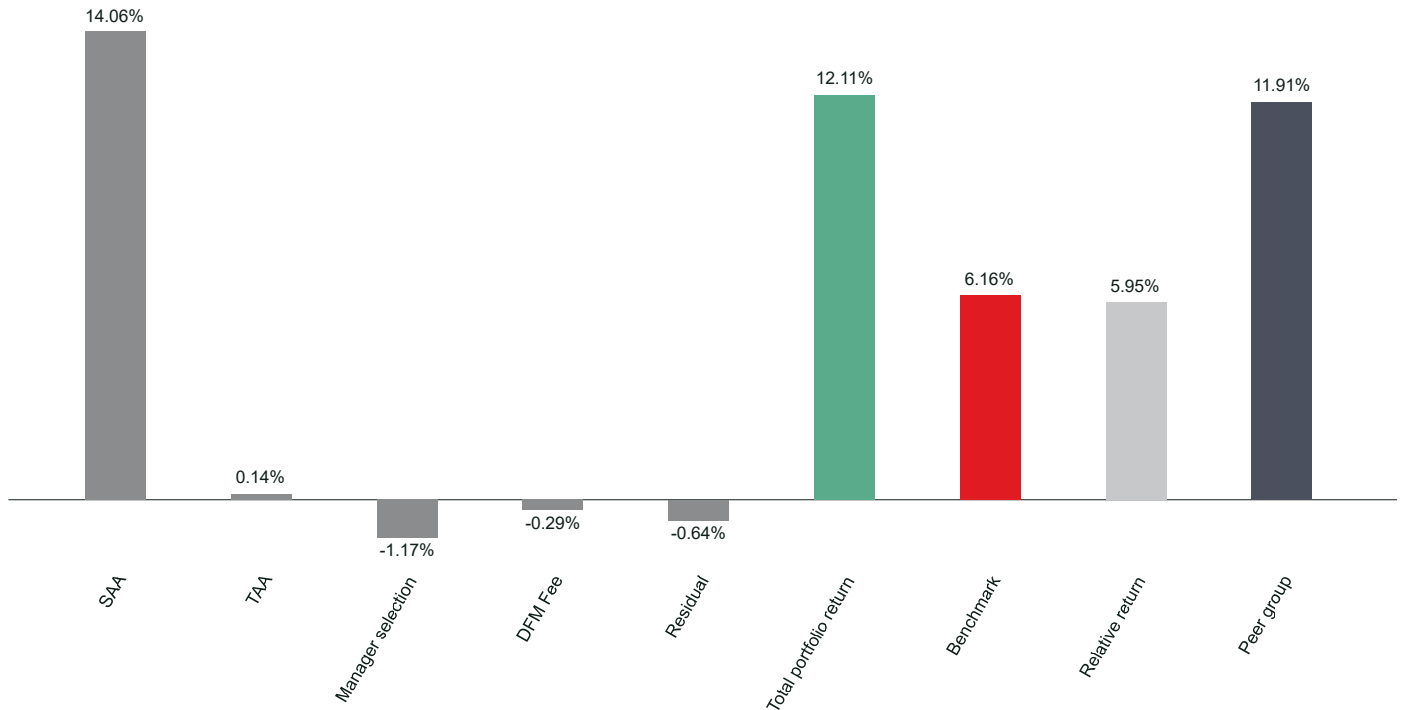
### Rolling investment horizon absolute drawdown over 10 years



- Even though there have been times of underperformance relative to the benchmark, the underperformance was mostly to a lesser extent than the peer group.

### 2.4.3 Performance attribution

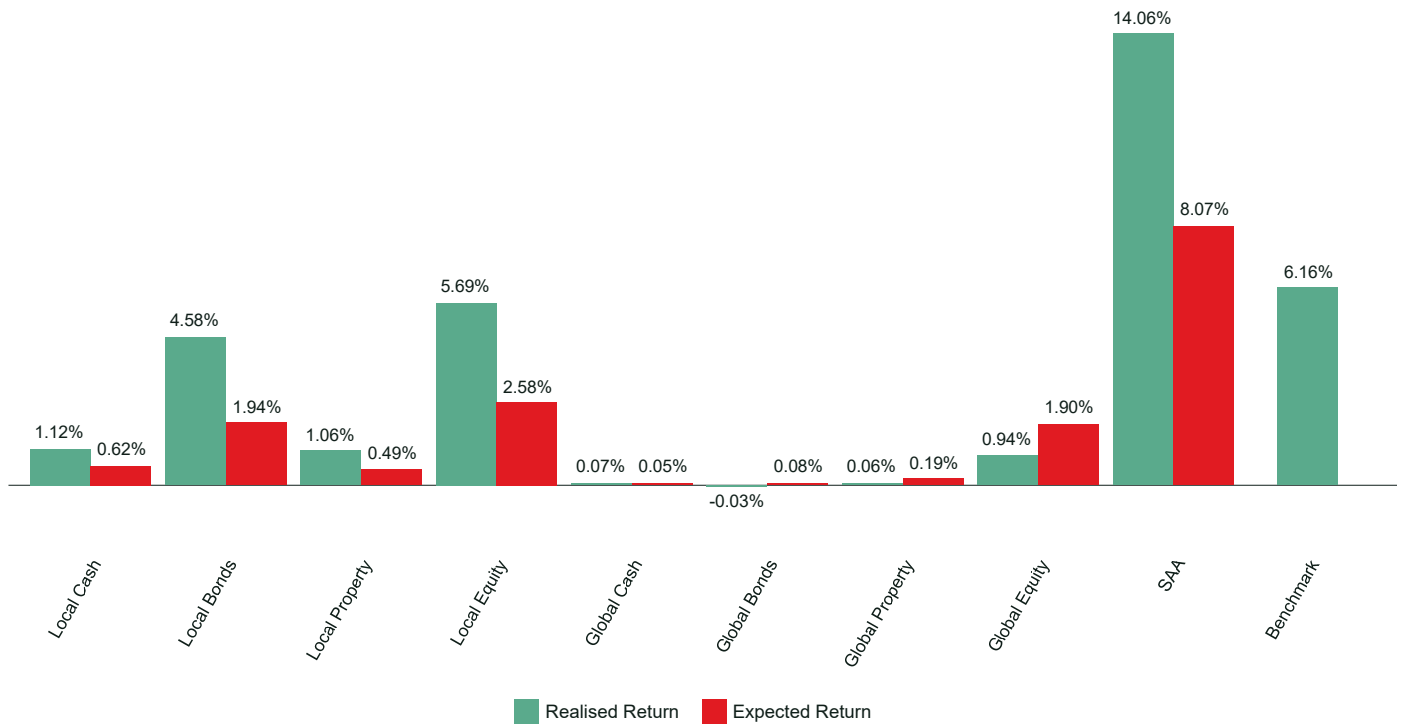
#### Total return attribution over 12 months



- Tactical asset allocation (TAA) contributed while manager selection detracted from the strategic asset allocation (SAA) return over the last 12 months.

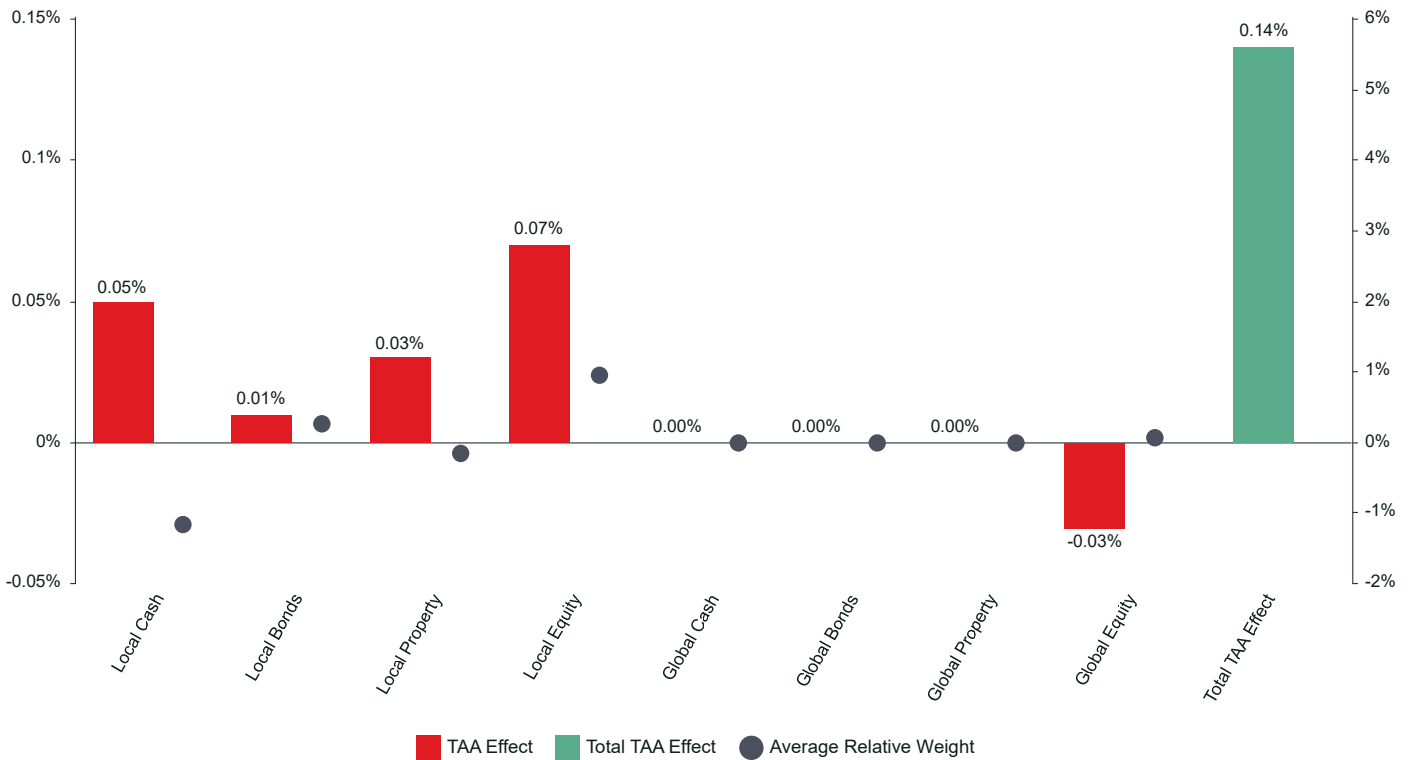


## Strategic asset allocation effects over 12 months



- All local asset classes outperformed our long-term expectations.

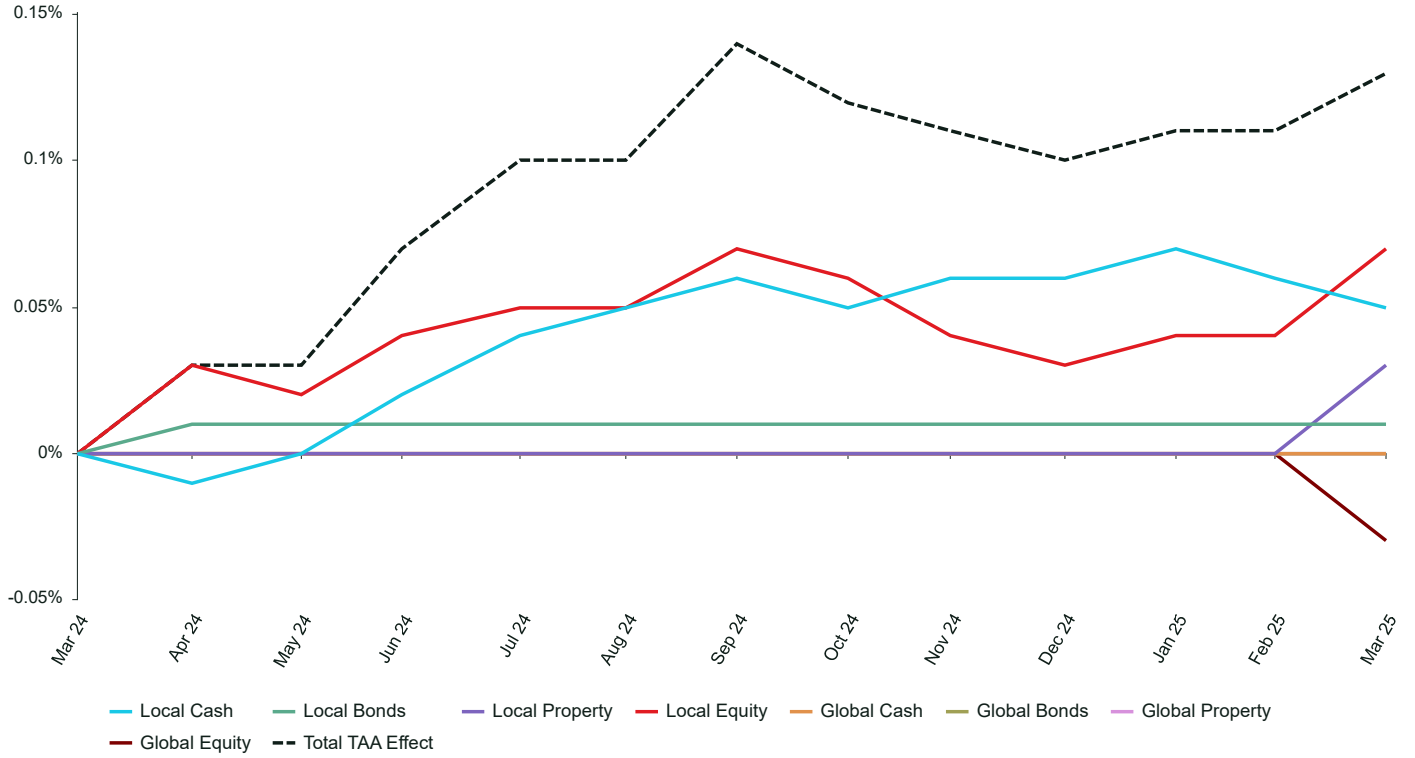
## Tactical asset allocation effects over 12 months



- The underweight position to local cash and overweight position to local equity were the largest contributors to performance over the last 12 months.

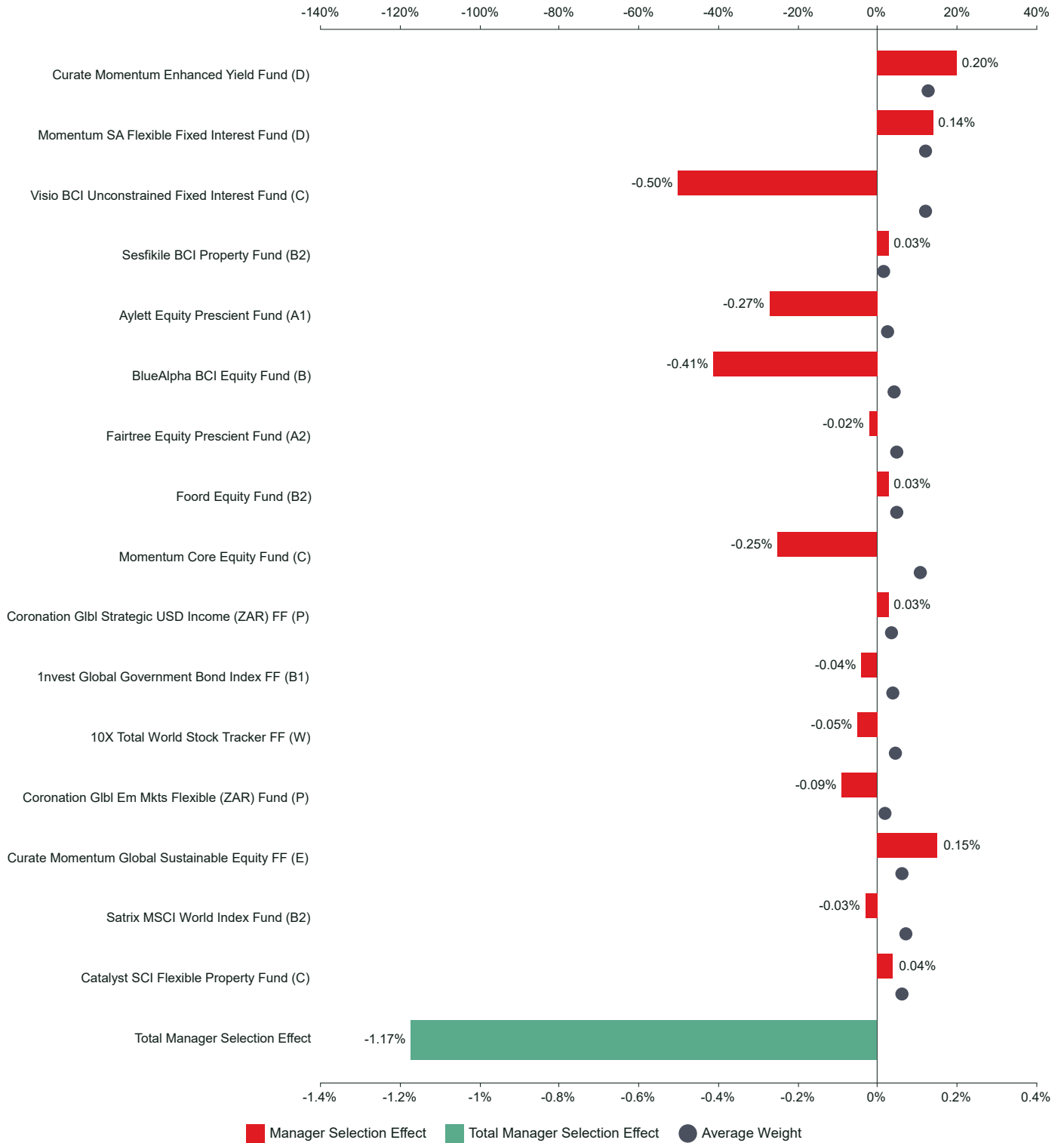


### Cumulative tactical asset allocation effects over 12 months



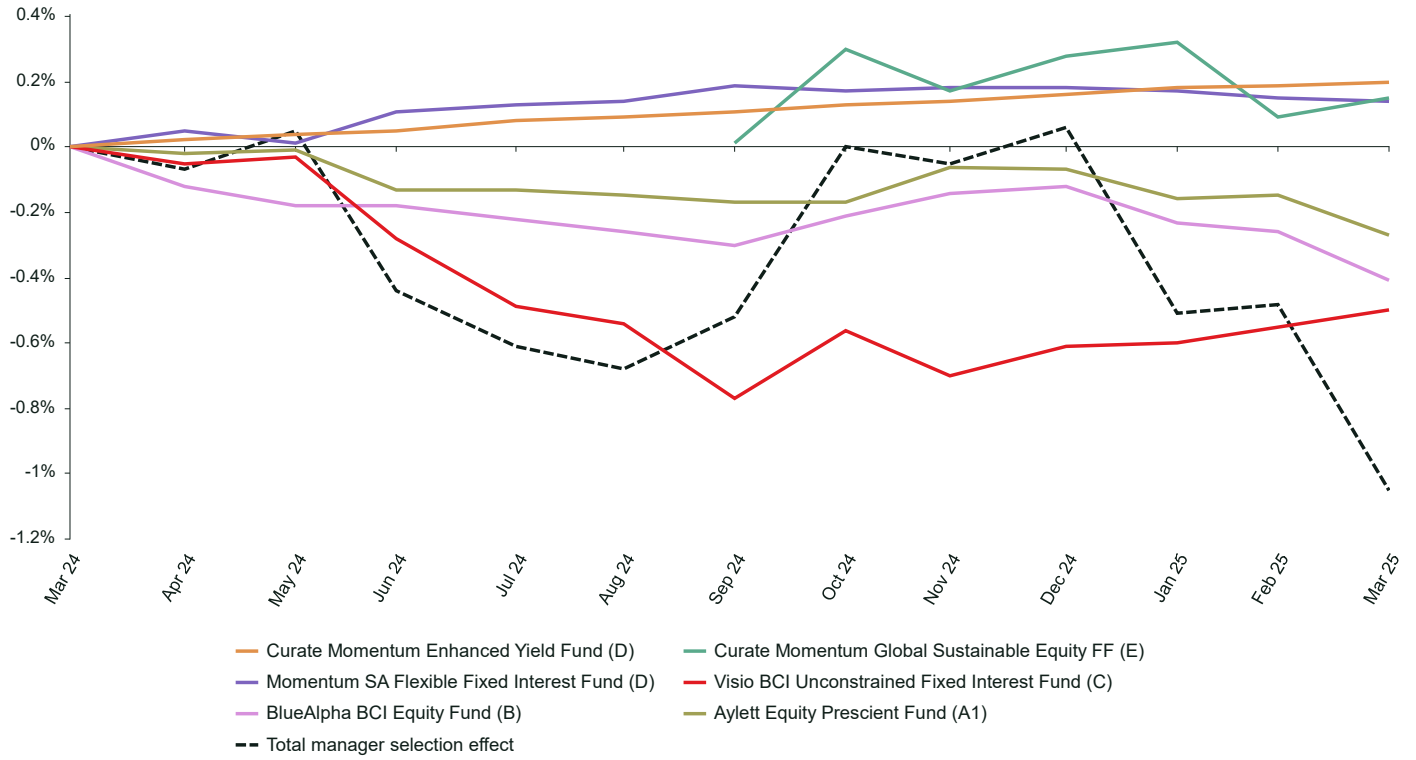


### Manager selection effects over 12 months





### Cumulative manager selection effects over 12 months







## 2.5 Equilibrium Moderate Portfolio

**Data as at:** 31 March 2025  
**Benchmark:** CPI + 4% over rolling 5-year periods  
**Peer group:** (ASISA) South African MA Medium Equity

**Investment horizon:** Five years  
**Launch date:** 30 June 2017  
**Returns start date:** 30 June 2007

### 2.5.1 Returns

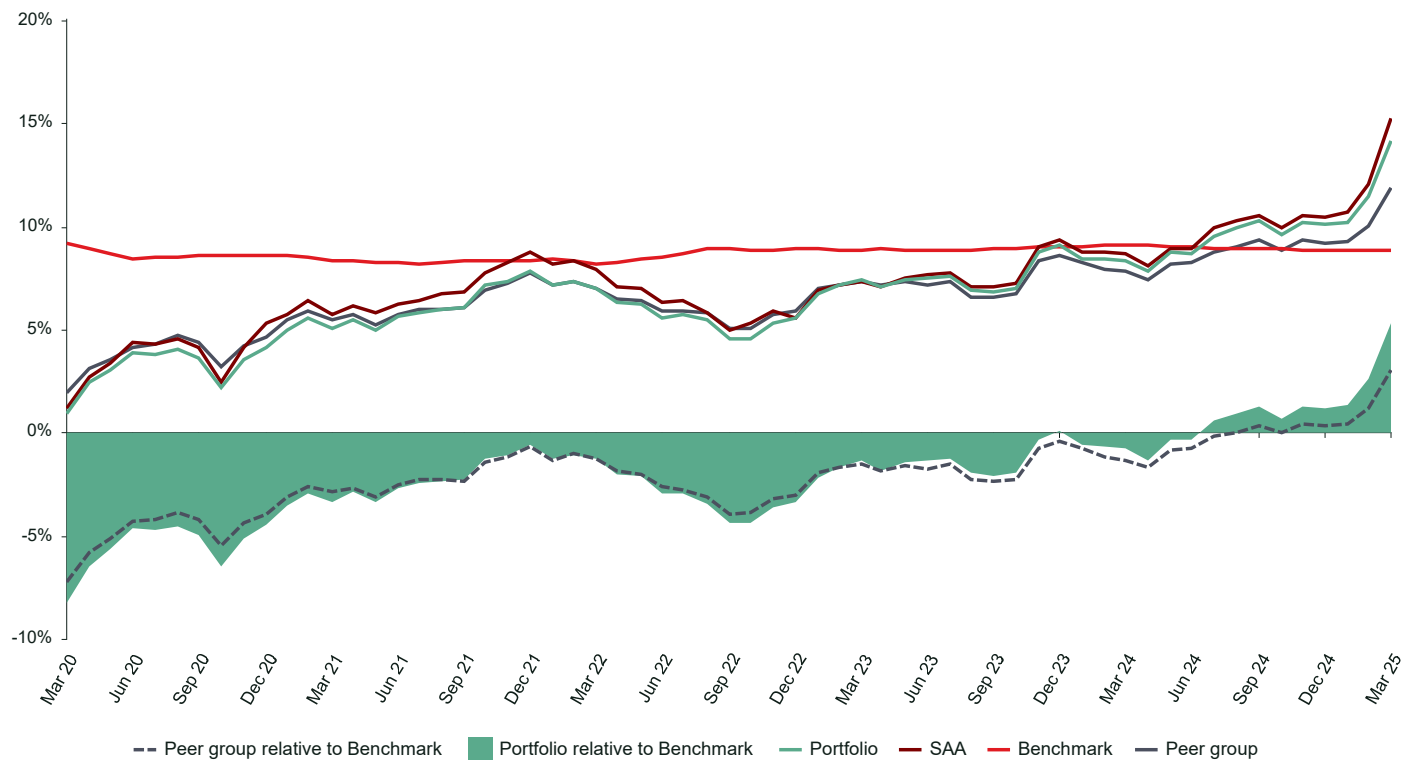
#### Trailing returns

	3m	6m	1y	3y	5y	7y	10y	SL	Mths SL
<b>Portfolio</b>	<b>-0.74%</b>	<b>1.50%</b>	<b>12.38%</b>	<b>9.46%</b>	<b>14.21%</b>	<b>8.76%</b>	<b>7.39%</b>	<b>8.17%</b>	<b>93</b>
Benchmark	2.24%	3.24%	7.16%	9.25%	8.84%	8.70%	9.02%	8.64%	
SAA	1.04%	2.94%	14.30%	10.11%	15.30%	8.99%	8.00%	8.95%	
Peer group	0.79%	2.41%	11.91%	8.68%	11.87%	8.21%	6.81%	7.83%	

SL = "Since Launch". This is the launch date of the tracker investment. Returns prior to the launch date are calculated on a simulated or back tested basis. Returns for all periods greater than 1y are annualised.

- The portfolio outperformed its benchmark by 5.37% p.a. over the 5-year period. It also outperformed its peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 1.92% over the last 12 months, net of all investment related fees.

#### Rolling investment horizon returns over 10 years

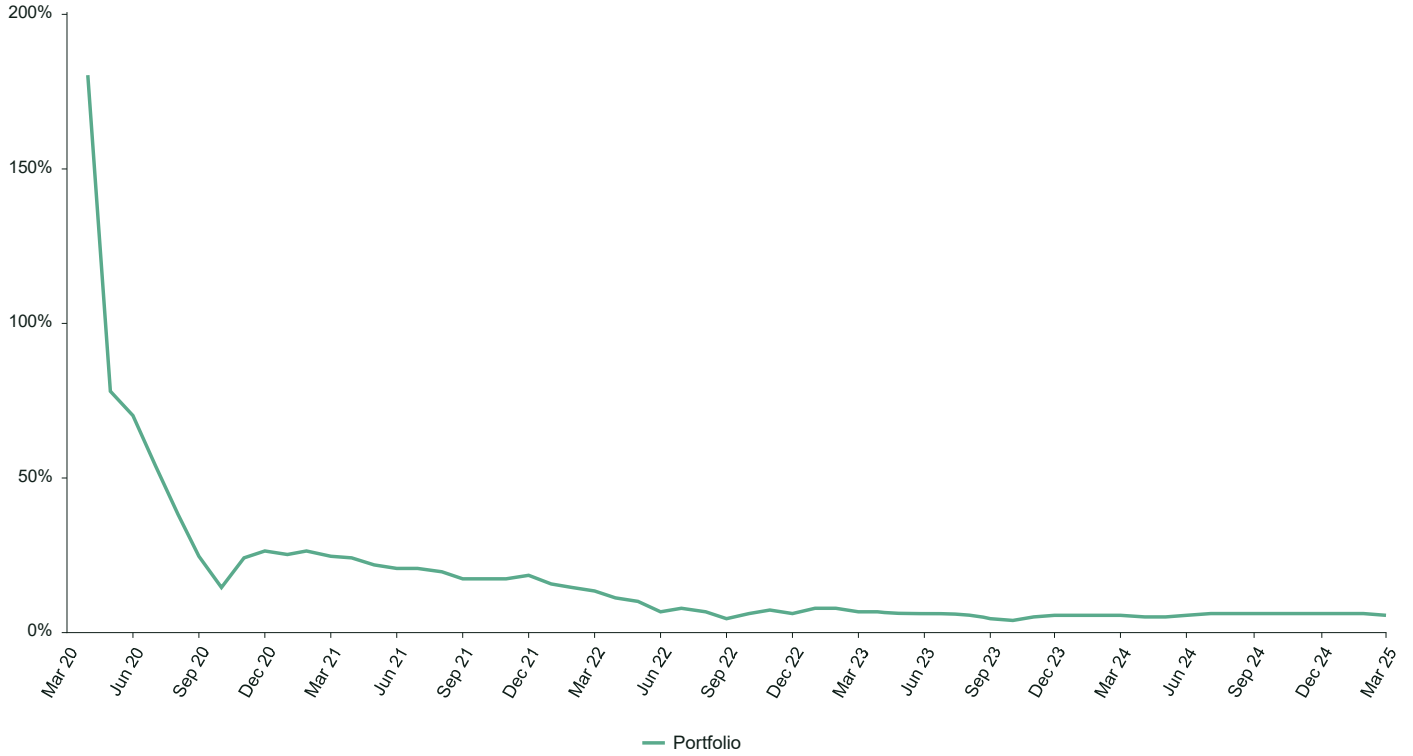


	Portfolio relative to benchmark	Peer group relative to benchmark
Number of observations	61	
Periods of outperformance	<b>10</b>	7
Realised probability of outperformance	<b>16%</b>	11%
Maximum outperformance	<b>5.37%</b>	3.03%
Maximum underperformance	<b>-8.23%</b>	-7.23%

- Over the period, the portfolio outperformed its benchmark on 16% of the total rolling 5-year periods. This compares favourably with the peer group, which outperformed on 11% of the total the rolling 5-year periods.



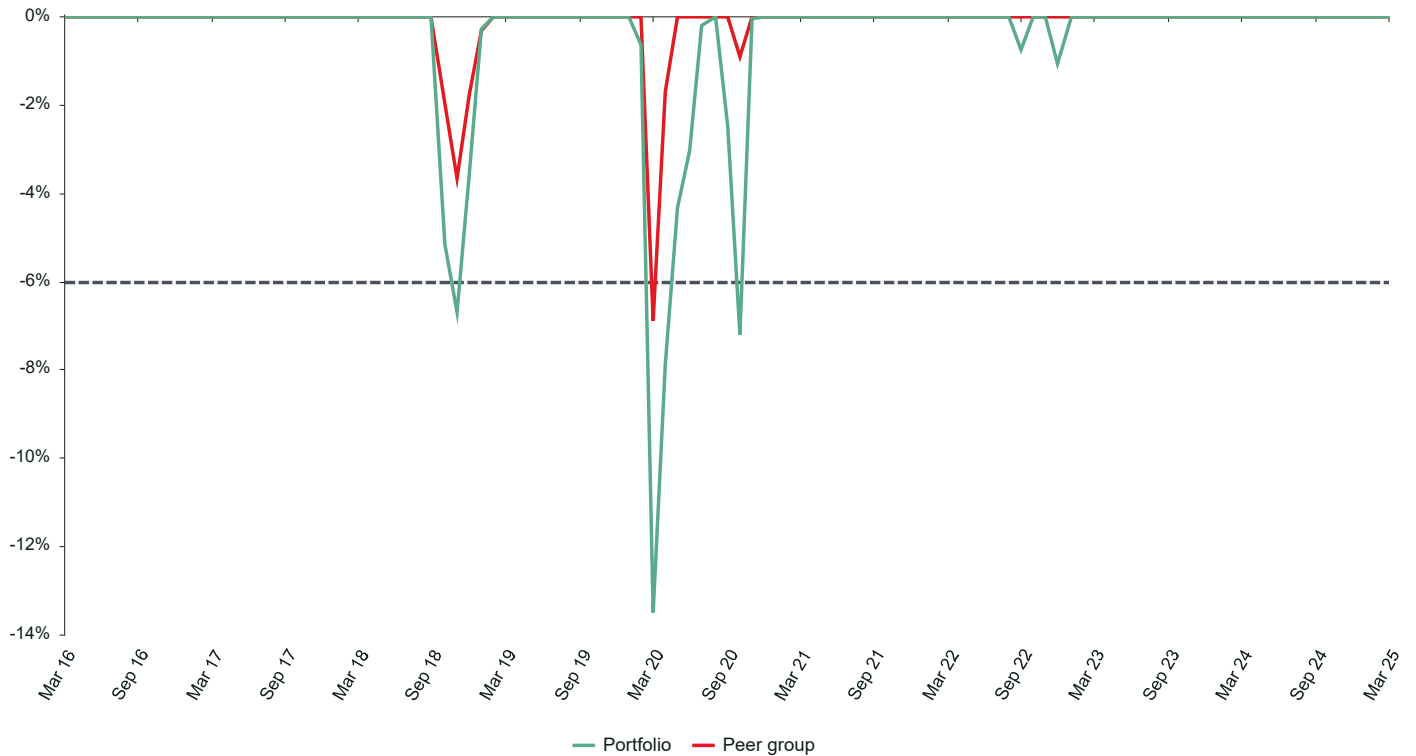
### Portfolio relative to benchmark



- The portfolio underperformed its benchmark during the COVID-19 and 2022 drawdowns but the margin of long-term underperformance has reduced on the back of outperformance over the last 2 years. The portfolio ended the period ahead of its benchmark.

### 2.5.2 Risk

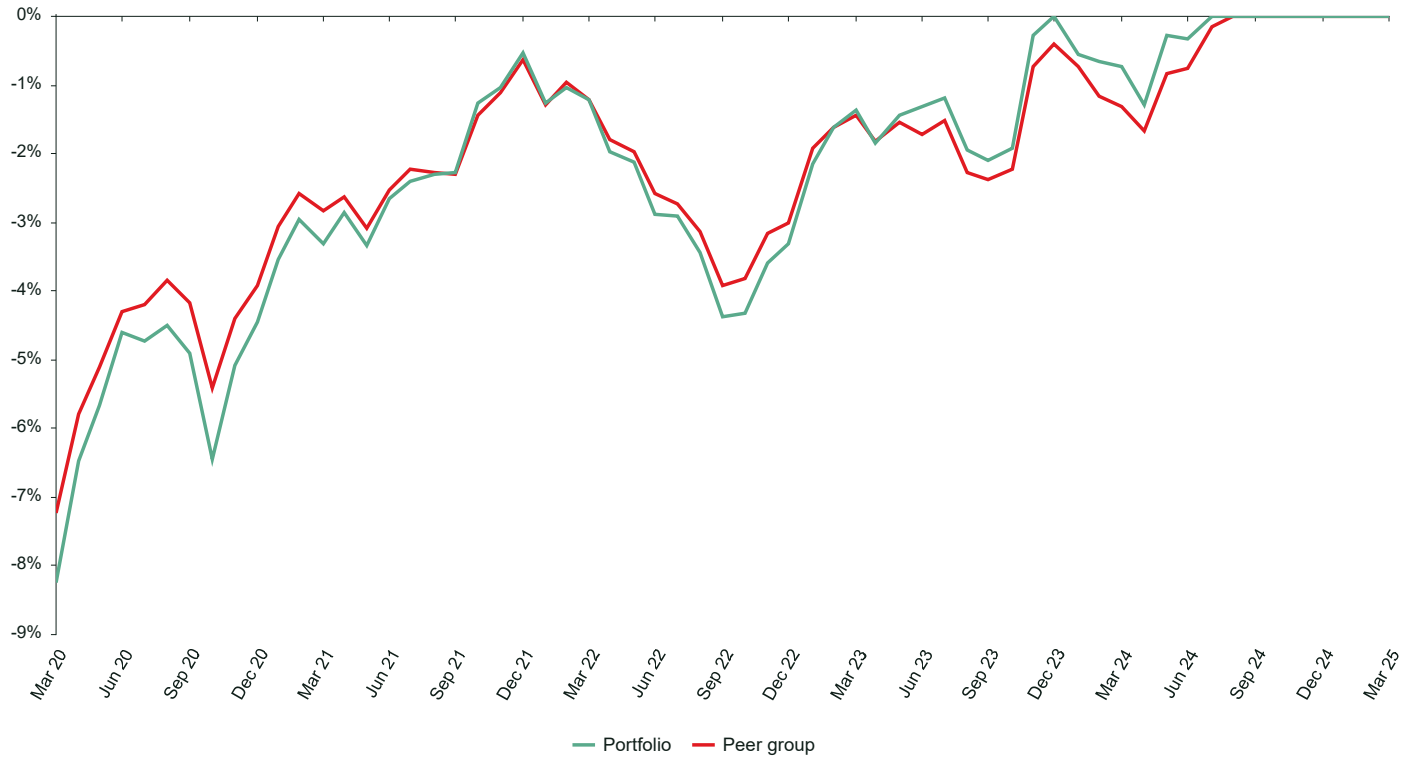
#### Rolling 1-year absolute drawdown over 10 years



- The portfolio breached the acceptable drawdown level of 6% three times.



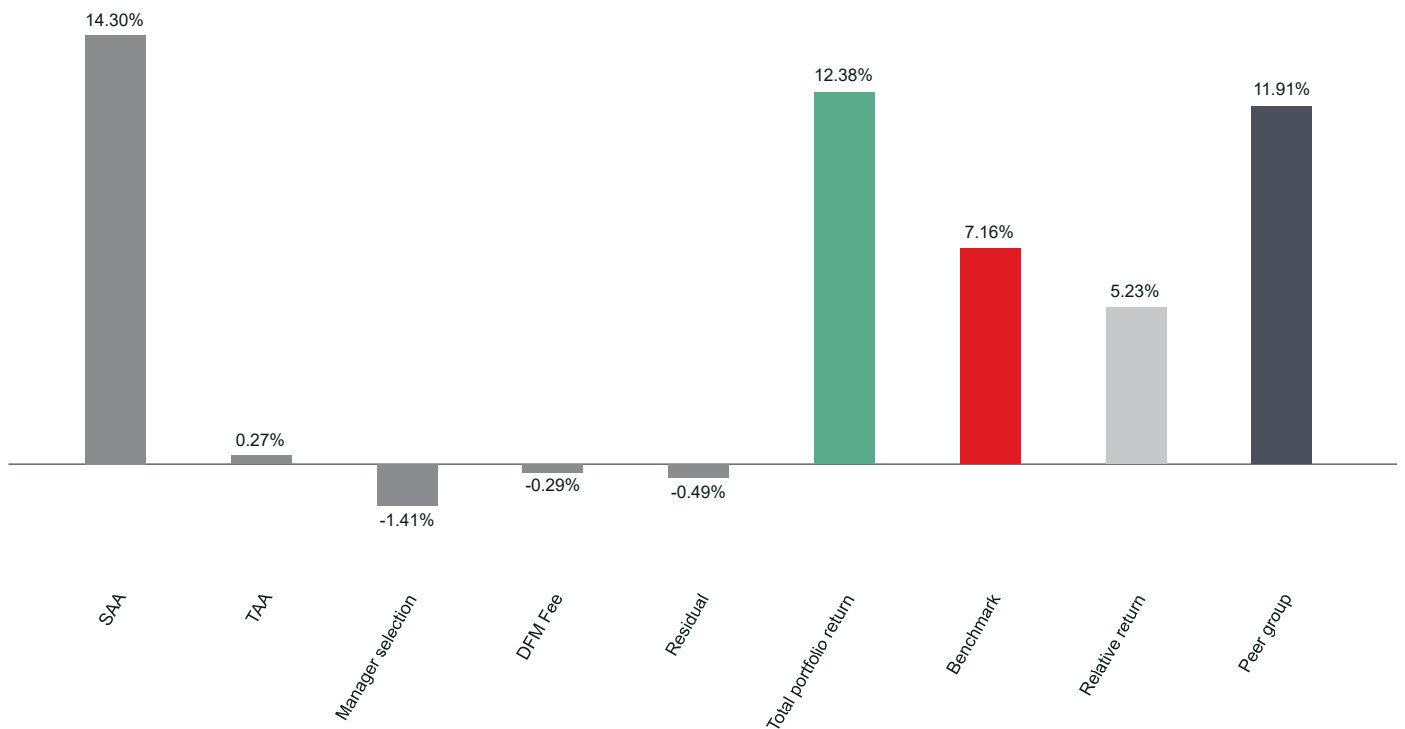
### Rolling investment horizon absolute drawdown over 10 years



- The portfolio outperformed its benchmark over rolling 5 years and is ahead of the peer group. Medium to higher risk South African multi asset portfolios have found it difficult to outperform their respective CPI + targets predominantly due to growth asset classes underperforming their respective long-term expectations.

### 2.5.3 Performance attribution

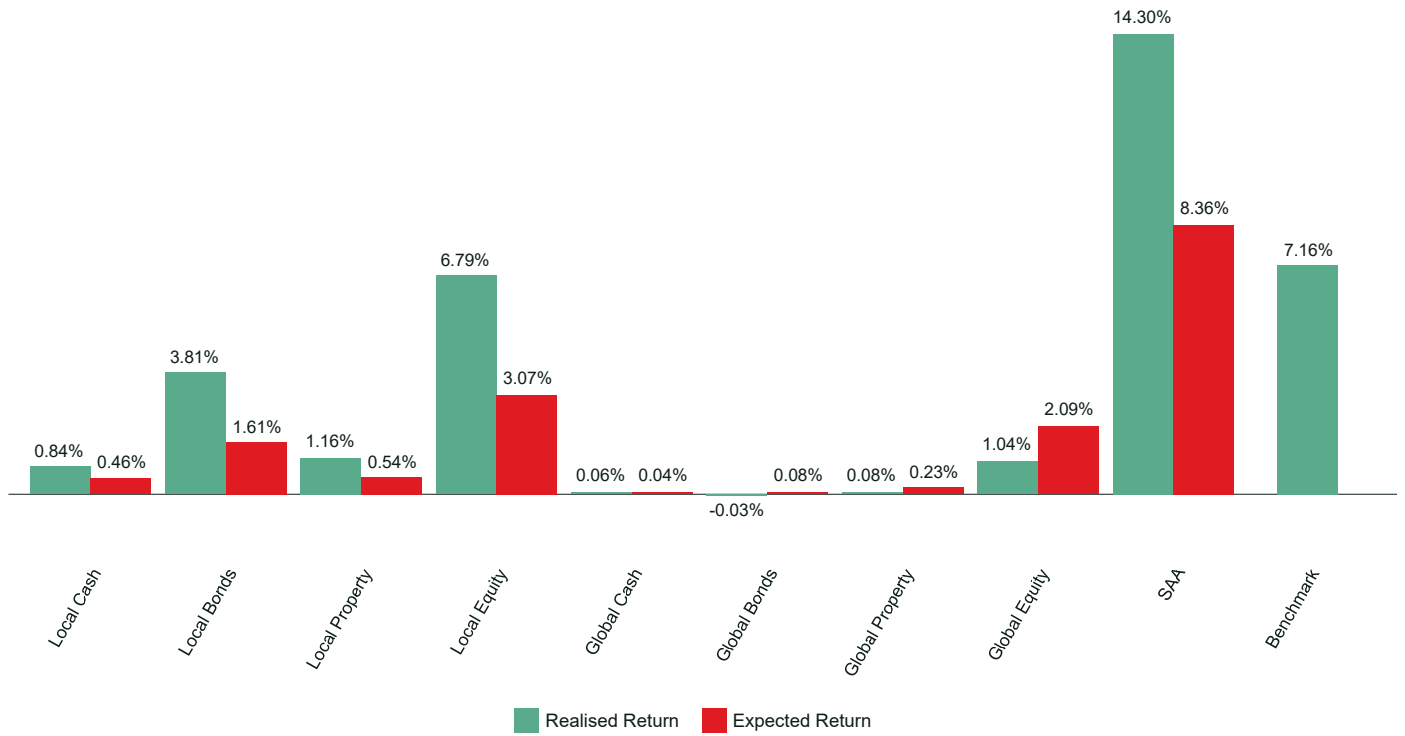
#### Total return attribution over 12 months



- Tactical asset allocation (TAA) contributed while manager selection detracted from the strategic asset allocation (SAA) return over the last 12 months.

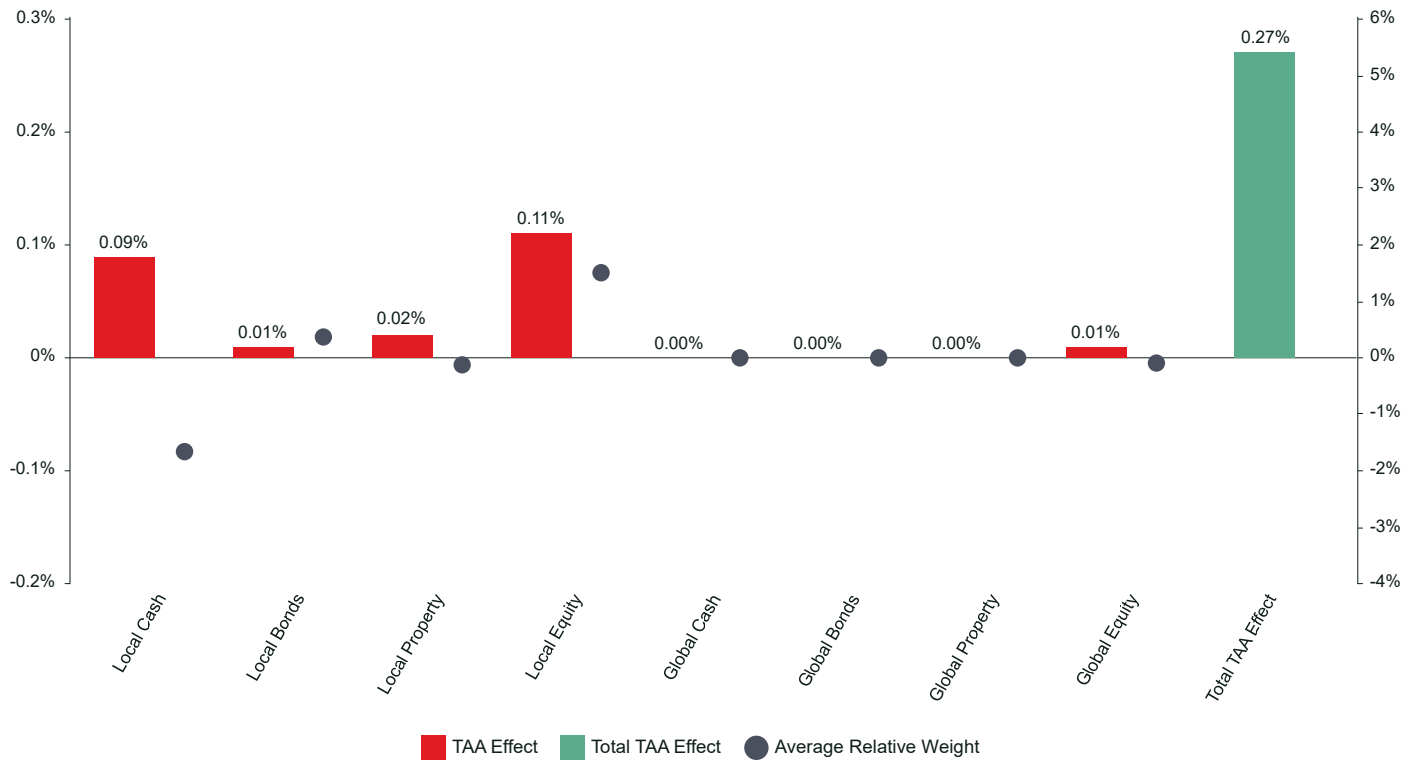


### Strategic asset allocation effects over 12 months



- All local asset classes outperformed our long-term expectations.

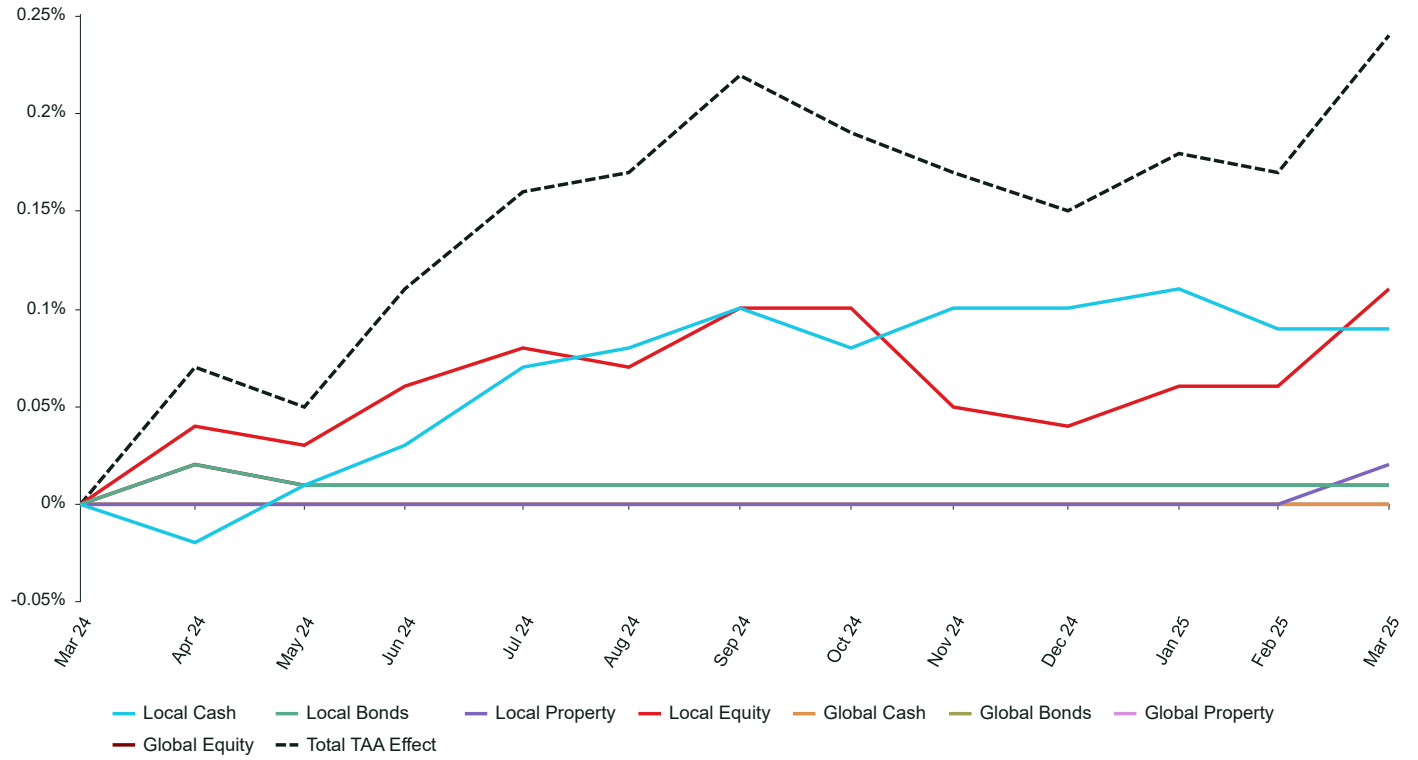
### Tactical asset allocation effects over 12 months



- The underweight position to local cash and overweight position to local equity were the largest contributors to performance over the last 12 months.

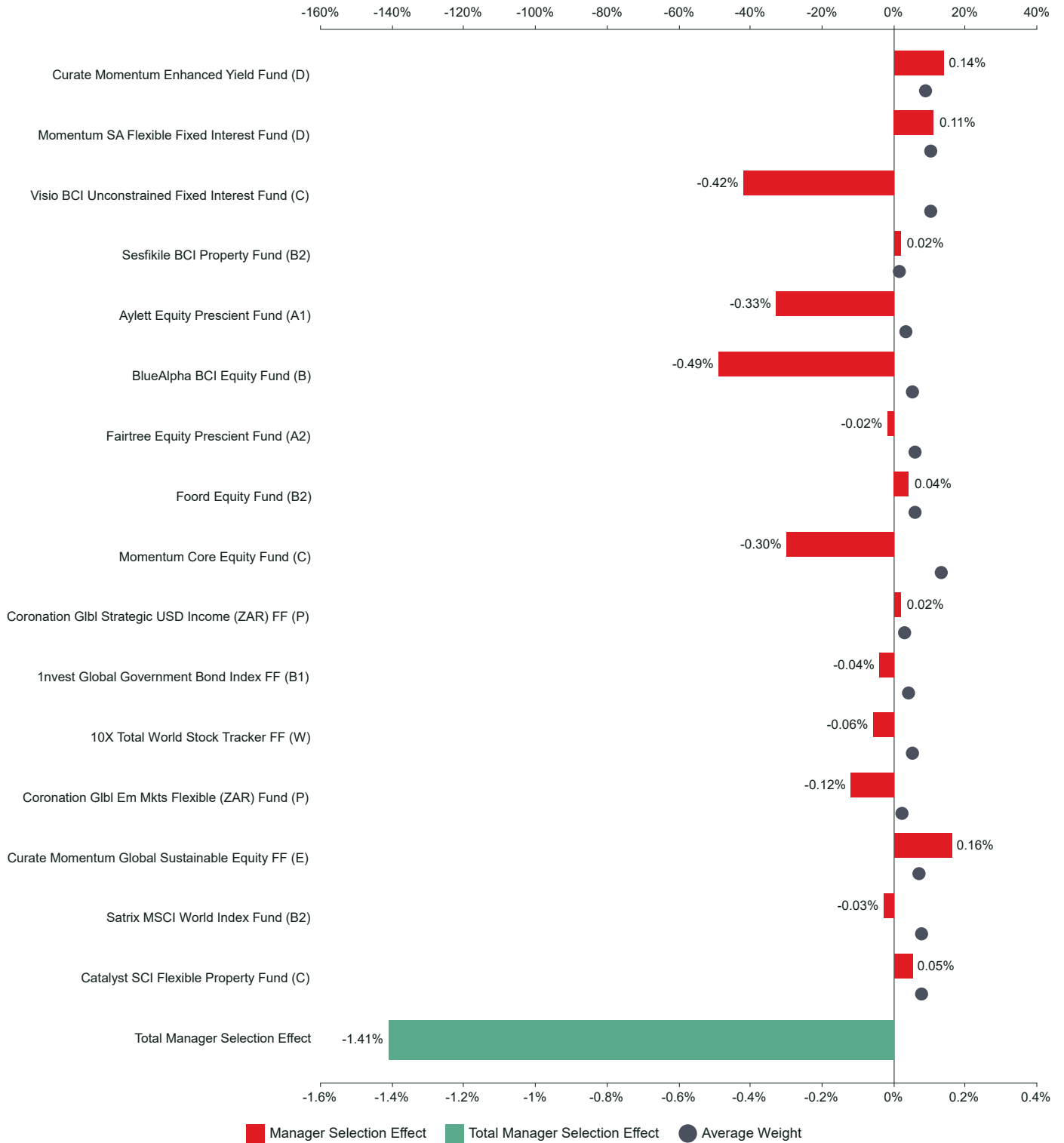


### Cumulative tactical asset allocation effects over 12 months



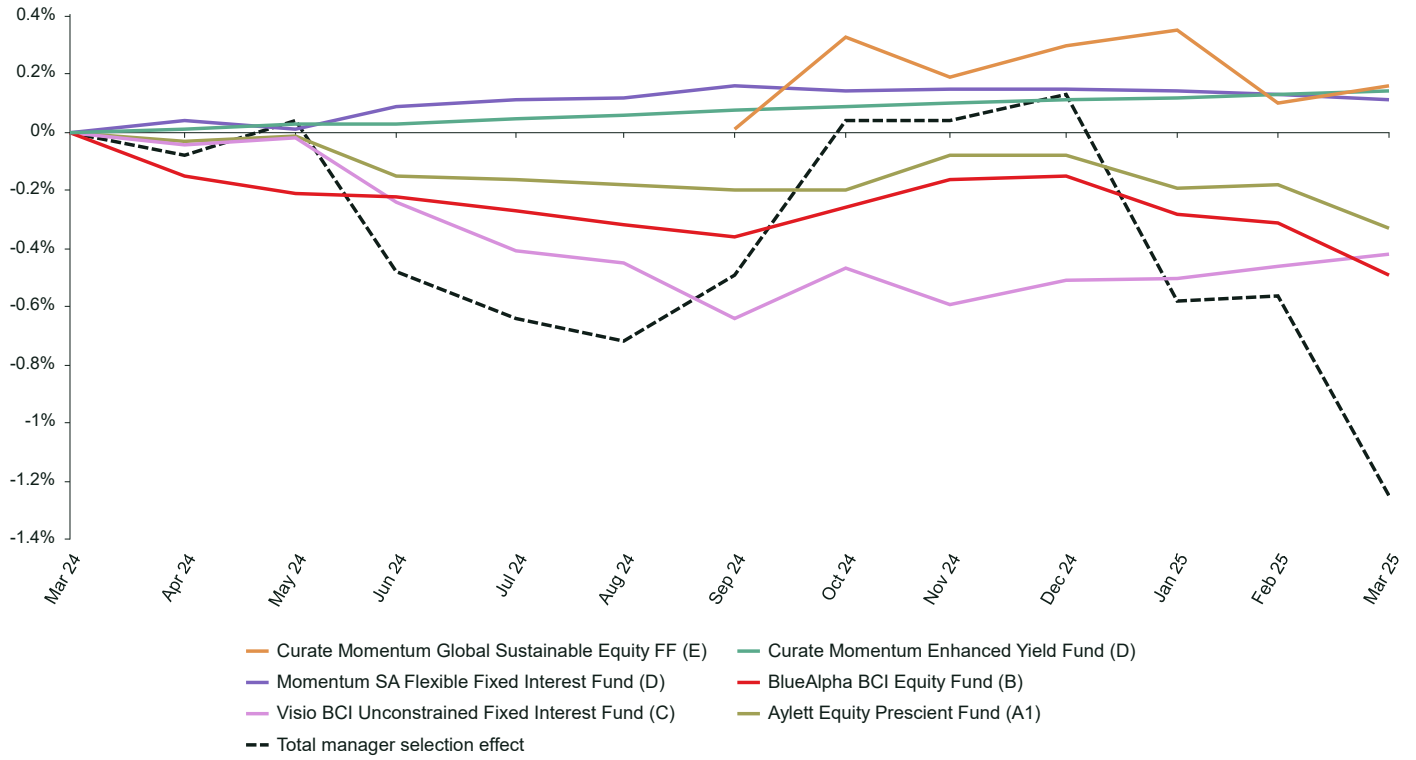


### Manager selection effects over 12 months





### Cumulative manager selection effects over 12 months





## 2.6 Equilibrium Balanced Portfolio

**Data as at:** 31 March 2025  
**Benchmark:** CPI + 5% over rolling 6-year periods  
**Peer group:** (ASISA) South African MA High Equity

**Investment horizon:** Six years  
**Launch date:** 30 June 2017  
**Returns start date:** 30 June 2007

### 2.6.1 Returns

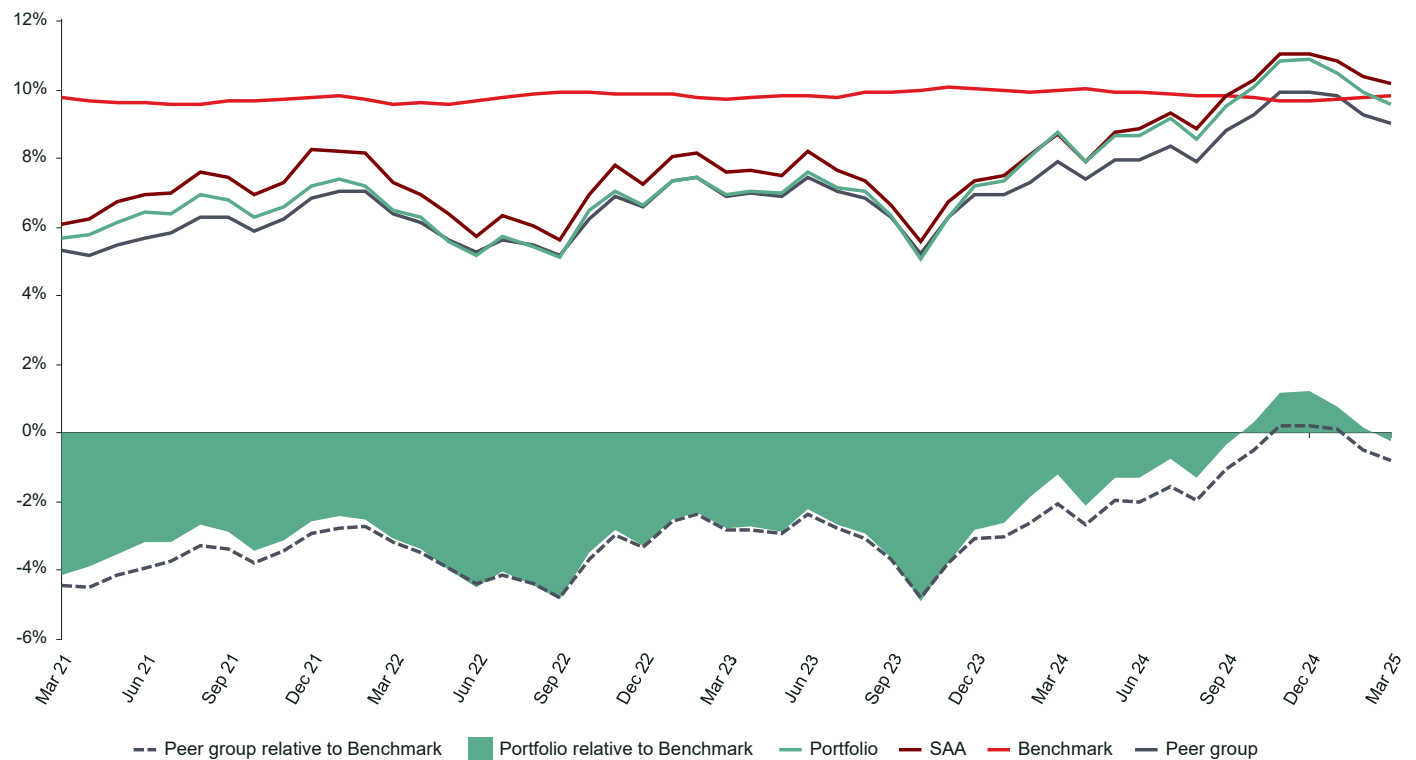
#### Trailing returns

	3m	6m	1y	2y	4y	6y	10y	SL	Mths SL
<b>Portfolio</b>	<b>-1.07%</b>	<b>1.18%</b>	<b>12.54%</b>	<b>12.28%</b>	<b>10.50%</b>	<b>9.55%</b>	<b>7.57%</b>	<b>8.52%</b>	<b>93</b>
Benchmark	2.47%	3.73%	8.16%	9.36%	10.35%	9.81%	10.02%	9.64%	
SAA	1.00%	2.88%	14.55%	13.82%	11.62%	10.17%	8.27%	9.31%	
Peer group	0.68%	2.15%	12.38%	10.90%	9.43%	9.00%	6.96%	8.16%	

SL = "Since Launch". This is the launch date of the tracker investment. Returns prior to the launch date are calculated on a simulated or back tested basis. Returns for all periods greater than 1y are annualised.

- The portfolio outperformed its benchmark by 0.26% p.a. over the 6-year period. It also outperformed the peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 2.01% over the last 12 months, net of all investment related fees.

#### Rolling investment horizon returns over 10 years



	Portfolio relative to benchmark	Peer group relative to benchmark
Number of observations	49	
Periods of outperformance	<b>5</b>	3
Realised probability of outperformance	<b>10%</b>	6%
Maximum outperformance	<b>1.25%</b>	0.24%
Maximum underperformance	<b>-4.91%</b>	-4.77%

- Over the period, the portfolio outperformed its benchmark on 10% of the total rolling 6-year periods. This compares favourably with the peer group, which only managed to outperform on 6% of the rolling 6-year periods.





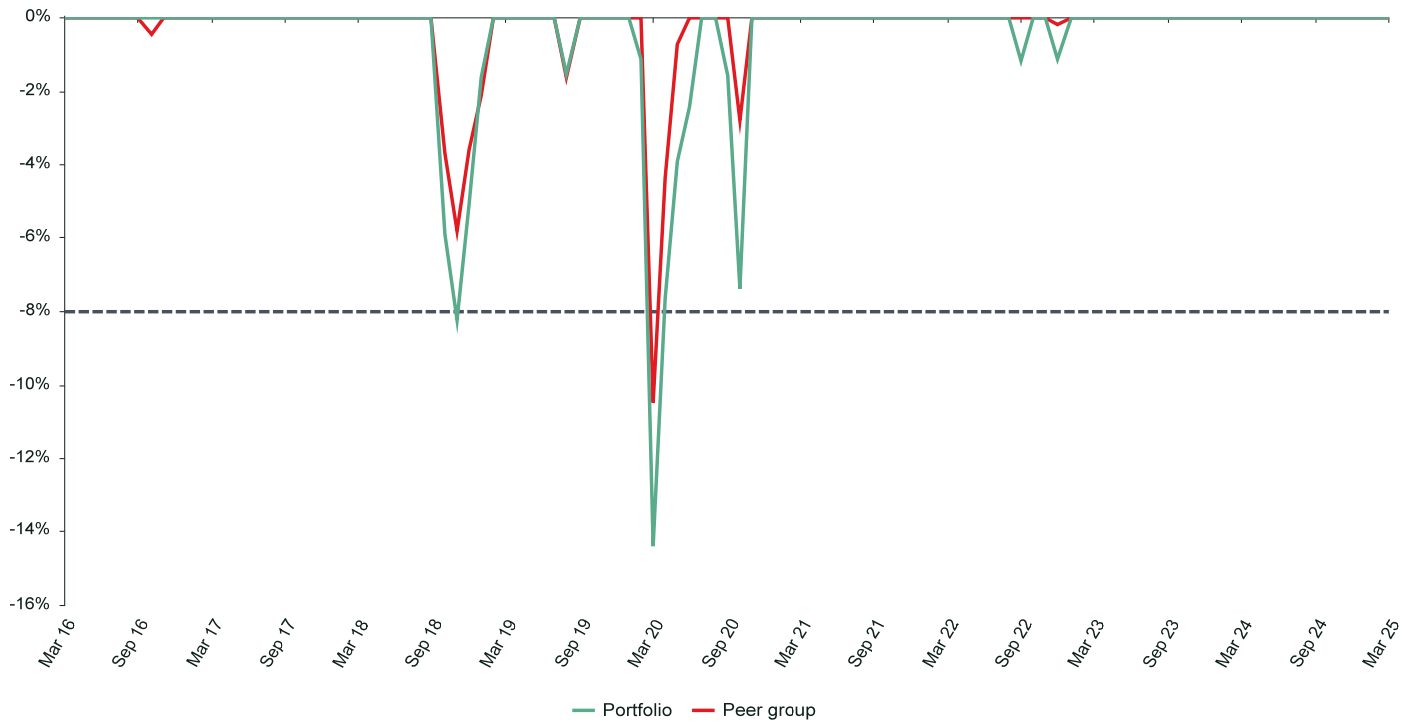
### Portfolio relative to benchmark



- Over the measurement period, the portfolio's annualised returns relative to its goal were mainly below its target due to the weak returns from growth asset classes. After the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark, however this reversed owing to the sell-off in 2022 as market volatility remained. The recovery towards the end of the measurement period has seen a trend reversal and a reduction in shortfall, with the portfolio marginally underperforming its benchmark at the end of the period.

### 2.6.2 Risk

#### Rolling 1-year absolute drawdown over 10 years



- The portfolio breached the acceptable drawdown level of 8% twice.



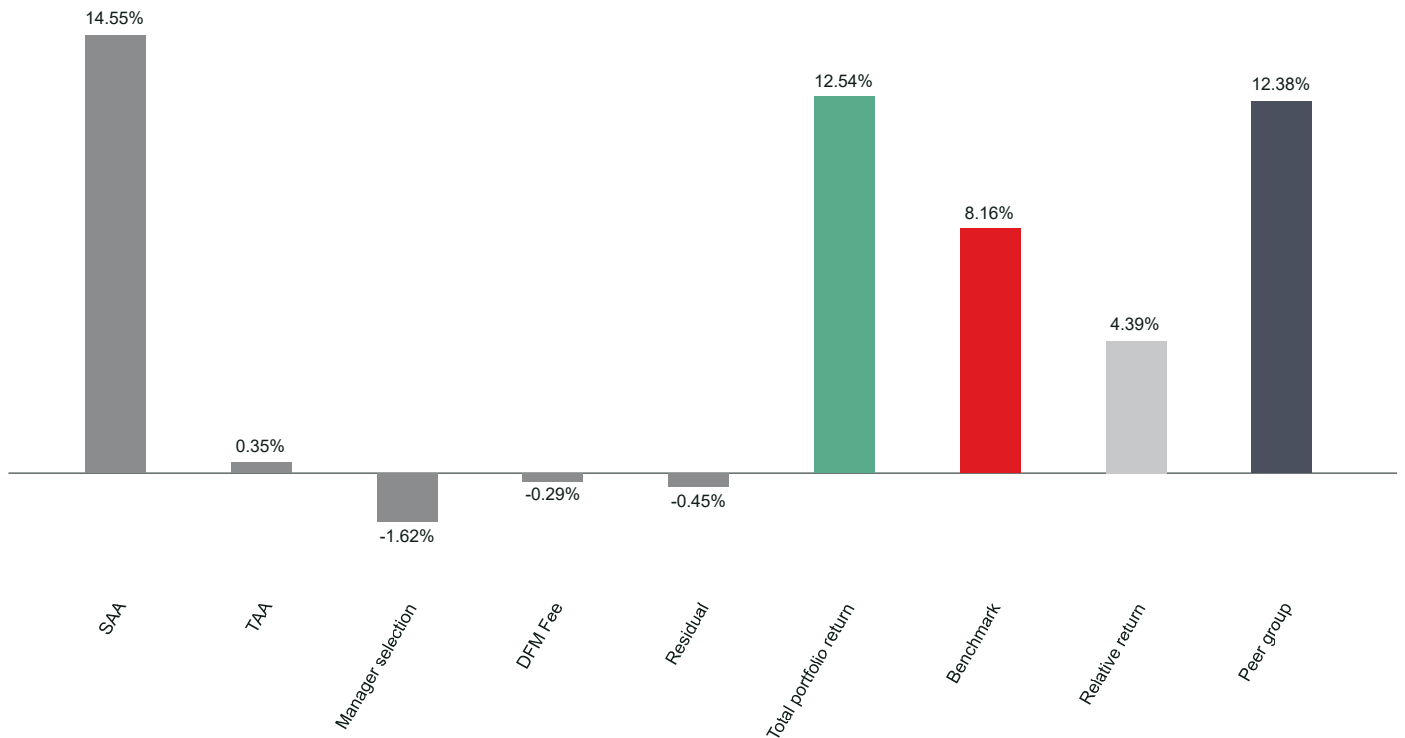
### Rolling investment horizon absolute drawdown over 10 years



- The portfolio underperformed its benchmark and performed better than peers. Medium and high-risk South African multi asset portfolios have found it difficult to outperform their respective CPI + targets predominantly due to growth asset classes underperforming long-term expectations.

### 2.6.3 Performance attribution

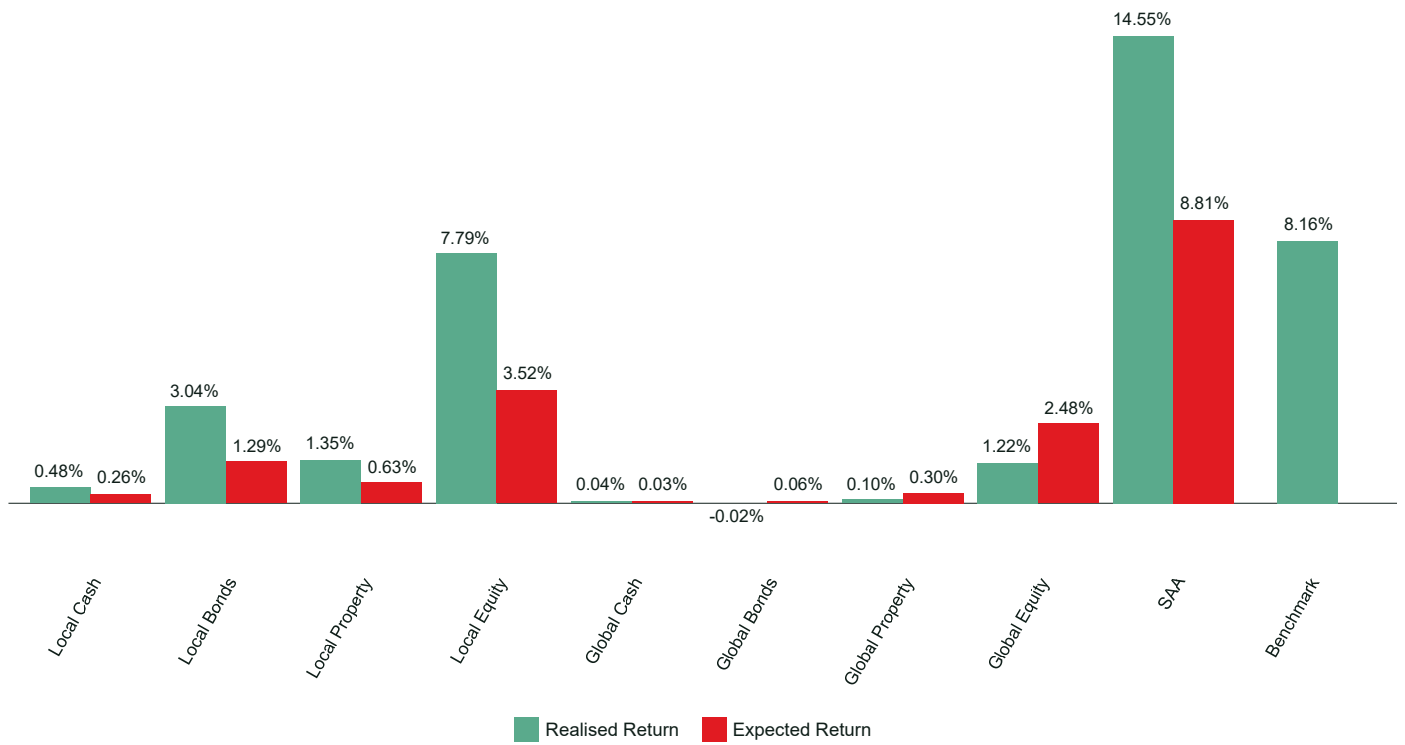
#### Total return attribution over 12 months



- Tactical asset allocation (TAA) contributed while manager selection detracted from the strategic asset allocation (SAA) return over the last 12 months.

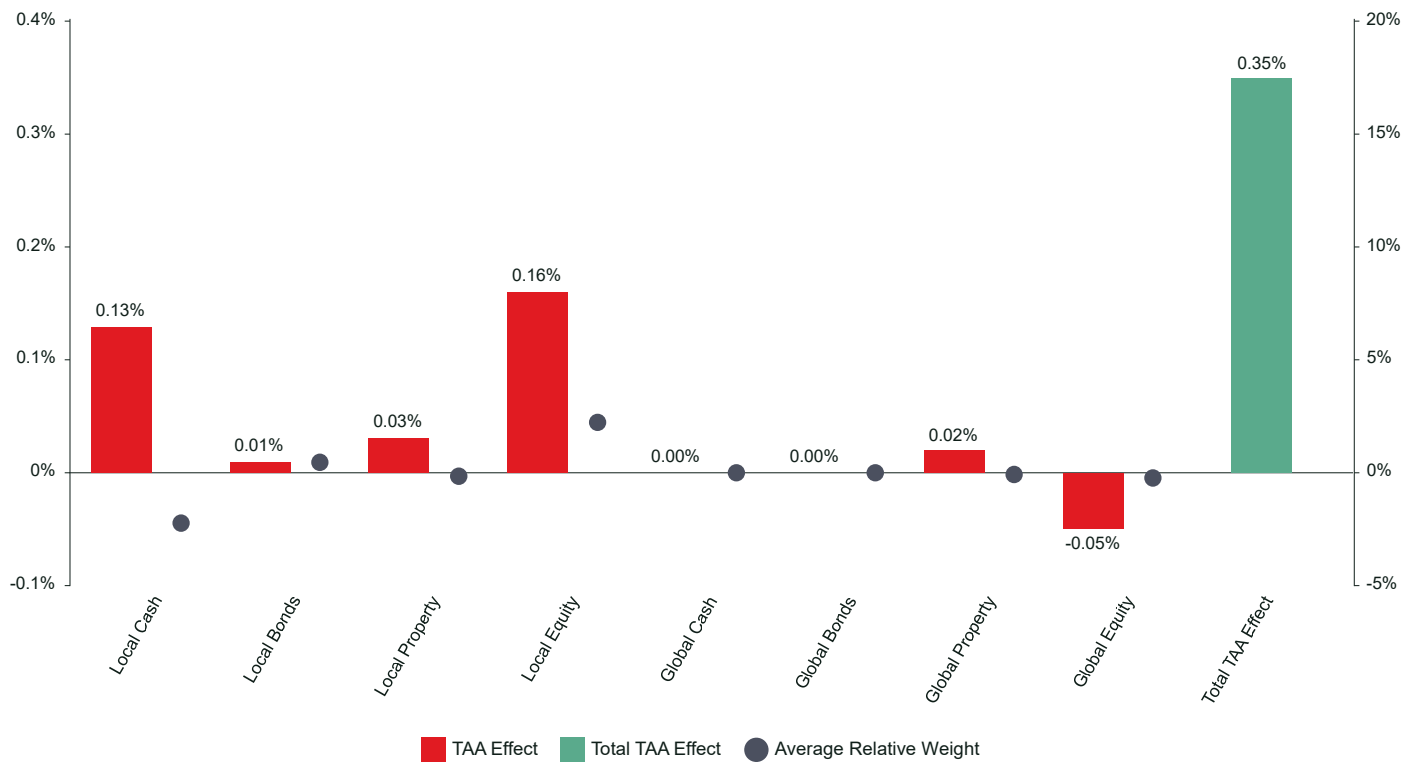


### Strategic asset allocation effects over 12 months



- All local asset classes outperformed our long-term expectations.

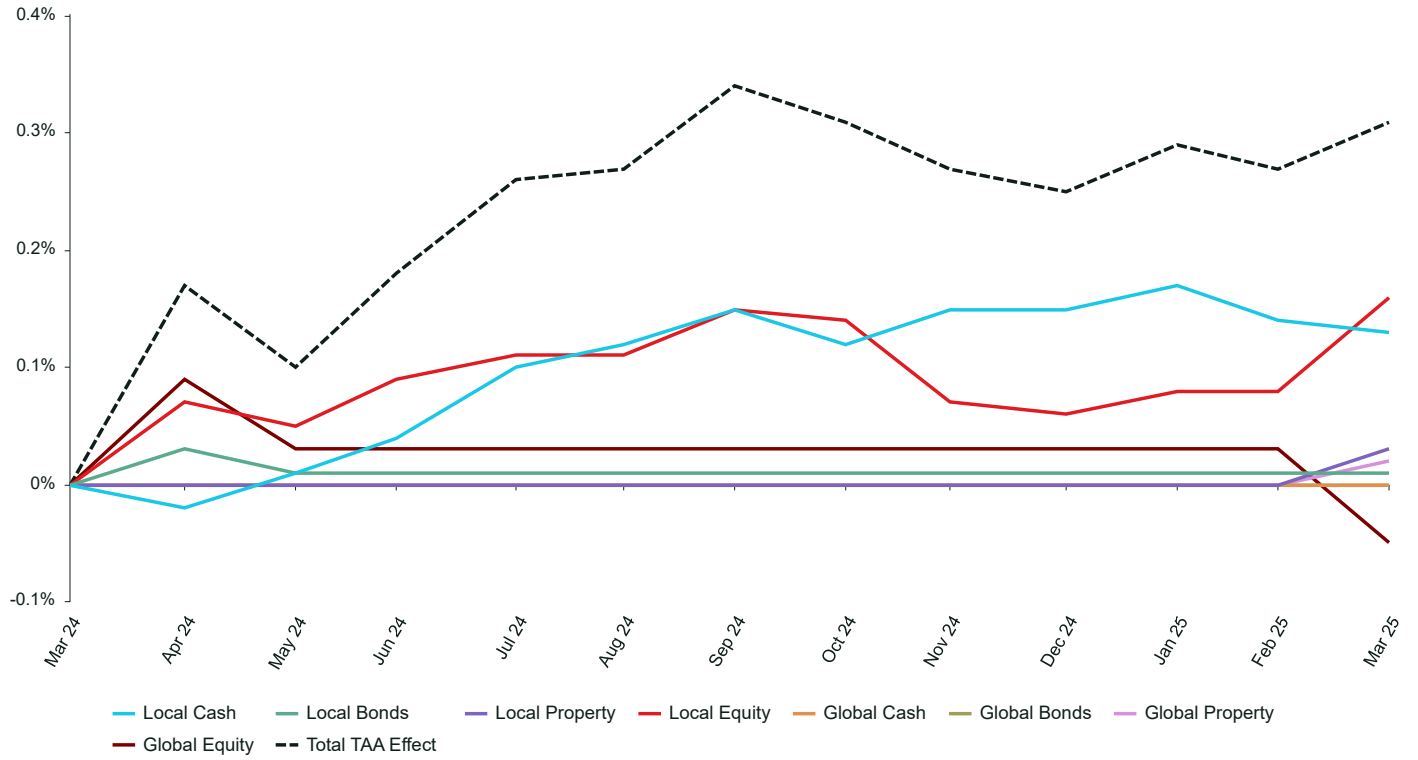
### Tactical asset allocation effects over 12 months



- The underweight position to local cash and overweight position to local equity were the largest contributors to performance over the last 12 months.

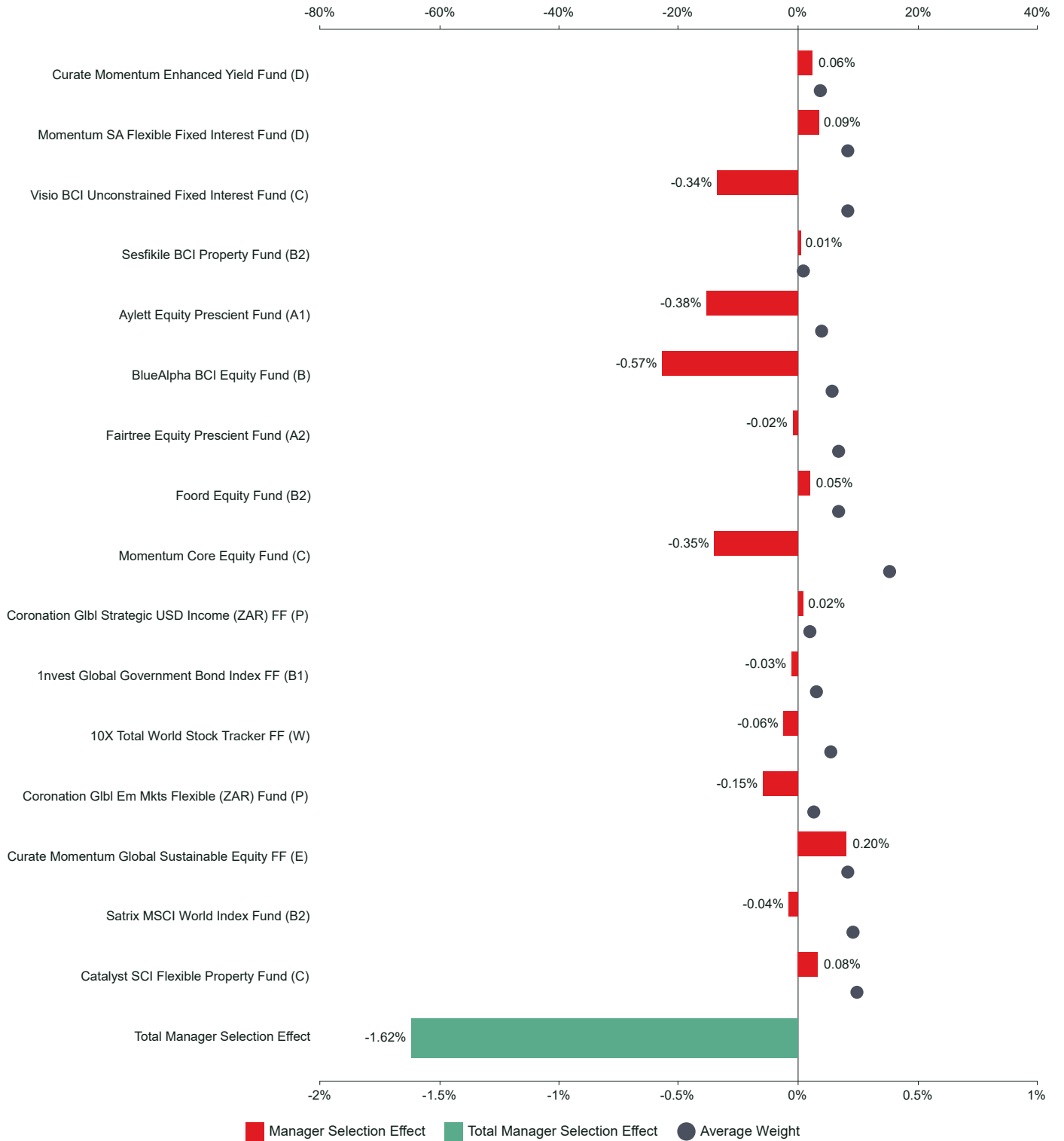


### Cumulative tactical asset allocation effects over 12 months



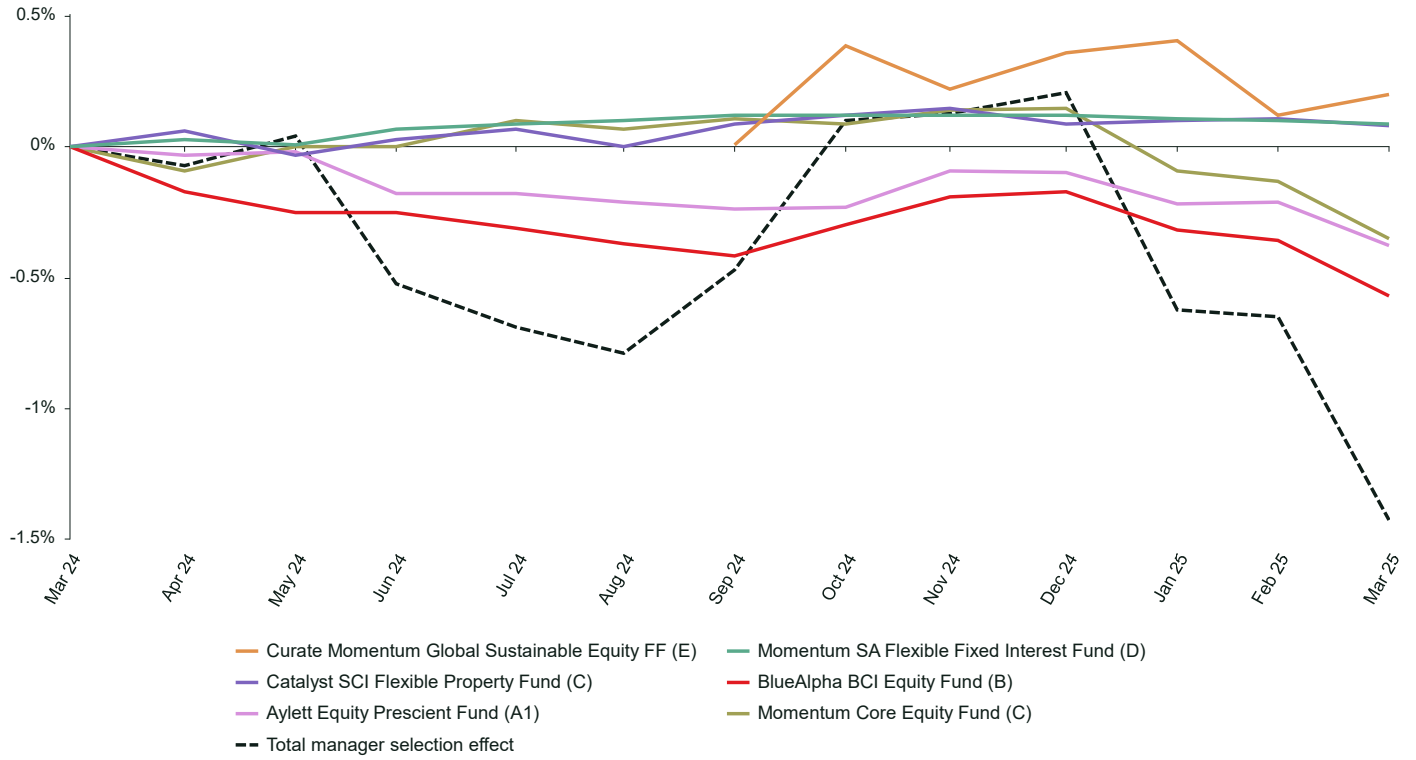


### Manager selection effects over 12 months





### Cumulative manager selection effects over 12 months





## 2.7 Equilibrium Growth Portfolio

**Data as at:** 31 March 2025  
**Benchmark:** CPI + 6% over rolling 7-year periods  
**Peer group:** (ASISA) South African MA High Equity

**Investment horizon:** Seven years  
**Launch date:** 30 June 2017  
**Returns start date:** 30 June 2007

### 2.7.1 Returns

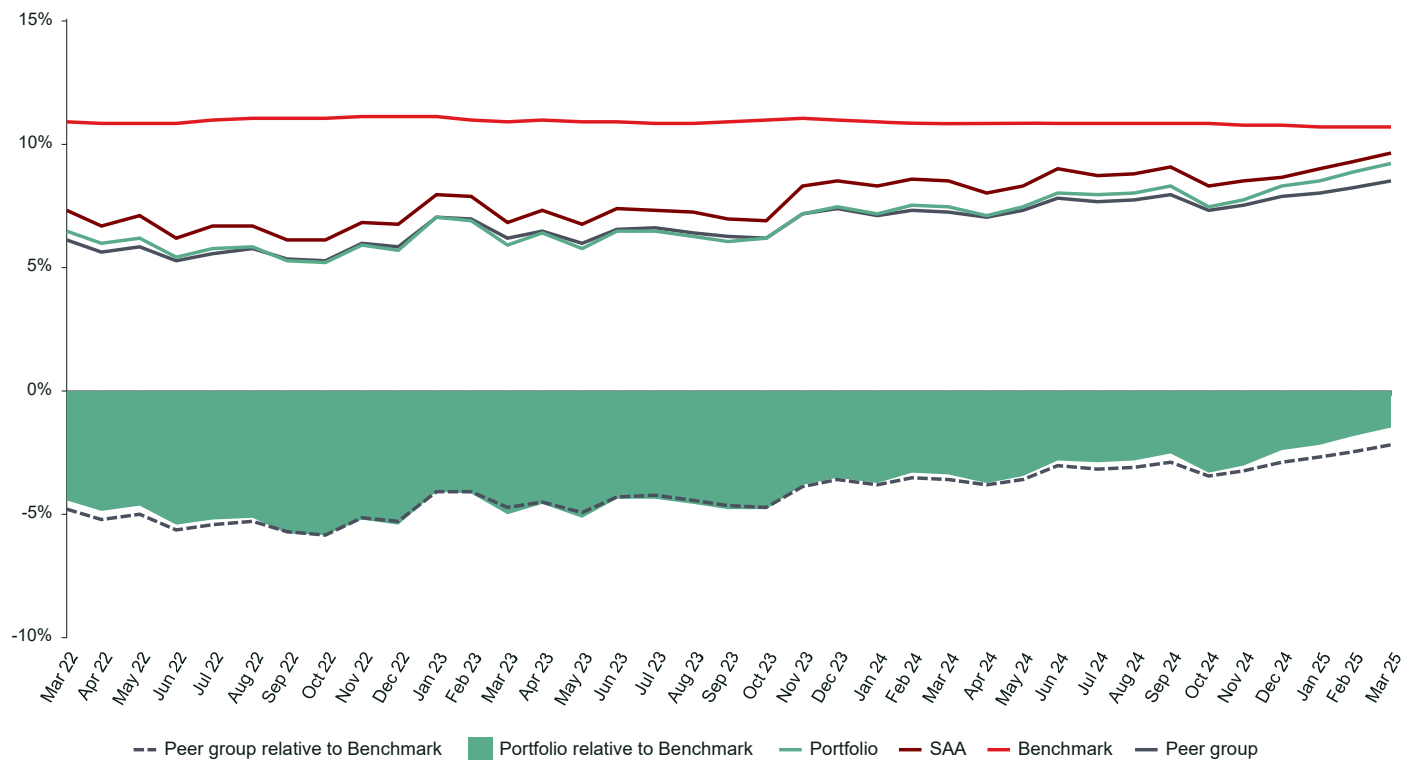
#### Trailing returns

	3m	6m	1y	3y	5y	7y	10y	SL	Mths SL
<b>Portfolio</b>	<b>-1.22%</b>	<b>1.17%</b>	<b>12.61%</b>	<b>9.56%</b>	<b>15.30%</b>	<b>9.25%</b>	<b>7.39%</b>	<b>8.40%</b>	<b>93</b>
Benchmark	2.70%	4.21%	9.16%	11.25%	10.84%	10.70%	11.02%	10.64%	
SAA	0.83%	2.87%	14.43%	10.62%	16.89%	9.63%	8.32%	9.47%	
Peer group	0.68%	2.15%	12.38%	8.90%	13.38%	8.53%	6.96%	8.16%	

SL = "Since Launch". This is the launch date of the tracker investment. Returns prior to the launch date are calculated on a simulated or back tested basis. Returns for all periods greater than 1y are annualised.

- The portfolio underperformed its benchmark by 1.45% p.a. over the 7-year period. It outperformed its peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 1.82% over the last 12 months, net of all investment related fees.

#### Rolling investment horizon returns over 10 years

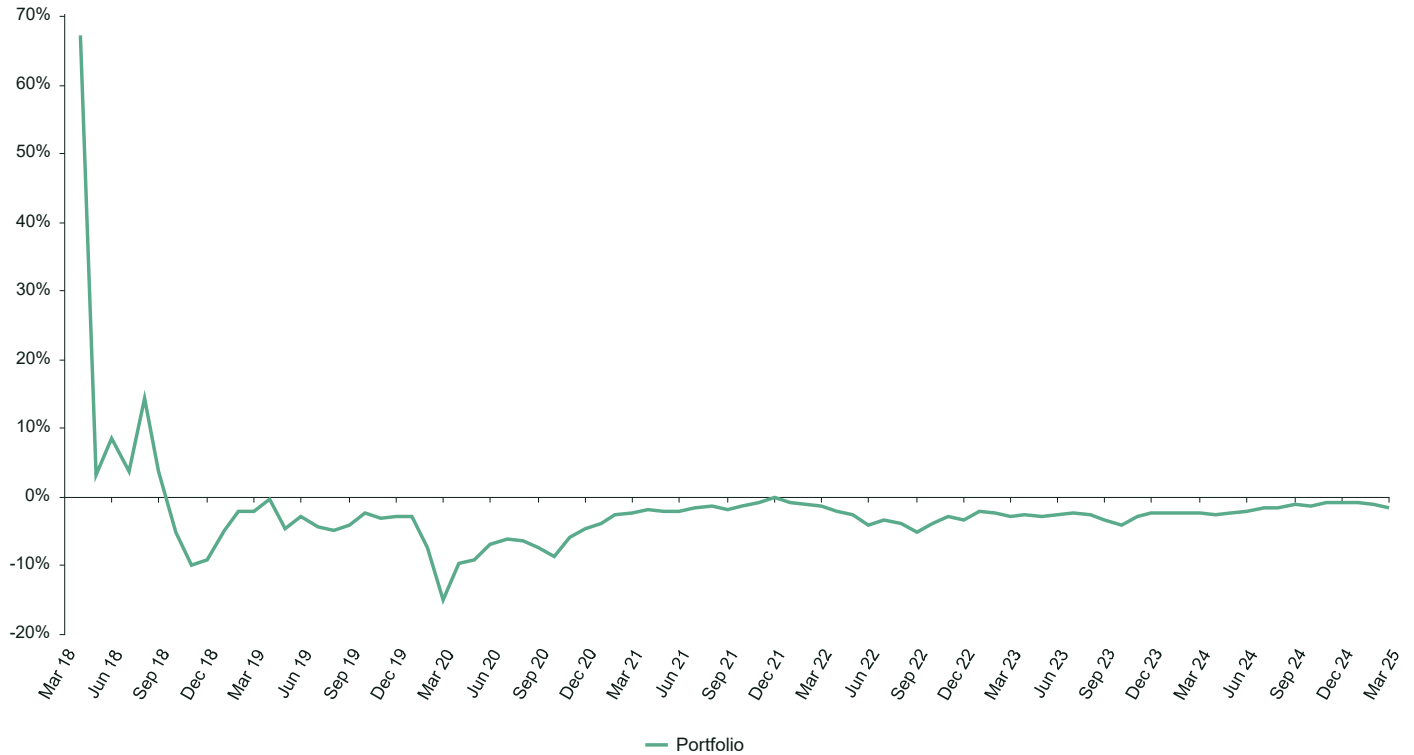


	Portfolio relative to benchmark	Peer group relative to benchmark
Number of observations	37	
Periods of outperformance	0	0
Realised probability of outperformance	0%	0%
Maximum outperformance	-	-
Maximum underperformance	<b>-5.86%</b>	<b>-5.82%</b>

- Over the period, neither the portfolio nor the peer group outperformed the benchmark over the rolling 7-year periods.



### Portfolio relative to benchmark



- Over the measurement period, the portfolio's annualised returns relative to its goal were mainly below its target due to the weak returns from growth asset classes. After the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark, however this reversed owing to the sell-off in 2022 as market volatility remained. The recovery towards the end of the measurement period has seen a trend reversal and a reduction in shortfall, with the portfolio ending closer to its benchmark.

### 2.7.2 Risk

#### Rolling 1-year absolute drawdown over 10 years

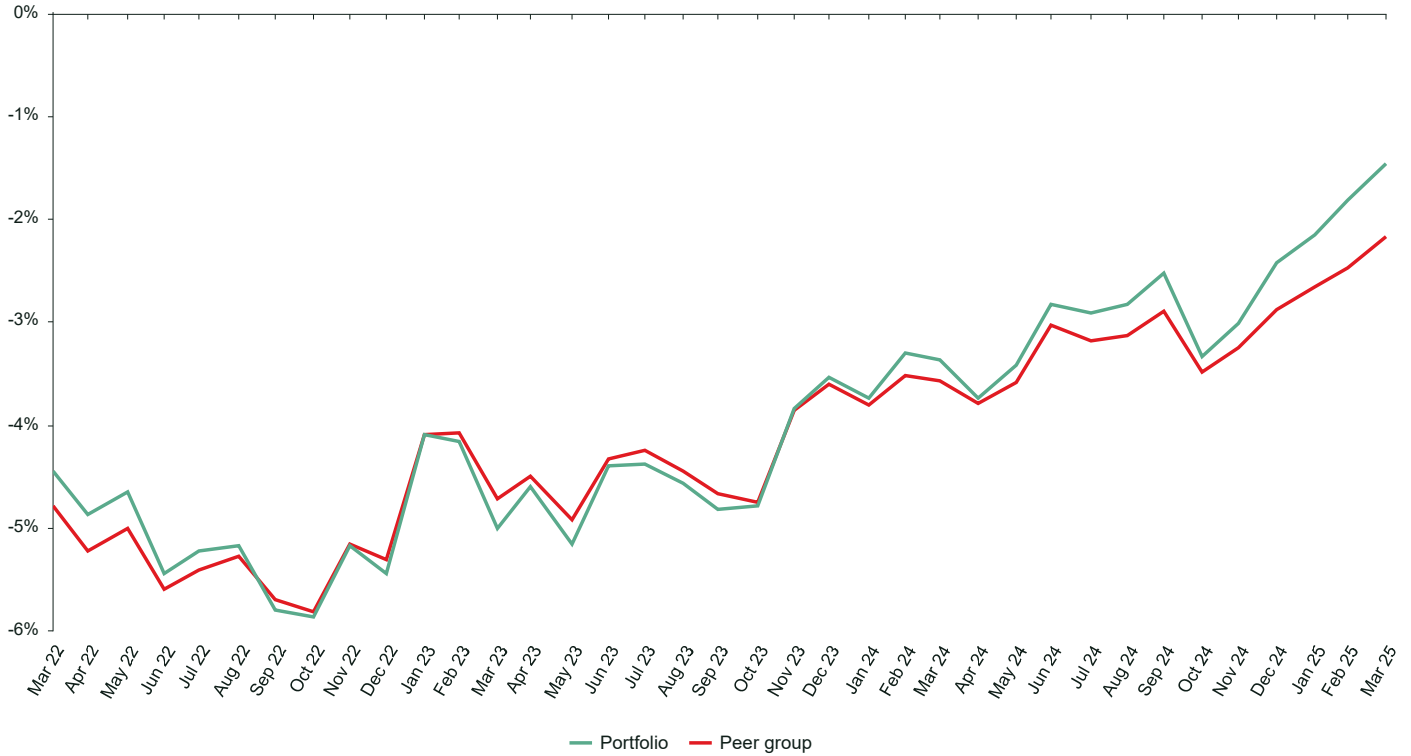


- The portfolio breached the acceptable drawdown level of 10% once.





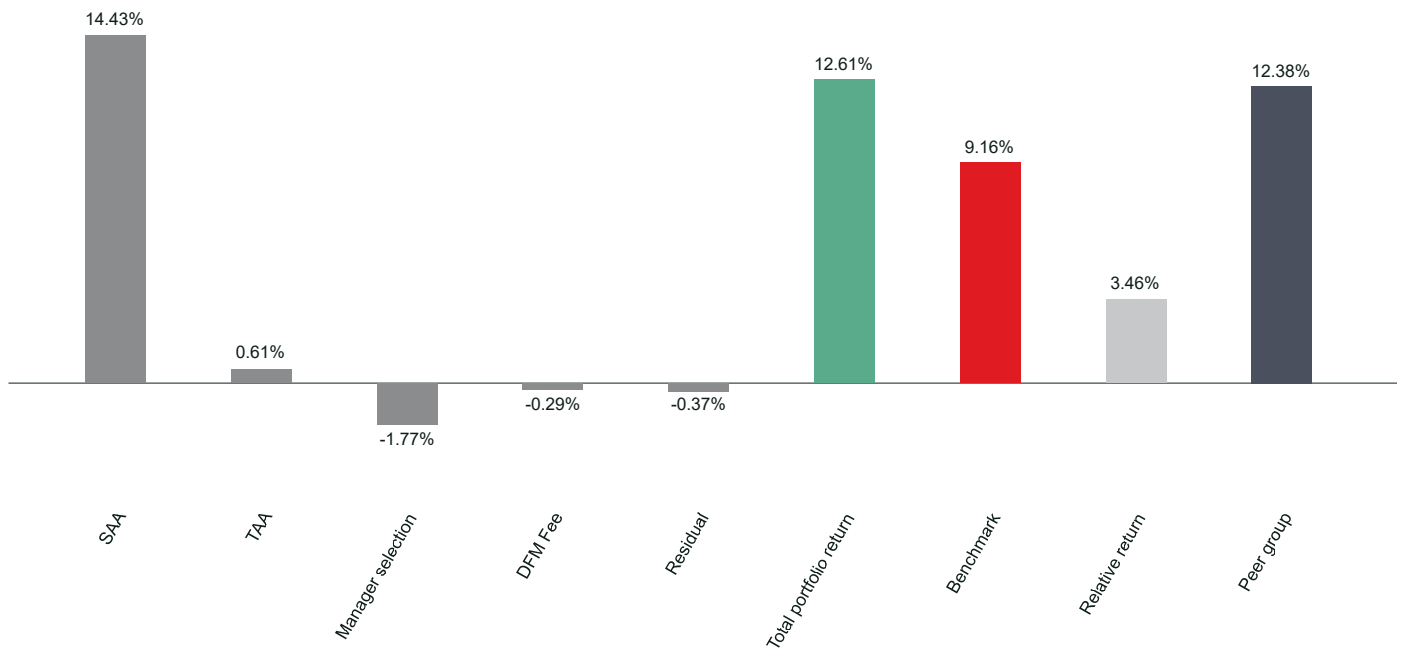
### Rolling investment horizon absolute drawdown over 10 years



- The portfolio underperformed its benchmark and performed better than peers. Medium and high-risk South African multi asset portfolios have found it difficult to outperform their respective CPI + targets predominantly due to growth asset classes underperforming our long-term expectations.

### 2.7.3 Performance attribution

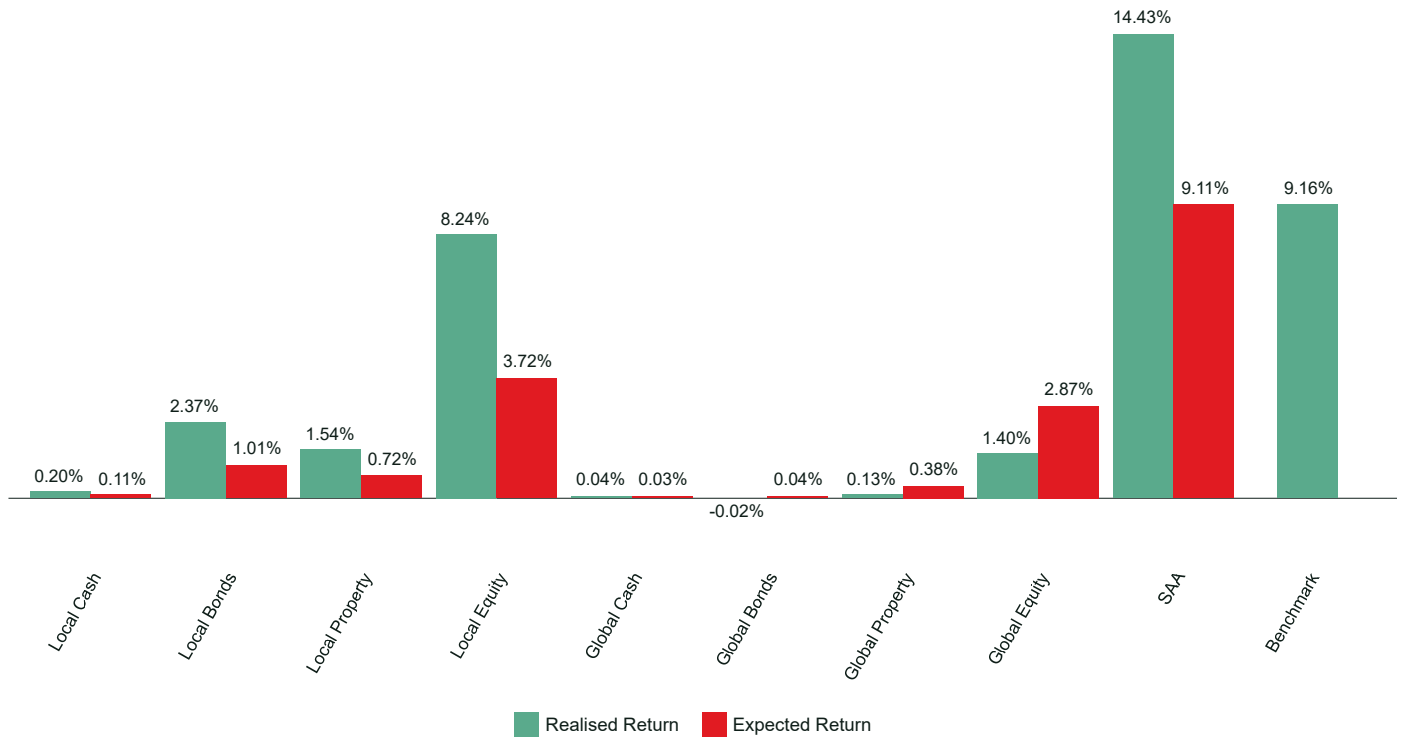
#### Total return attribution over 12 months



- Tactical asset allocation (TAA) contributed while manager selection detracted from the strategic asset allocation (SAA) return over the last 12 months.

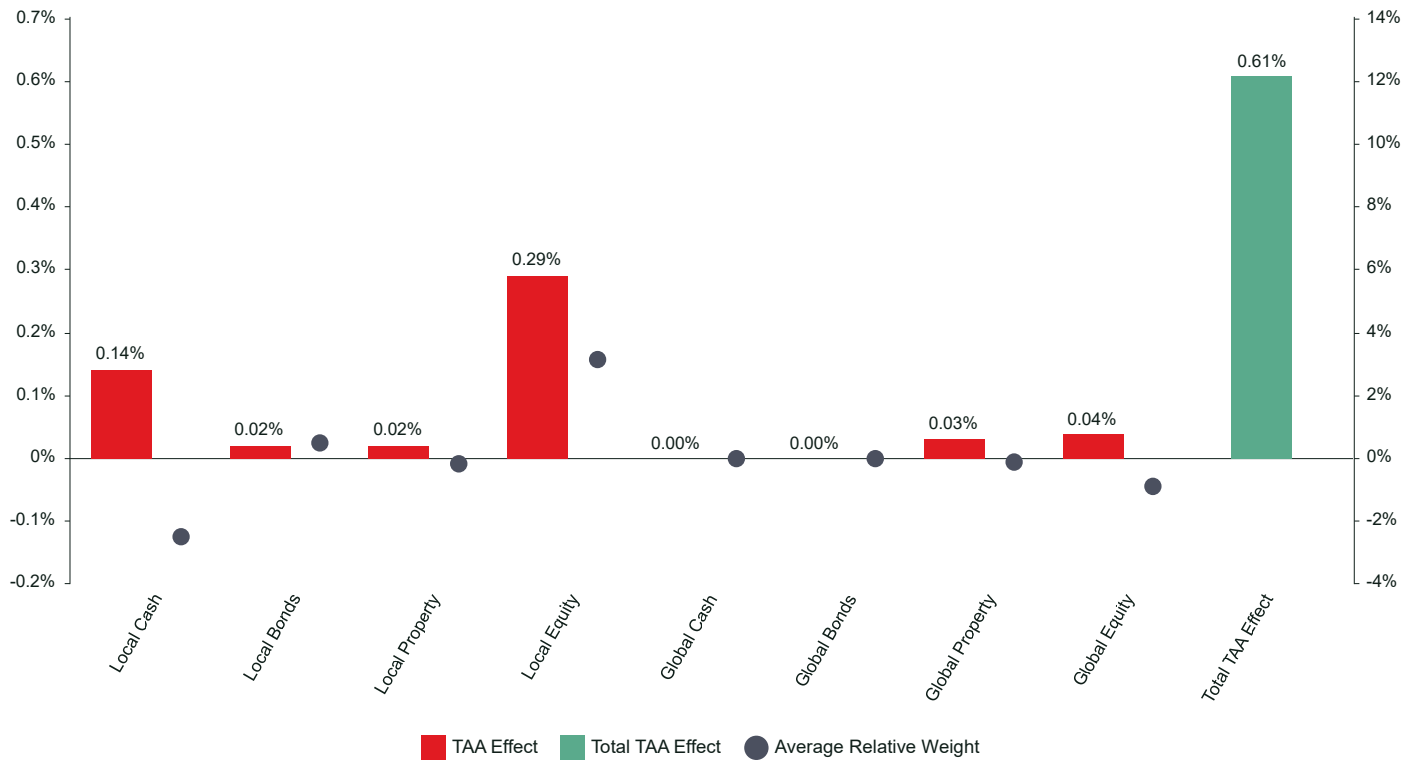


### Strategic asset allocation effects over 12 months



- All local asset classes outperformed our long-term expectations.

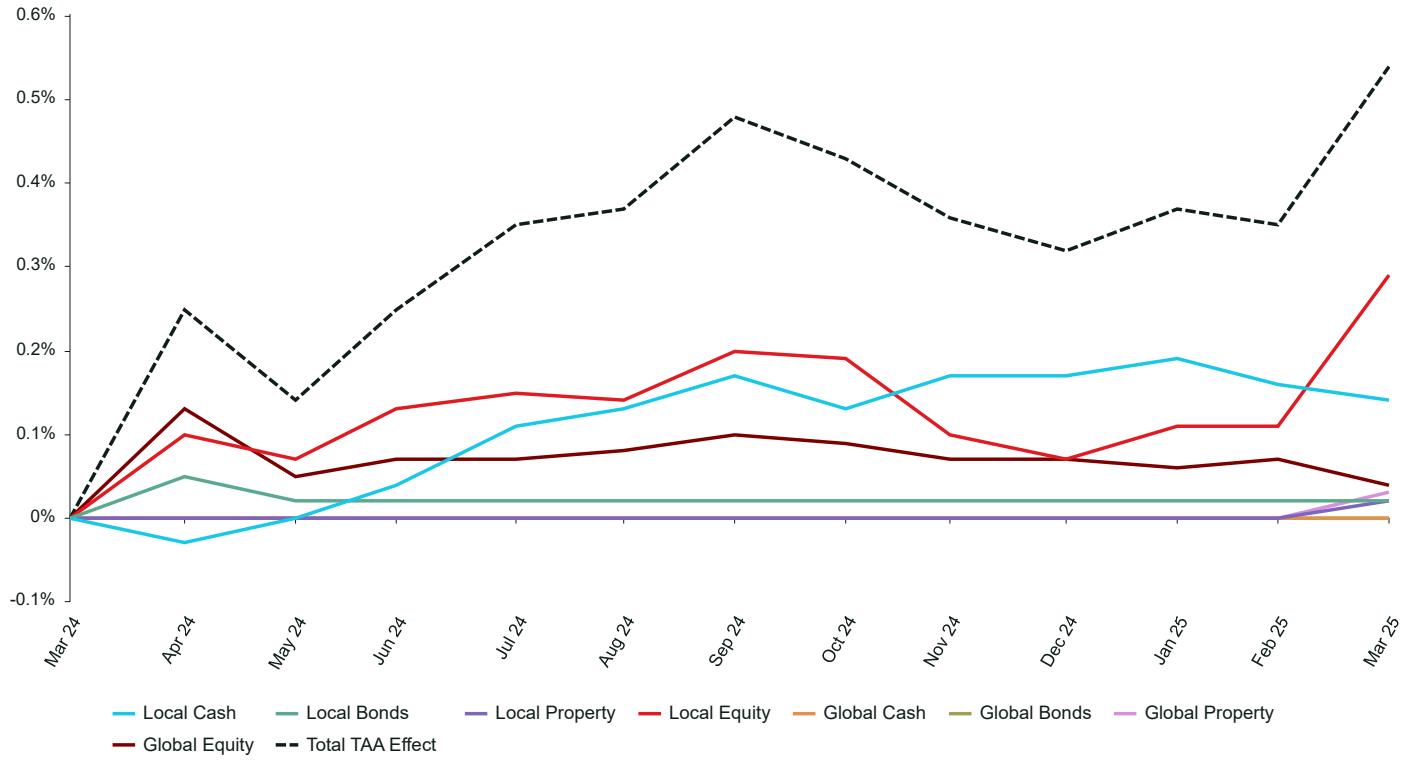
### Tactical asset allocation effects over 12 months



- The underweight position to local cash and overweight position to local equity were the largest contributors to performance over the last 12 months.

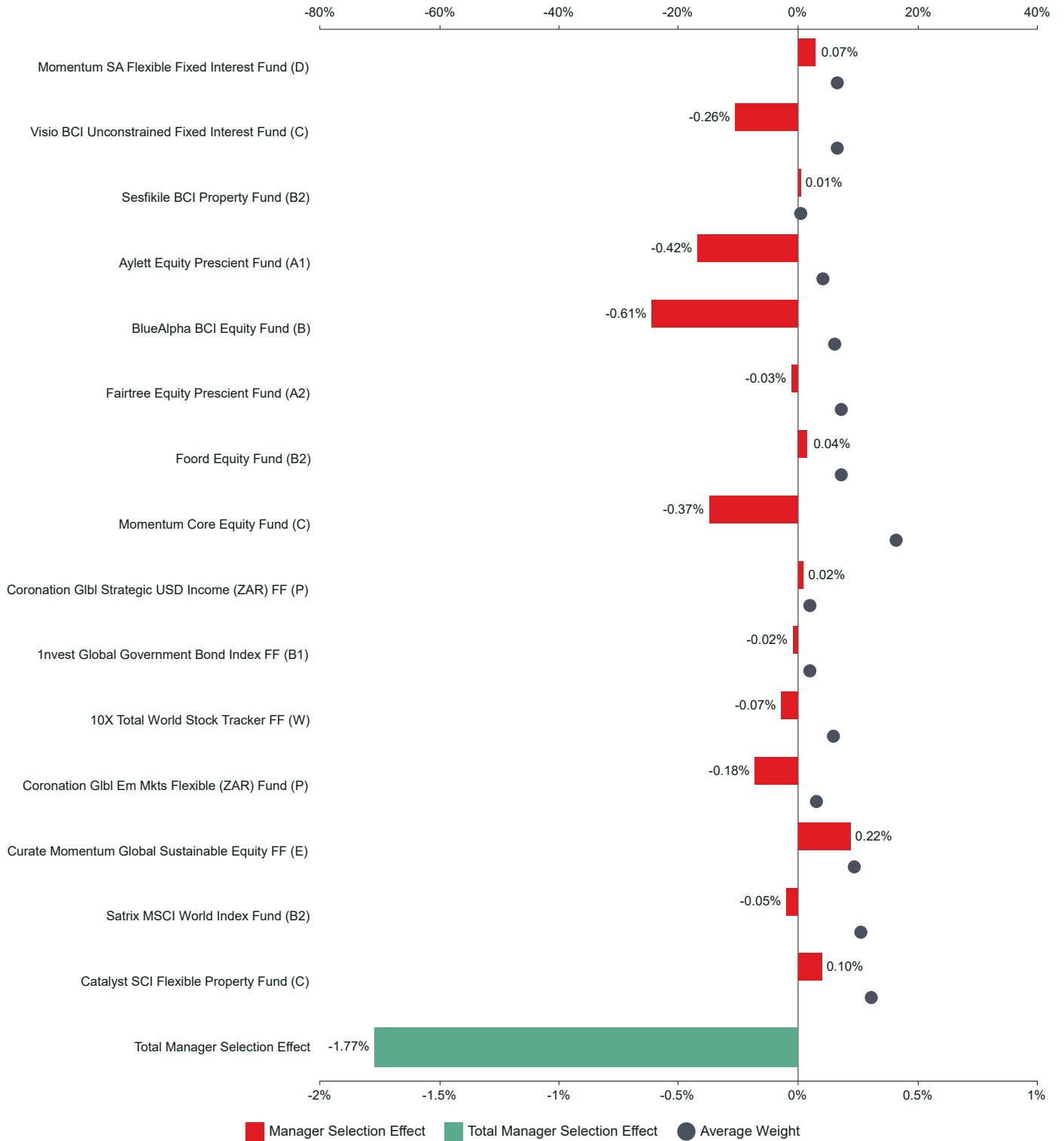


### Cumulative tactical asset allocation effects over 12 months



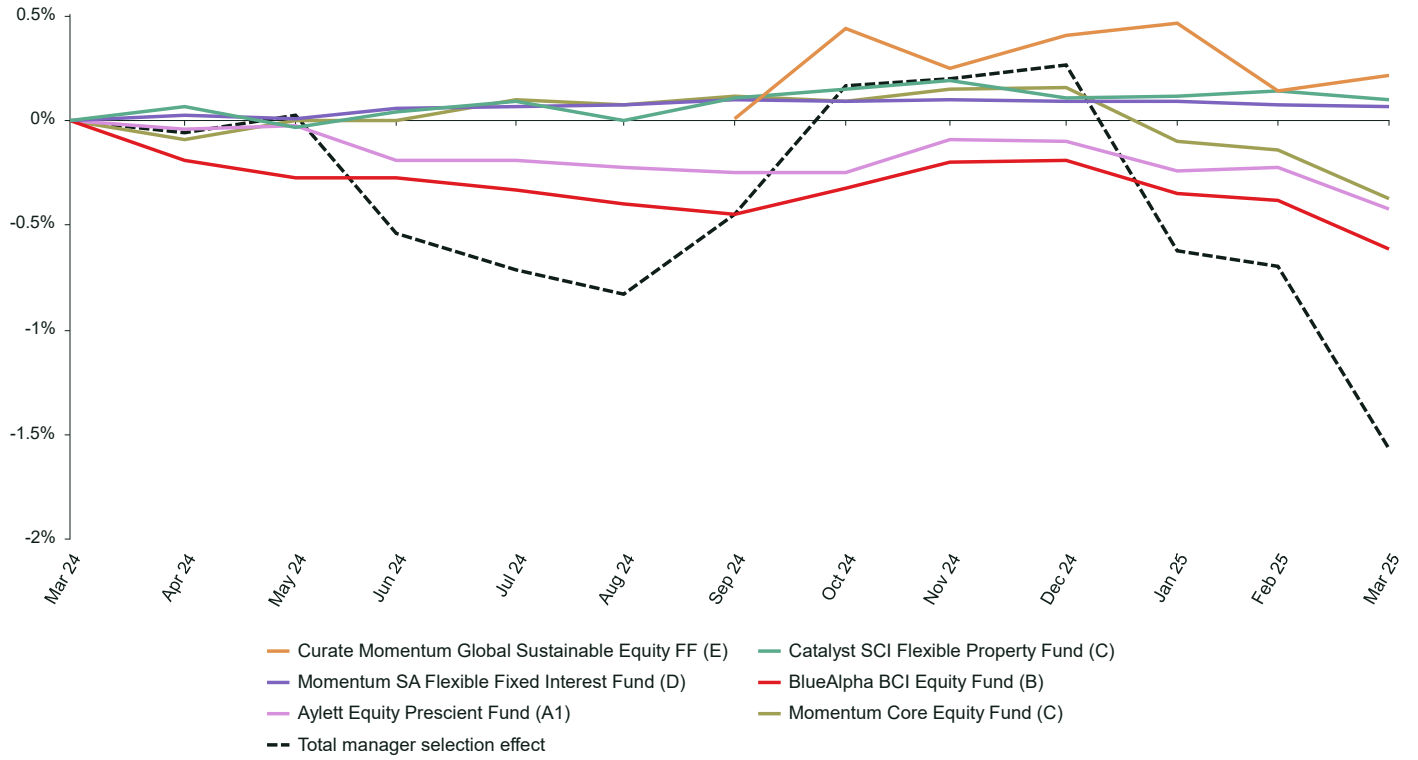


### Manager selection effects over 12 months





### Cumulative manager selection effects over 12 months





## 2.8 Equilibrium Unconstrained Portfolio

**Data as at:** 31 March 2025  
**Benchmark:** CPI + 6% over rolling 7-year periods  
**Peer group:** (ASISA) Wwide MA Flexible

**Investment horizon:** Seven years  
**Launch date:** 30 June 2017  
**Returns start date:** 30 June 2007

### 2.8.1 Returns

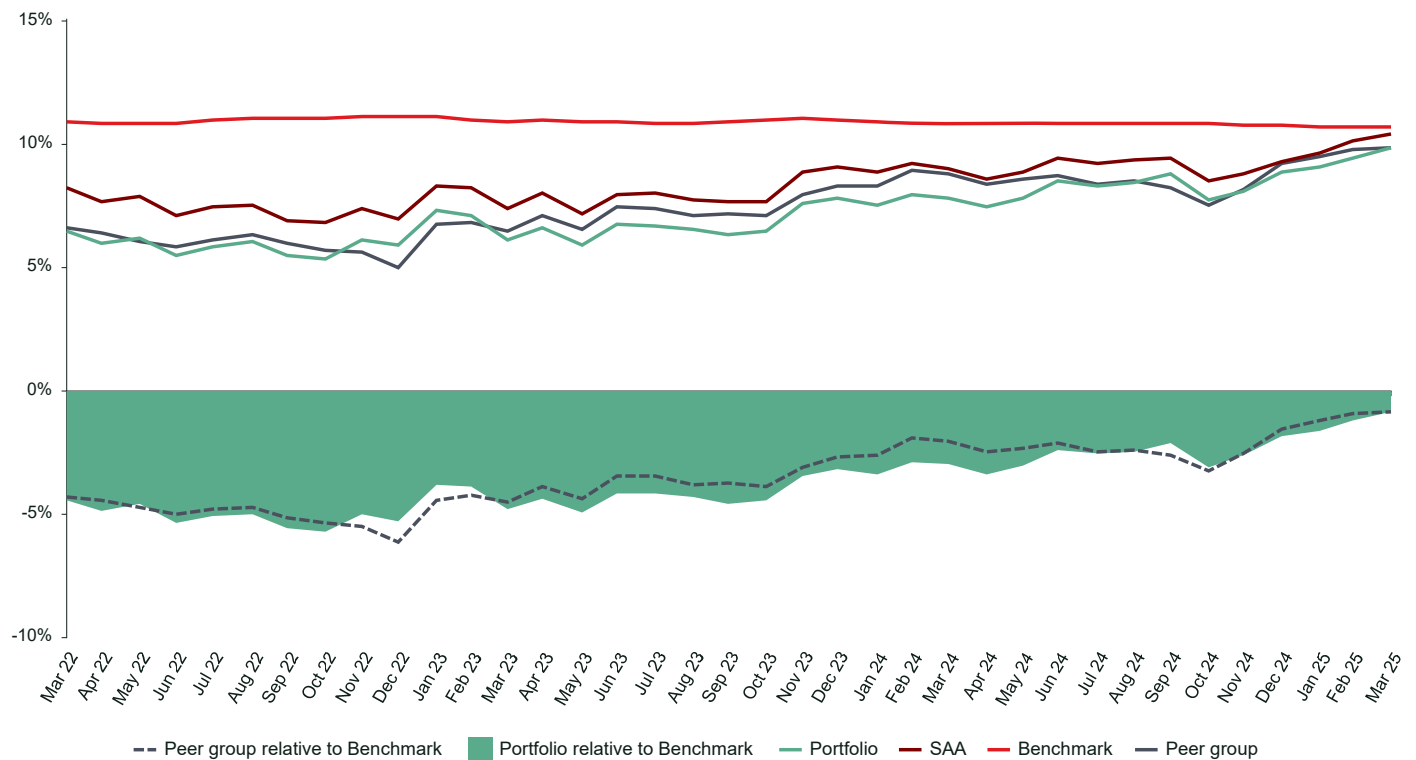
#### Trailing returns

	3m	6m	1y	3y	5y	7y	10y	SL	Mths SL
<b>Portfolio</b>	<b>-1.26%</b>	<b>0.99%</b>	<b>12.63%</b>	<b>9.91%</b>	<b>15.18%</b>	<b>9.86%</b>	<b>7.52%</b>	<b>8.81%</b>	<b>93</b>
Benchmark	2.70%	4.21%	9.16%	11.25%	10.84%	10.70%	11.02%	10.64%	
SAA	0.83%	2.87%	14.43%	10.86%	16.79%	10.44%	9.01%	9.88%	
Peer group	-0.95%	3.95%	7.28%	10.65%	11.70%	9.87%	7.83%	8.78%	

SL = "Since Launch". This is the launch date of the tracker investment. Returns prior to the launch date are calculated on a simulated or back tested basis. Returns for all periods greater than 1y are annualised.

- The portfolio underperformed its benchmark by 0.84% p.a. over the 7-year period. It marginally underperformed its peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 1.8% over the last 12 months, net of all investment related fees.

#### Rolling investment horizon returns over 10 years

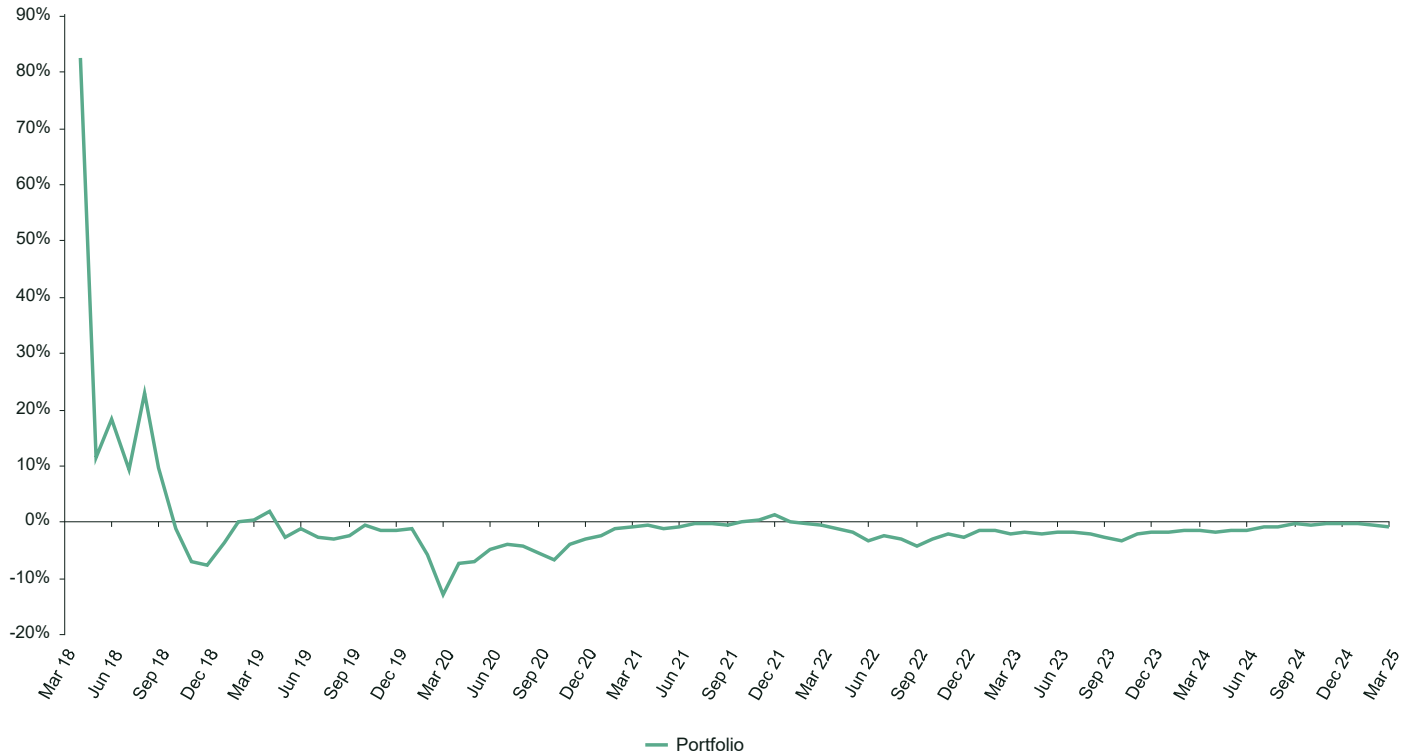


	Portfolio relative to benchmark	Peer group relative to benchmark
Number of observations		37
Periods of outperformance	0	0
Realised probability of outperformance	0%	0%
Maximum outperformance	-	-
Maximum underperformance	<b>-5.73%</b>	-6.12%

- Over the period, neither the portfolio nor the peer group outperformed the benchmark over the rolling 7-year periods.



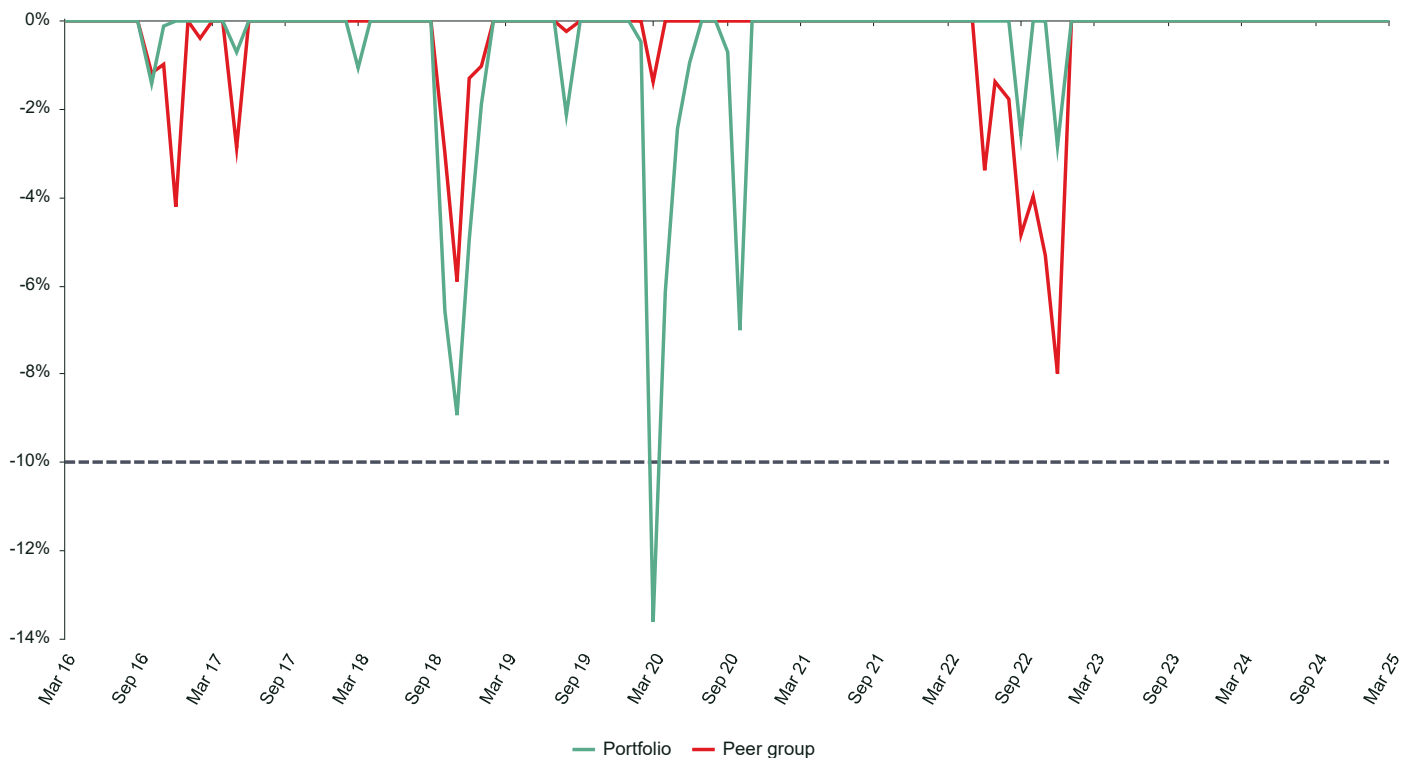
### Portfolio relative to benchmark



- Over the measurement period, the portfolio's annualised returns relative to its goal were mainly below its target due to the weak returns from growth asset classes. After the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark, however this reversed owing to the sell-off in 2022 as market volatility remained. The recovery towards the end of the measurement period has seen a trend reversal and reduction in shortfall, with the portfolio ending closer to its benchmark.

### 2.8.2 Risk

#### Rolling 1-year absolute drawdown over 10 years



- The portfolio breached the acceptable drawdown level of 10% once.



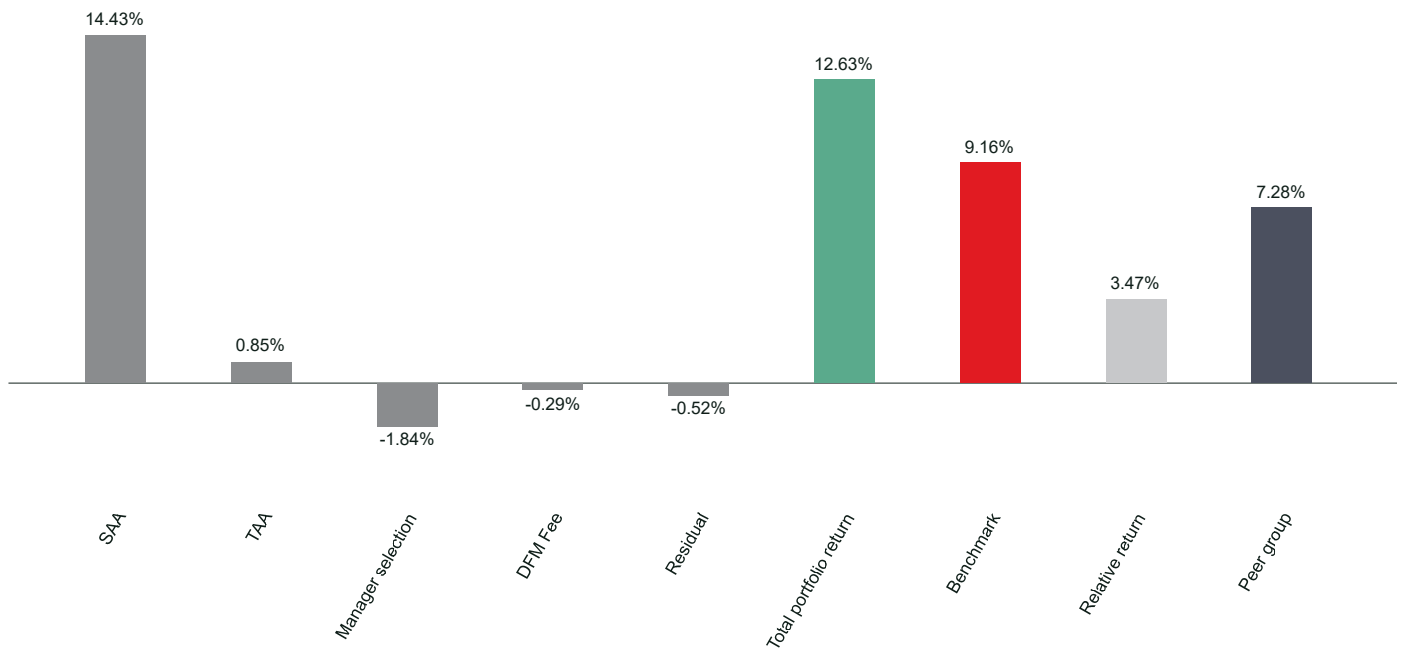
### Rolling investment horizon absolute drawdown over 10 years



- The portfolio underperformed its benchmark and peer group on a rolling basis as medium and high-risk South African multi asset portfolios have found it difficult to outperform their respective CPI + targets predominantly due growth asset classes underperforming long-term expectations.

### 2.8.3 Performance attribution

#### Total return attribution over 12 months

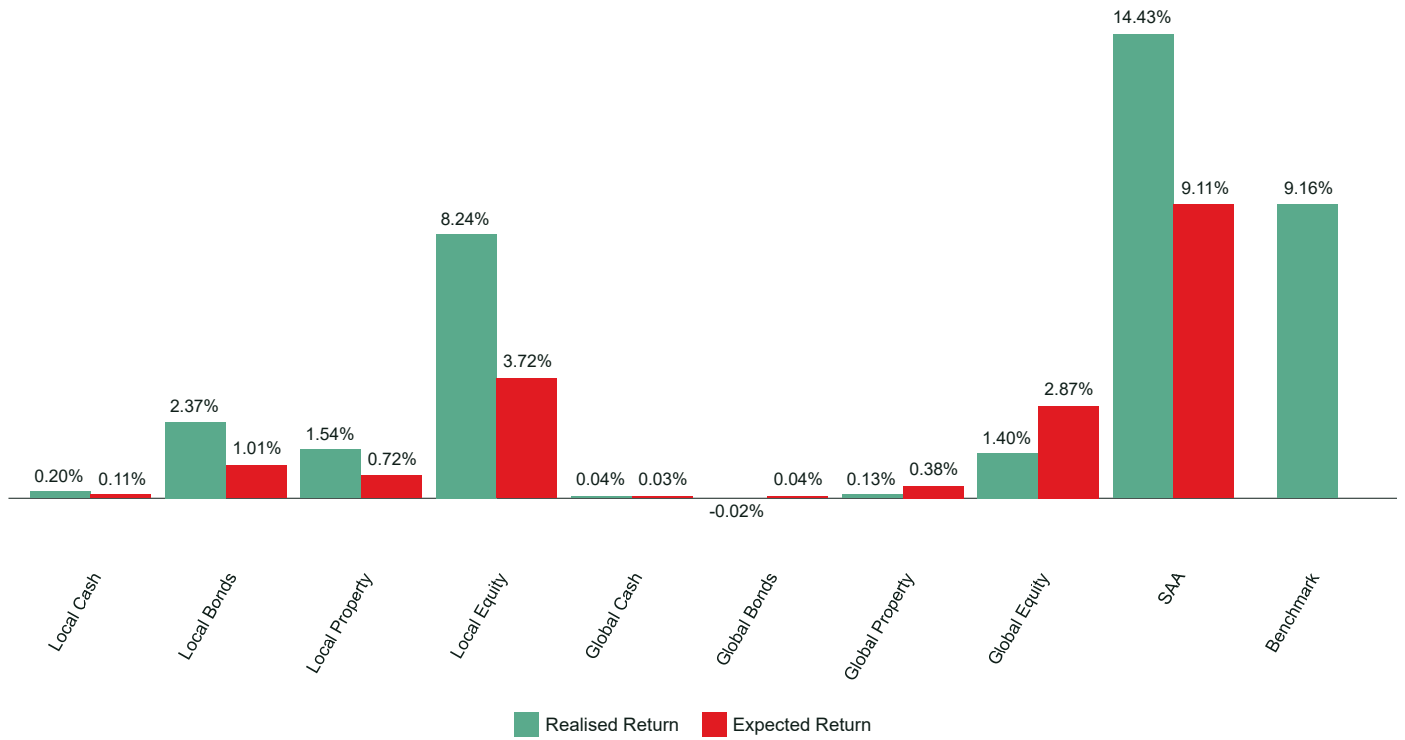


- Tactical asset allocation (TAA) contributed while manager selection detracted from the strategic asset allocation (SAA) return over the last 12 months.



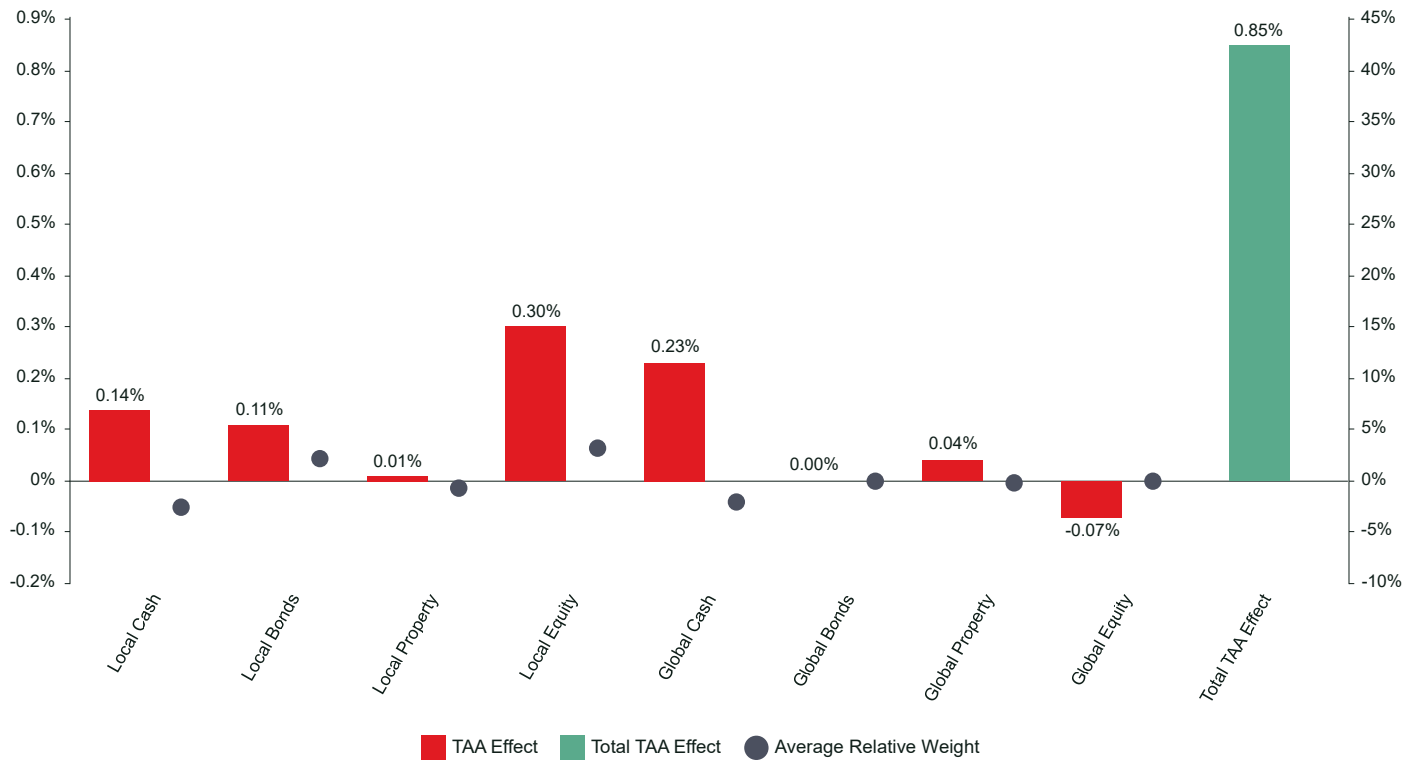


### Strategic asset allocation effects over 12 months



- All local asset classes outperformed our long-term expectations.

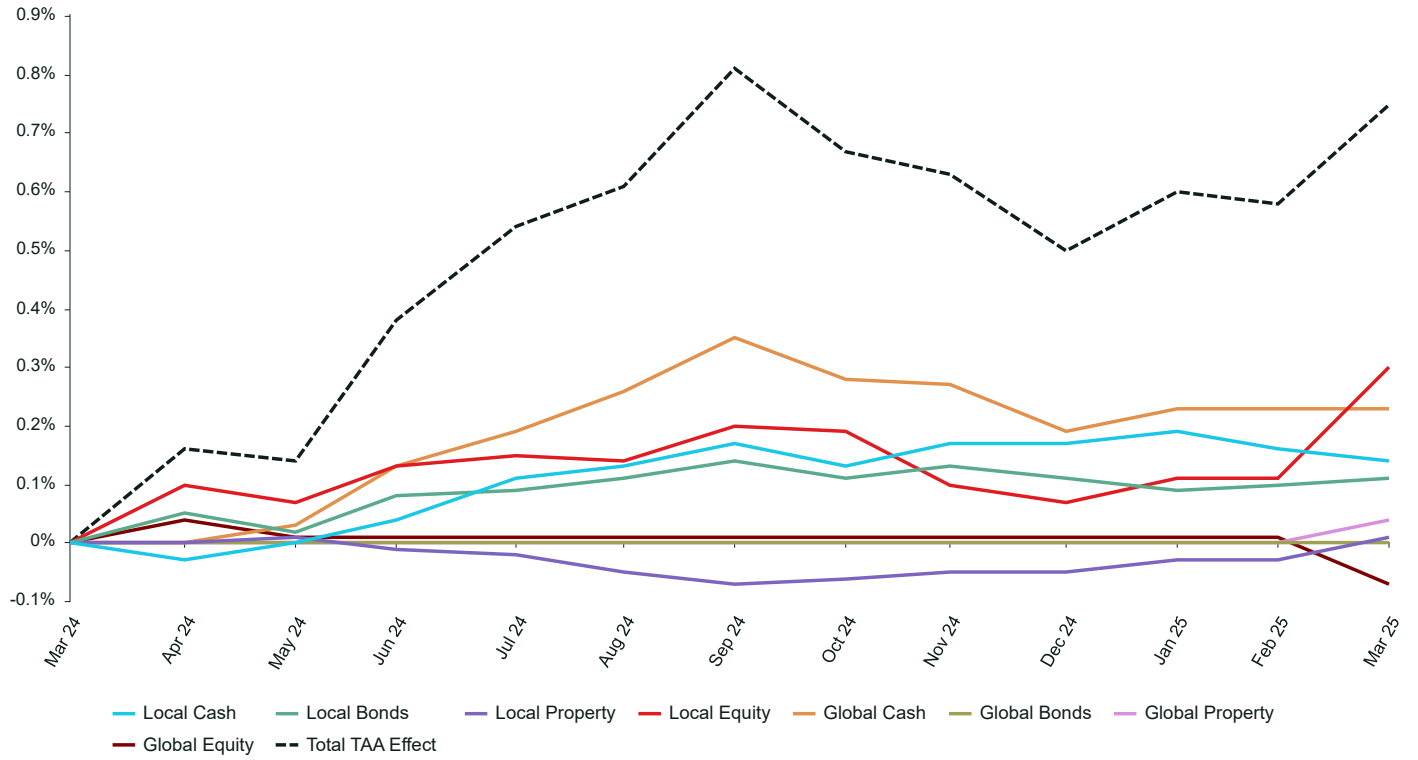
### Tactical asset allocation effects over 12 months



- The underweight positions to local and global cash and overweight position to local equity were the largest contributors to performance over the last 12 months.

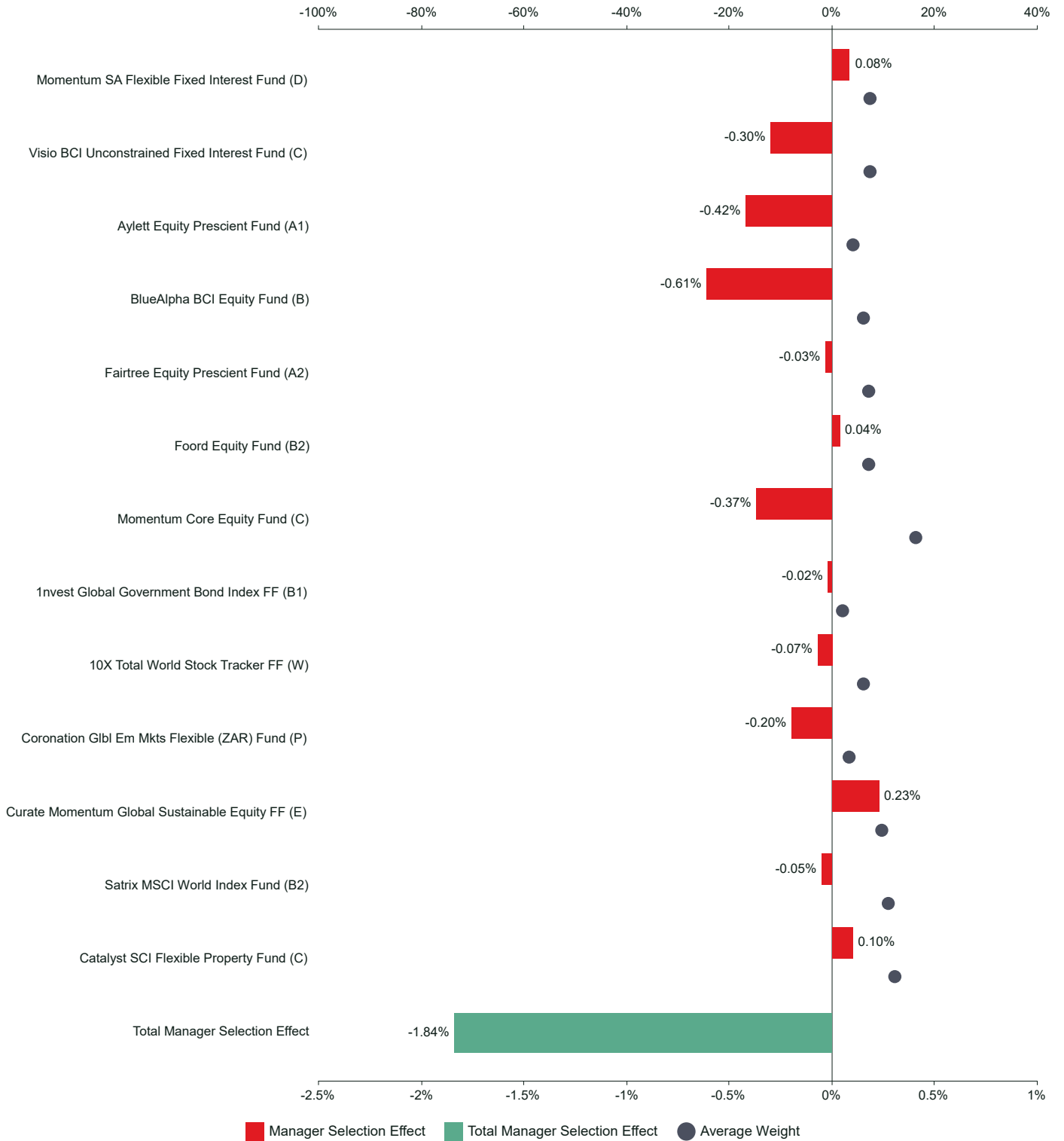


### Cumulative tactical asset allocation effects over 12 months



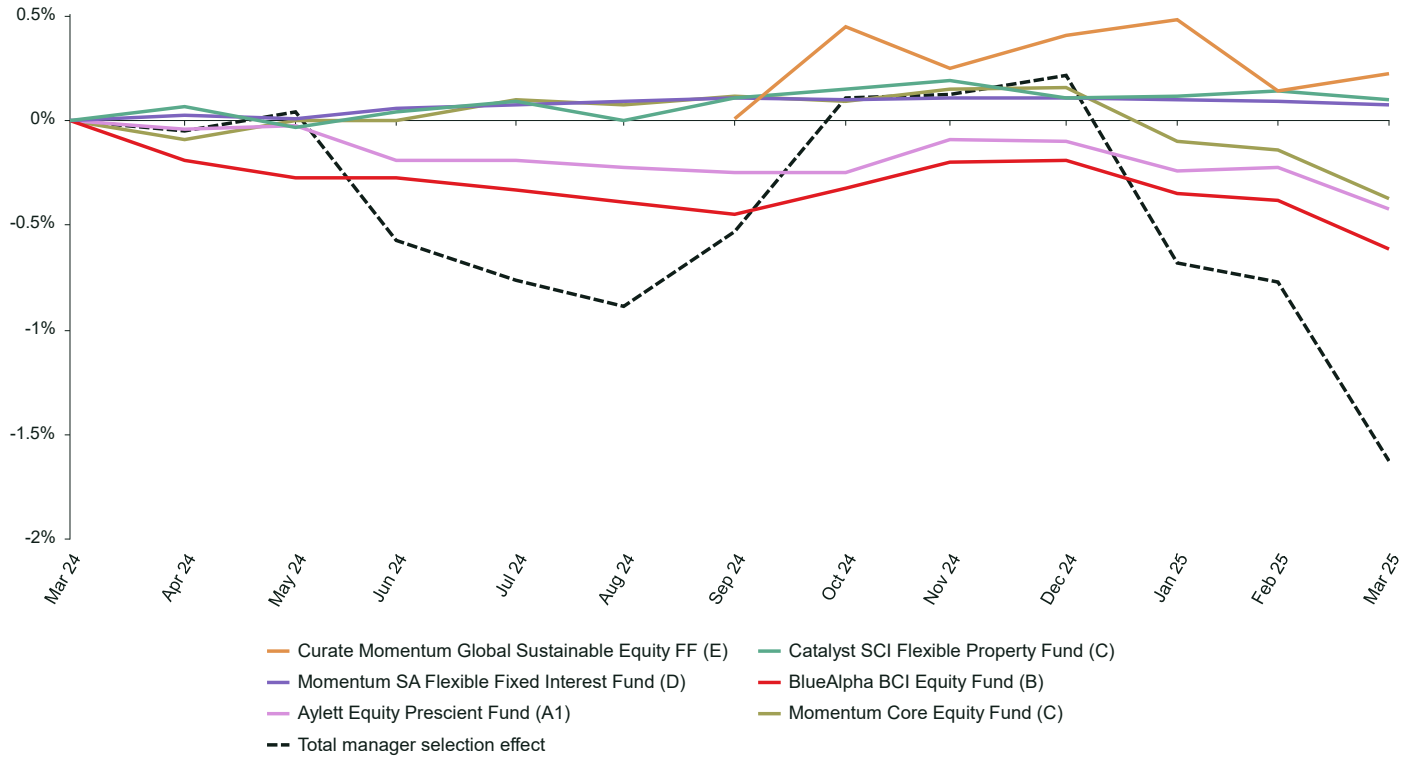


### Manager selection effects over 12 months





### Cumulative manager selection effects over 12 months





### 3. Risk and return expectations

#### 3.1 Value-at-Risk and realistic expected real returns

Portfolio	Value-at-Risk over 12mths with 95% likelihood	Expected real return over investment horizon with 70% likelihood
Equilibrium Conservative	0.10%	1.07%
Equilibrium Stable	-3.08%	1.95%
Equilibrium Moderate	-4.61%	2.90%
Equilibrium Balanced	-6.71%	3.55%
Equilibrium Growth	-8.21%	4.19%
Equilibrium Unconstrained	-8.21%	4.19%

#### 3.2 Forward looking probabilities of achieving stated benchmarks

Portfolio	Current
Equilibrium Conservative	62.77%
Equilibrium Stable	60.38%
Equilibrium Moderate	62.13%
Equilibrium Balanced	61.94%
Equilibrium Growth	46.57%
Equilibrium Unconstrained	46.57%

### 4. Current positioning & changes/recommendations

#### 4.1 Asset class house views

Asset Class	Q4 2024	Q1 2025
<b>Local</b>		
Local Cash	Neutral to Underweight	Neutral
Local Bonds	Neutral	Neutral
Local Property	Neutral to Underweight	Neutral
Local Equity	Neutral to Overweight	Neutral
<b>Global</b>		
Global Cash	Neutral	Neutral
Global Bonds	Neutral	Neutral
Global Property	Neutral	Neutral
Global Equity	Neutral	Neutral



## 4.2 House view summary

What we expect will happen in the year ahead...					
Growth	Inflation	Currency	Interest rates	Cash	Government bonds
<p>Initial euphoria associated with the formation of the government of national unity (GNU) is beginning to wane as global conditions deteriorate and domestic growth remains soft. Nevertheless, ongoing reform could help shelter SA from negative global political developments. Despite a reappearance in loadshedding, ongoing energy reforms confirm a structural improvement in supply. Moreover, legislative changes in logistics are paving the way for increased private sector participation.</p>	<p>Although electricity tariffs have come in below expectations and despite the basket reweighting and rebasing exercise — to more accurately reflect a change in consumers' consumption patterns — new upside threats have emerged. These include a 0.5 percentage-point (pp) value-added tax increase — which could add 0.15pp to headline inflation according to Treasury — and a more restrictive global trade environment, resulting in higher tariffs on SA's exports to the US.</p>	<p>The rand's trajectory over the next year will likely hinge on domestic and global pressures. While the GNU initially bolstered sentiment, the currency has faced headwinds from slower growth and recent bouts of loadshedding. Though the rand remains undervalued and could strengthen marginally in the next year, Trump's tariff threats and a widening diplomatic rift between the US and SA are challenges to the extent of rand strength.</p>	<p>The SA Reserve Bank paused its interest rate cutting cycle, reflecting caution amid global uncertainties, including Trump's trade policies, which could pressure the rand and stoke inflation. External headwinds could keep interest rates in restrictive territory, with the hurdle for additional easing remaining high.</p>	<p>Based on our expectation that inflation will likely average just above 4% in the coming year, SA cash still offers investors an attractive prospective real yield, particularly on a risk-adjusted basis.</p>	<p>SA vanilla government bonds still provide some of the highest backward-looking real yields in the world. Relative to SA's history since inflation targeting started in the early 2000s, the current more than 6% real forward-looking bond yield is comfortably more than one standard deviation above the historical average.</p>
ILBs	Listed property	Equities	Global equities	Global bonds	Global cash
<p>SA ILBs should receive fundamental support from the anticipated rising inflation trend from the likely low of 2.8% in October 2024 until late 2025, with some high accrual months expected in 2025. This should lead to a general widening of breakeven yields during this time that should underpin ILB returns.</p>	<p>The risk-reward available to investors in the SA listed property sector remains unattractive, in our view. Declining interest cover ratios approaching covenants are a risk, as rising interest rates and balance sheet restructurings have increased pressure on finance expenses. Although the listed property earnings yield has historically traded at a premium to SA 10-year bond yields, its current premium appears even more expensive than in the past.</p>	<p>Even if previous profit growth assumptions for SA equities are cut by an aggressive 25% to account for a potential decline in global and local economic growth forecasts, current valuations are around one standard deviation below historical averages, providing a margin of safety protection for future returns. SA equities also still trade around one standard deviation historical lows against EM equities on a relative forward P/E basis.</p>	<p>Despite the recent equity market declines, US valuations are still trading above historical averages, particularly when factoring in poorer profit prospects, constraining future returns. In contrast, better equity valuations outside the US should provide more investor protection once sentiment stabilises.</p>	<p>Near-term growth worries have supported US bonds as a perceived safe-haven asset class in early 2025. However, we caution that the US bond market could be underestimating the upside risk to the medium-term inflation profile, and the potential fiscal risk attached to the Trump policy framework.</p>	<p>We see global cash as a preferred global fixed-income asset class with similar expected returns to global bonds at lower risk. But some expected rand strength could subtract from one-year rand returns on all global asset classes, including cash.</p>



### 4.3 New Strategic Asset Allocations

As part of our regular review process, we assess the portfolios' Strategic Asset Allocations (SAA) to ensure they remain aligned with clients' long-term objectives and are positioned to deliver the appropriate level of risk-adjusted returns. Our review highlighted that our current SAA had marginally higher allocations to the property sector when compared to other similar multi-asset class ranges.

We have already implemented some changes to bring this allocation more in line and final adjustments will be reflected in the revised SAA. These changes will be implemented in the current review cycle and the revised SAA will take effect from 1 July 2025. From that date, all performance measurements will be based on the updated SAA.

A summary outlining both the current and revised SAA for each of the portfolios is shown below:

#### Current SAA

Asset class	Equilibrium Conservative	Equilibrium Stable	Equilibrium Moderate	Equilibrium Balanced	Equilibrium Growth	Equilibrium Unconstrained
Local Equity	20.00%	26.50%	31.50%	36.00%	38.00%	38.00%
Local Property	5.00%	5.50%	6.00%	7.00%	8.00%	8.00%
Local Bonds	28.00%	24.00%	20.00%	16.00%	12.50%	12.50%
Local Cash	20.00%	14.00%	10.50%	6.00%	2.50%	2.50%
Global Equity	16.00%	20.00%	22.00%	26.00%	30.00%	30.00%
Global Property	2.00%	2.50%	3.00%	4.00%	5.00%	5.00%
Global Bonds	5.00%	4.00%	4.00%	3.00%	2.00%	2.00%
Global Cash	4.00%	3.50%	3.00%	2.00%	2.00%	2.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

#### Revised SAA

Asset class	Equilibrium Conservative	Equilibrium Stable	Equilibrium Moderate	Equilibrium Balanced	Equilibrium Growth	Equilibrium Unconstrained
Local Equity	21.00%	28.00%	33.50%	36.00%	40.00%	40.00%
Local Property	3.00%	3.50%	4.50%	5.00%	5.00%	5.00%
Local Bonds	30.00%	25.00%	22.00%	17.00%	9.50%	9.50%
Local Cash	17.00%	13.00%	7.00%	5.00%	4.00%	4.00%
Global Equity	17.00%	20.00%	22.00%	28.00%	32.00%	32.00%
Global Property	2.50%	2.50%	3.00%	4.00%	4.00%	4.00%
Global Bonds	5.00%	5.00%	5.00%	3.00%	3.50%	3.50%
Global Cash	4.50%	3.00%	3.00%	2.00%	2.00%	2.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Given the recent market volatility and ongoing macro uncertainty, we believe that the most prudent approach at this stage is to remain aligned with the SAA and not adopt any tactical positioning. Once the current market noise subsides, we will reassess valuations and consider whether it is appropriate to take active views at that time.



## 4.4 Local Equity Building Block Review

Local equity, as an asset class, plays a very important role in multi-asset class portfolios. It is one of the primary growth asset classes which, together with global equity, enables portfolios to deliver returns in line with (or above) the CPI-linked objectives. It is also an asset class with strong alpha opportunities, which makes selecting the right managers very important.

The Outcomes Based Investment (OBI) philosophy requires exposure to different equity investment styles, which will generate a consistent alpha profile to complement the strategic and tactical allocations to the asset class. Over the last few months, the team reviewed the local equity building block funds to ensure investors have the ideal exposure to the prevalent style factors in the South African market being Momentum, Value and Quality investment styles. The investable universe of managers was also screened to identify managers able to improve the alpha profile of the equity building block.

Based on the research, the changes to the funds include reducing exposure to the Momentum Core Equity Fund (from 40% to 30% as an initial step) as well as replacing the BlueAlpha BCI Equity Fund with a fund with a more predictable alpha stream and a more balanced style exposure. The 36One BCI SA Equity Fund was identified as the most suitable fund.

The table below illustrates the changes as well as the impact on the return profile, relative to the benchmark, and costs\*.

Fund allocation	Current	New
36One BCI SA Equity Fund (E)	-	18.00%
Aylett Equity Prescient Fund (A1)	10.00%	12.00%
BlueAlpha BCI Equity Fund (B)	15.00%	-
Fairtree SA Equity Prescient Fund (A2)	17.50%	20.00%
Foord Equity Fund (B2)	17.50%	20.00%
Momentum Core Equity Fund (C)	40.00%	30.00%
<b>Rolling 12m data</b>		
Hit rate*	73.81%	92.86%
Max Outperformance*	6.81%	7.77%
Max Underperformance*	-4.24%	-1.49%
Average Alpha*	1.64%	2.59%
<b>TIC</b>	<b>1.03%</b>	<b>1.11%</b>

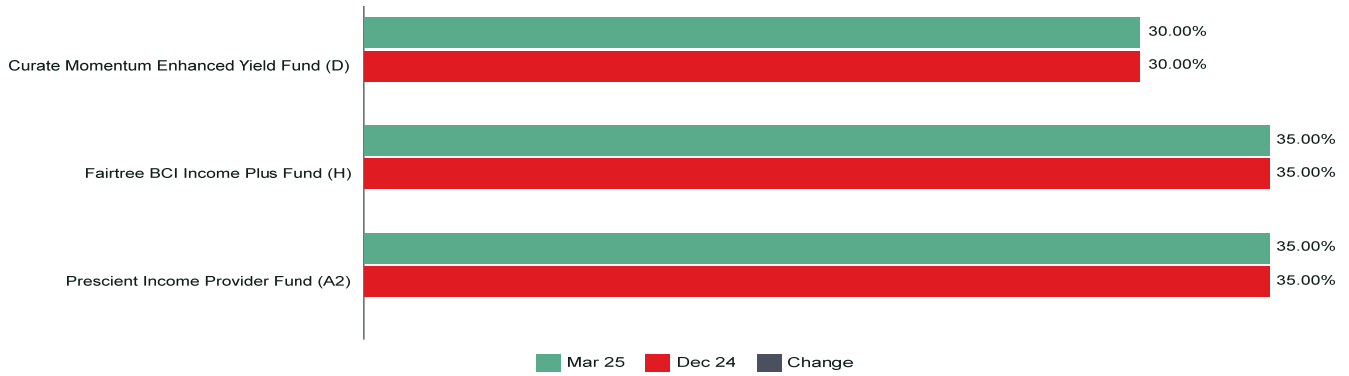
\*Based on rolling 12-month returns from May 2017 to March 2025 relative to the FTSE/JSE Capped SWIX All Share Index benchmark. The funds are those used in the portfolios on the Momentum Wealth platform. For portfolios on the other platforms, the fund classes may differ resulting in different TIC.



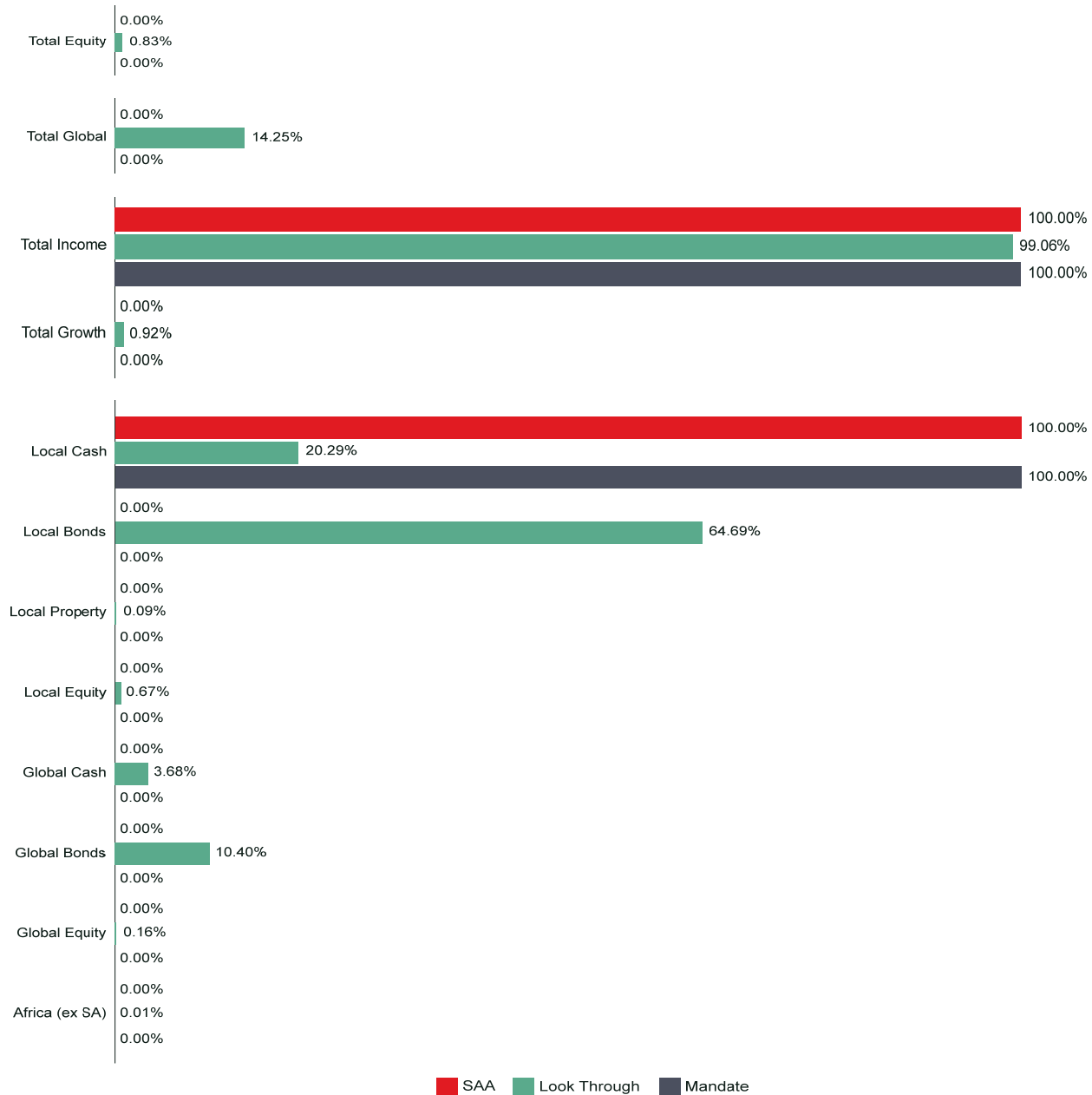


## 4.5 Equilibrium Income Portfolio

### 4.5.1 Building block allocation



### 4.5.2 Asset allocation



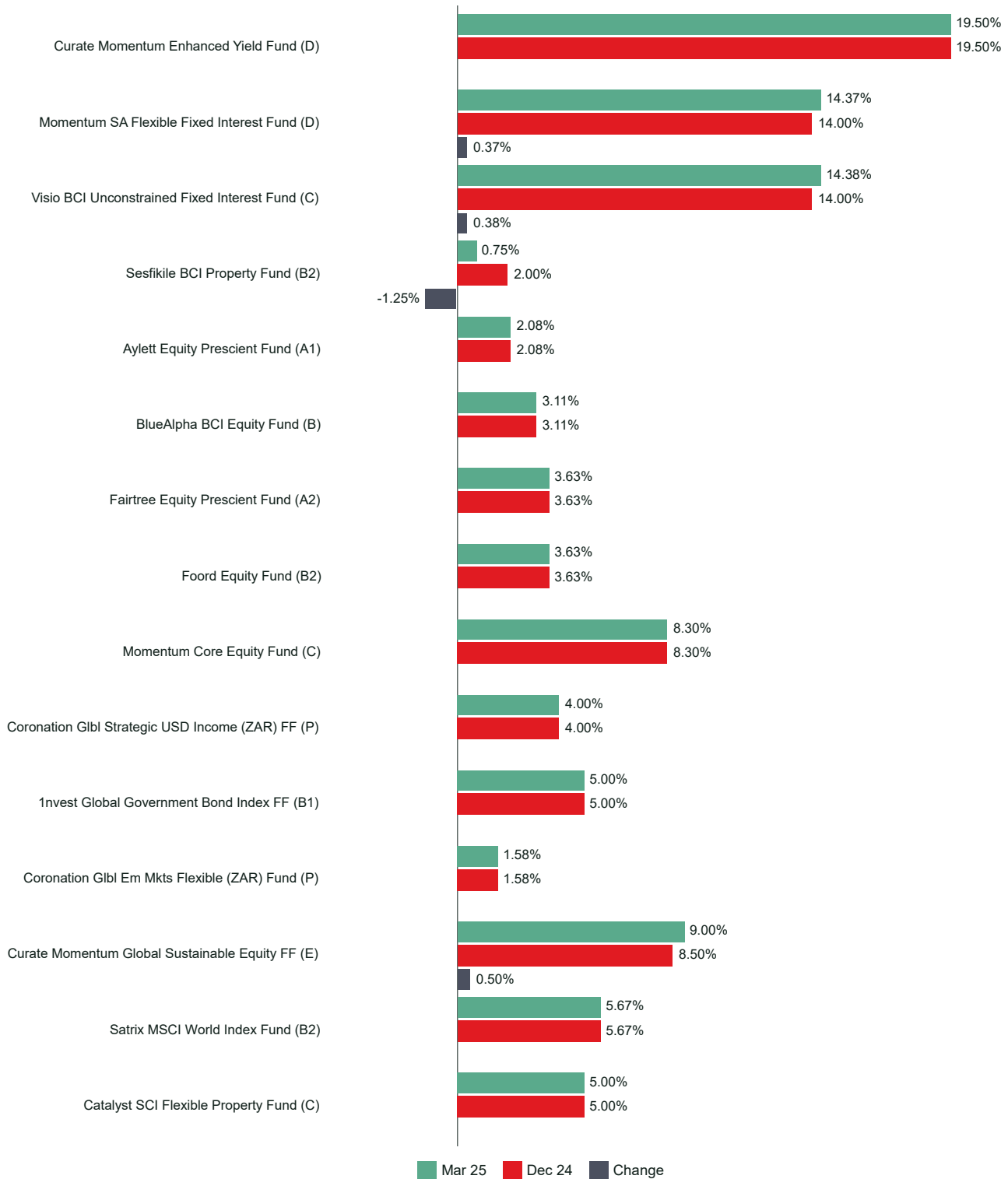
### 4.5.3 Portfolio changes/recommendations

- No changes made. Rebalanced the portfolio back to ideal allocations.



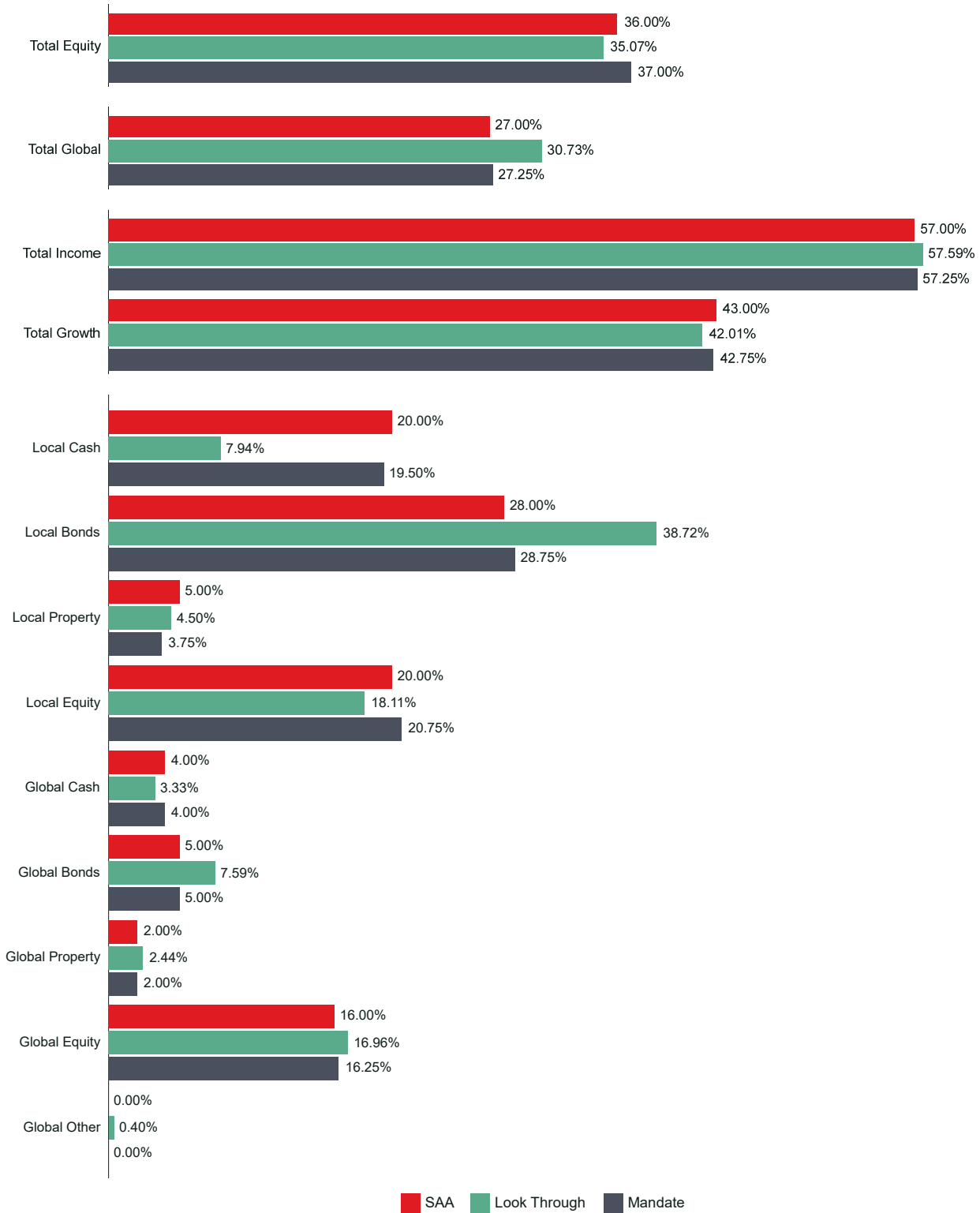
## 4.6 Equilibrium Conservative Portfolio

### 4.6.1 Building block allocation



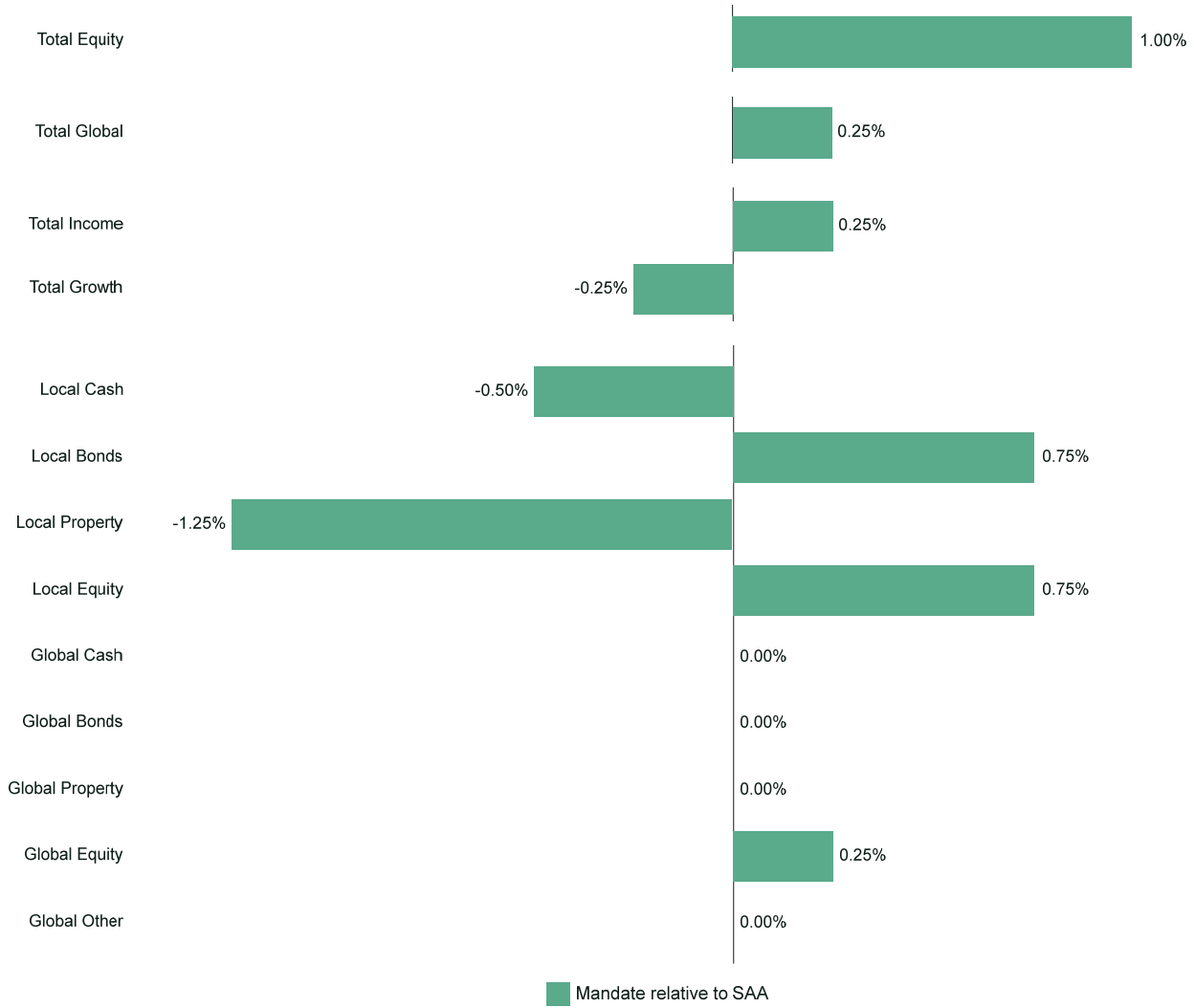


## 4.6.2 Asset allocation





### 4.6.3 Asset allocation – Mandate relative to SAA





#### 4.6.4 Portfolio changes/recommendations

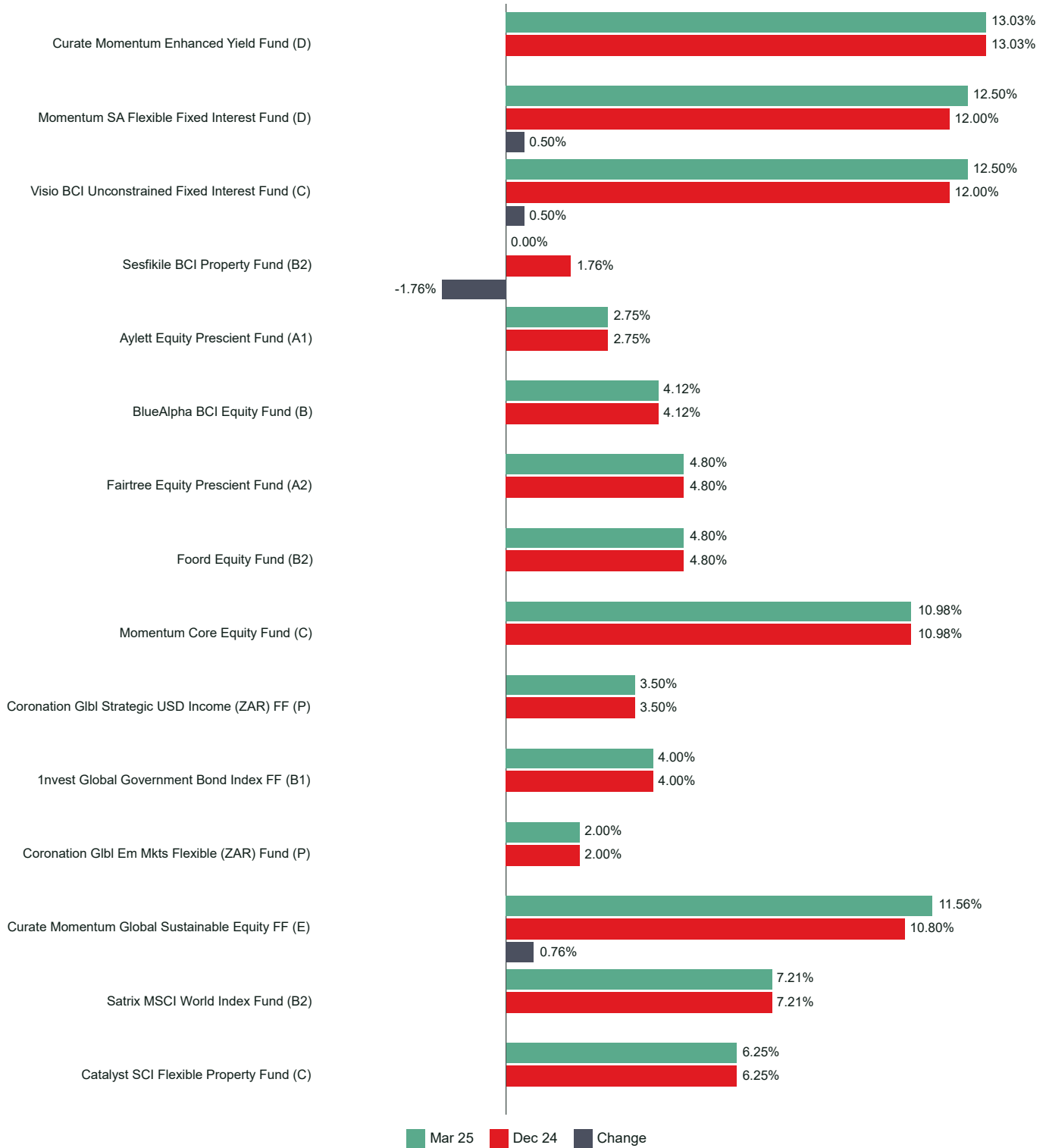
Based on the discussions in section 5.3. and 5.4, our tactical asset allocation views and the current positioning of the portfolio, we made the below changes at a building block level:

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	2.08%	<b>2.52%</b>	0.44%
1Invest Global Government Bond Index Feeder Fund (B1)	5.00%	<b>5.00%</b>	0.00%
Fairtree SA Equity Prescient Fund (A2)	3.63%	<b>4.20%</b>	0.57%
Foord Equity Fund (B2)	3.63%	<b>4.20%</b>	0.57%
Visio BCI Unconstrained Fixed Interest Fund (C)	14.38%	<b>15.00%</b>	0.62%
Momentum Core Equity Fund (C)	8.30%	<b>6.30%</b>	-2.00%
Momentum SA Flexible Fixed Interest Fund (D)	14.37%	<b>15.00%</b>	0.63%
BlueAlpha BCI Equity Fund (B)	3.11%	<b>0.00%</b>	-3.11%
Catalyst SCI Flexible Property Fund (C)	5.00%	<b>5.50%</b>	0.50%
Satrix MSCI World Index Fund (B2)	5.67%	<b>6.07%</b>	0.40%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	1.58%	<b>1.58%</b>	0.00%
Curate Momentum Enhanced Yield Fund (D)	19.50%	<b>17.00%</b>	-2.50%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	4.00%	<b>4.50%</b>	0.50%
Curate Momentum Global Sustainable Equity Feeder Fund (E)	9.00%	<b>9.35%</b>	0.35%
Sesfikile BCI Property Fund (B2)	0.75%	<b>0.00%</b>	-0.75%
36One BCI SA Equity Fund (E)	0.00%	<b>3.78%</b>	3.78%
	100.00%	100.00%	0.00%



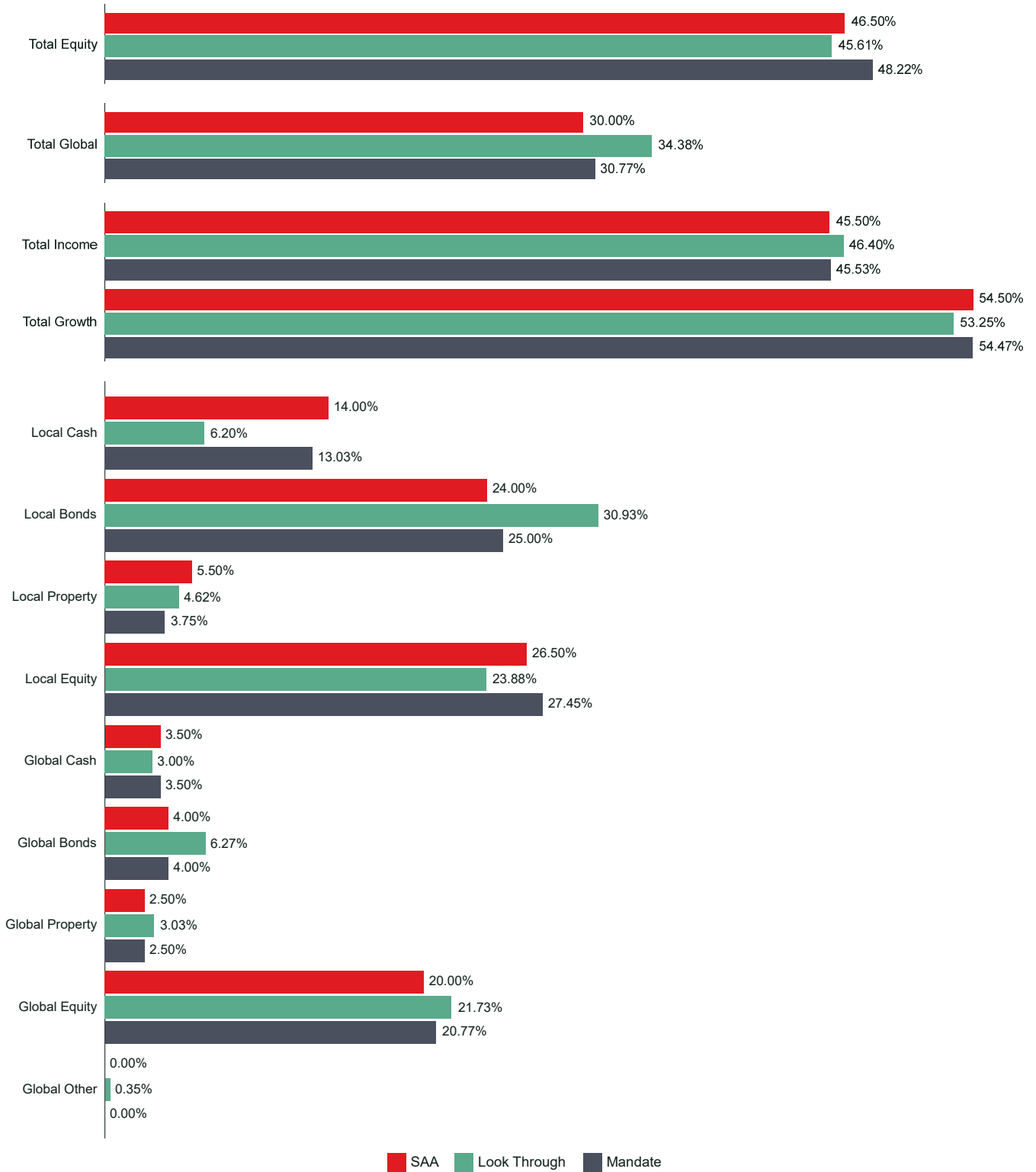
## 4.7 Equilibrium Stable Portfolio

### 4.7.1 Building block allocation



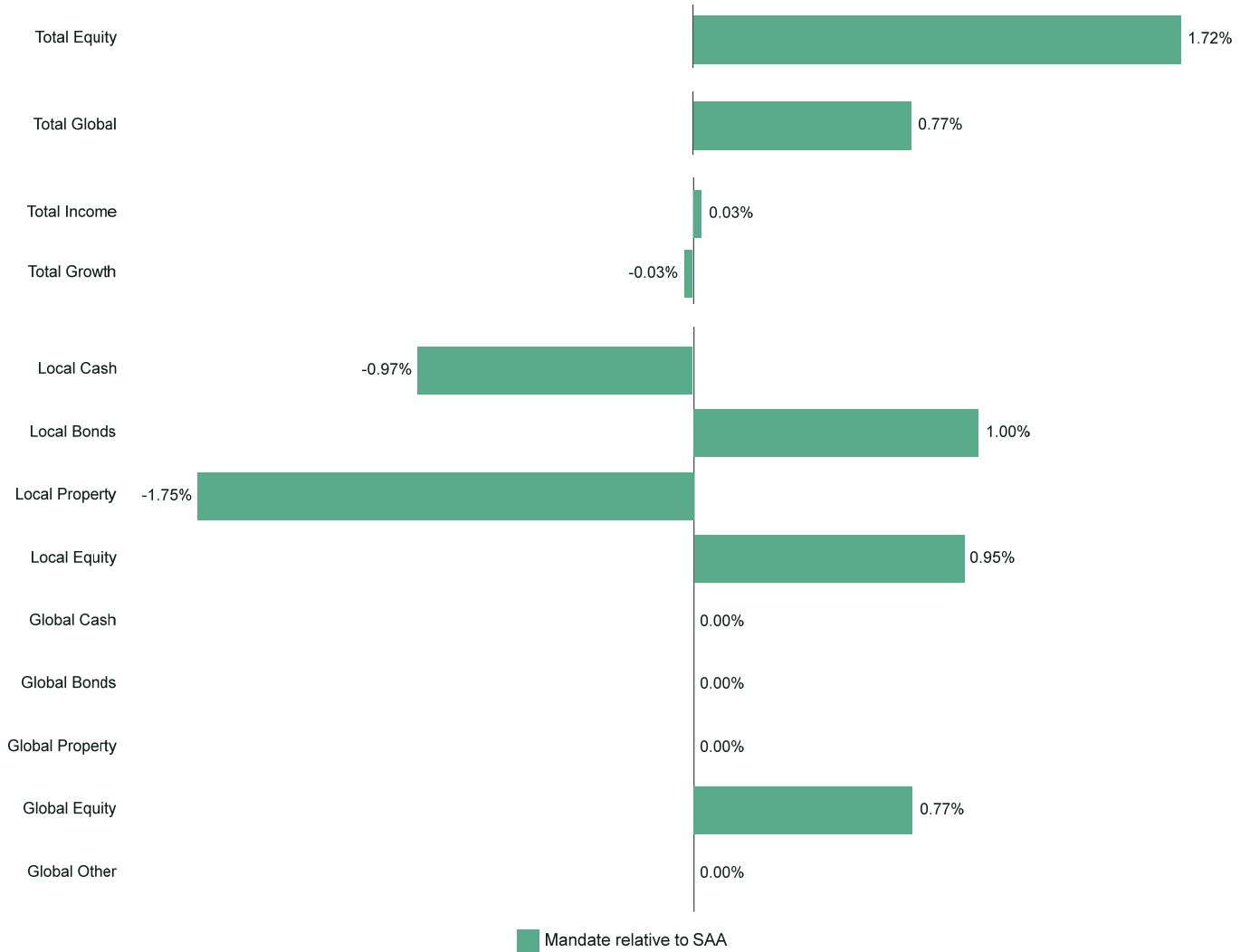


## 4.7.2 Asset allocation





### 4.7.3 Asset allocation – Mandate relative to SAA







#### 4.7.4 Portfolio changes/recommendations

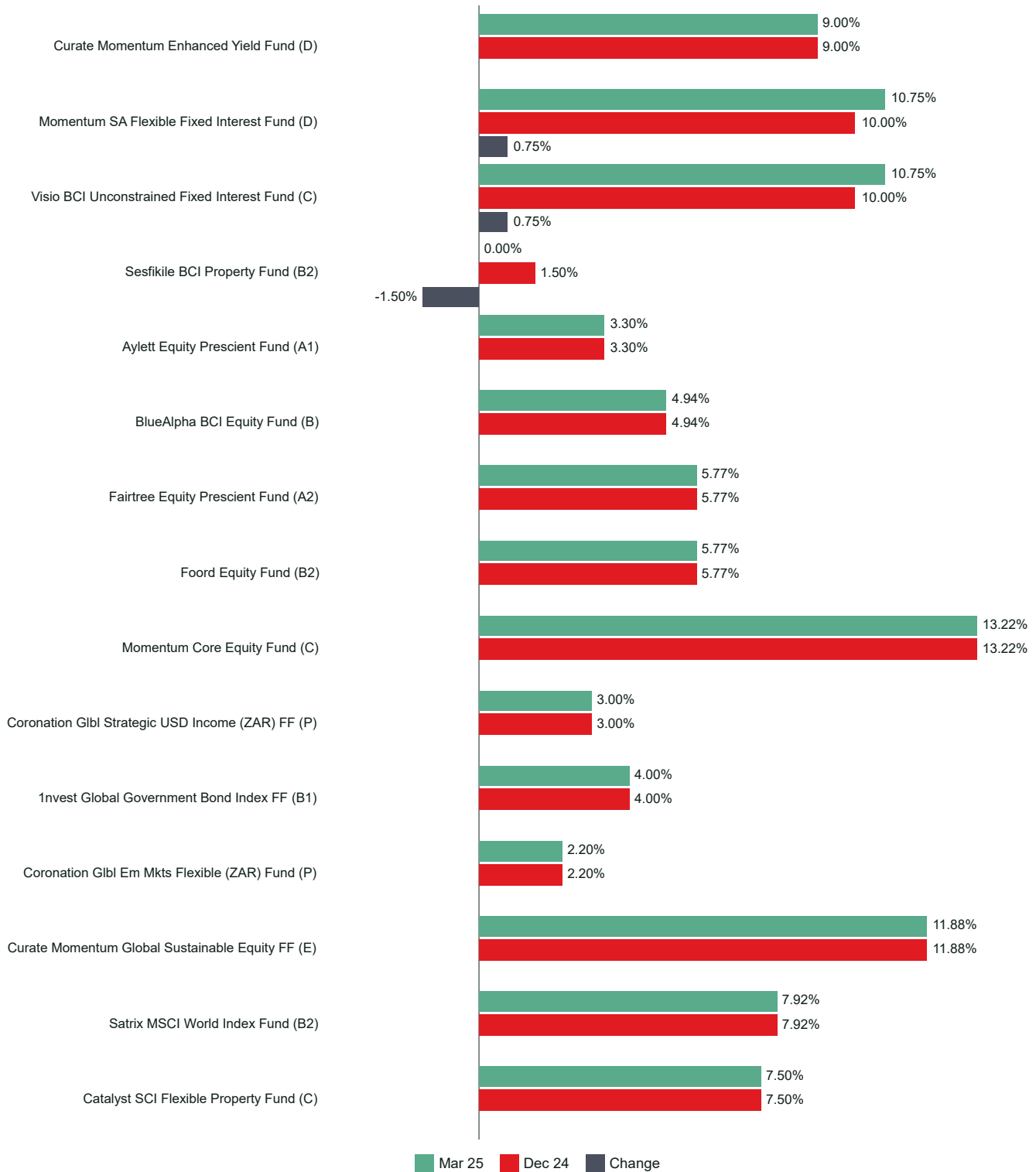
Based on the discussions in section 5.3. and 5.4, our tactical asset allocation views and the current positioning of the portfolio, we made the below changes at a building block level:

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	2.75%	<b>3.36%</b>	0.61%
Satrix MSCI World Index Fund (B2)	7.21%	<b>7.00%</b>	-0.21%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.00%	<b>2.00%</b>	0.00%
1Invest Global Government Bond Index Feeder Fund (B1)	4.00%	<b>5.00%</b>	1.00%
Fairtree SA Equity Prescient Fund (A2)	4.80%	<b>5.60%</b>	0.80%
Foord Equity Fund (B2)	4.80%	<b>5.60%</b>	0.80%
Visio BCI Unconstrained Fixed Interest Fund (C)	12.50%	<b>12.50%</b>	0.00%
Momentum Core Equity Fund (C)	10.98%	<b>8.40%</b>	-2.58%
Momentum SA Flexible Fixed Interest Fund (D)	12.50%	<b>12.50%</b>	0.00%
BlueAlpha BCI Equity Fund (B)	4.12%	<b>0.00%</b>	-4.12%
Catalyst SCI Flexible Property Fund (C)	6.25%	<b>6.00%</b>	-0.25%
Curate Momentum Enhanced Yield Fund (D)	13.03%	<b>13.00%</b>	-0.03%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	3.50%	<b>3.00%</b>	-0.50%
Curate Momentum Global Sustainable Equity Feeder Fund (E)	11.56%	<b>11.00%</b>	-0.56%
36One BCI SA Equity Fund (E)	0.00%	<b>5.04%</b>	5.04%
	100.00%	100.00%	0.00%



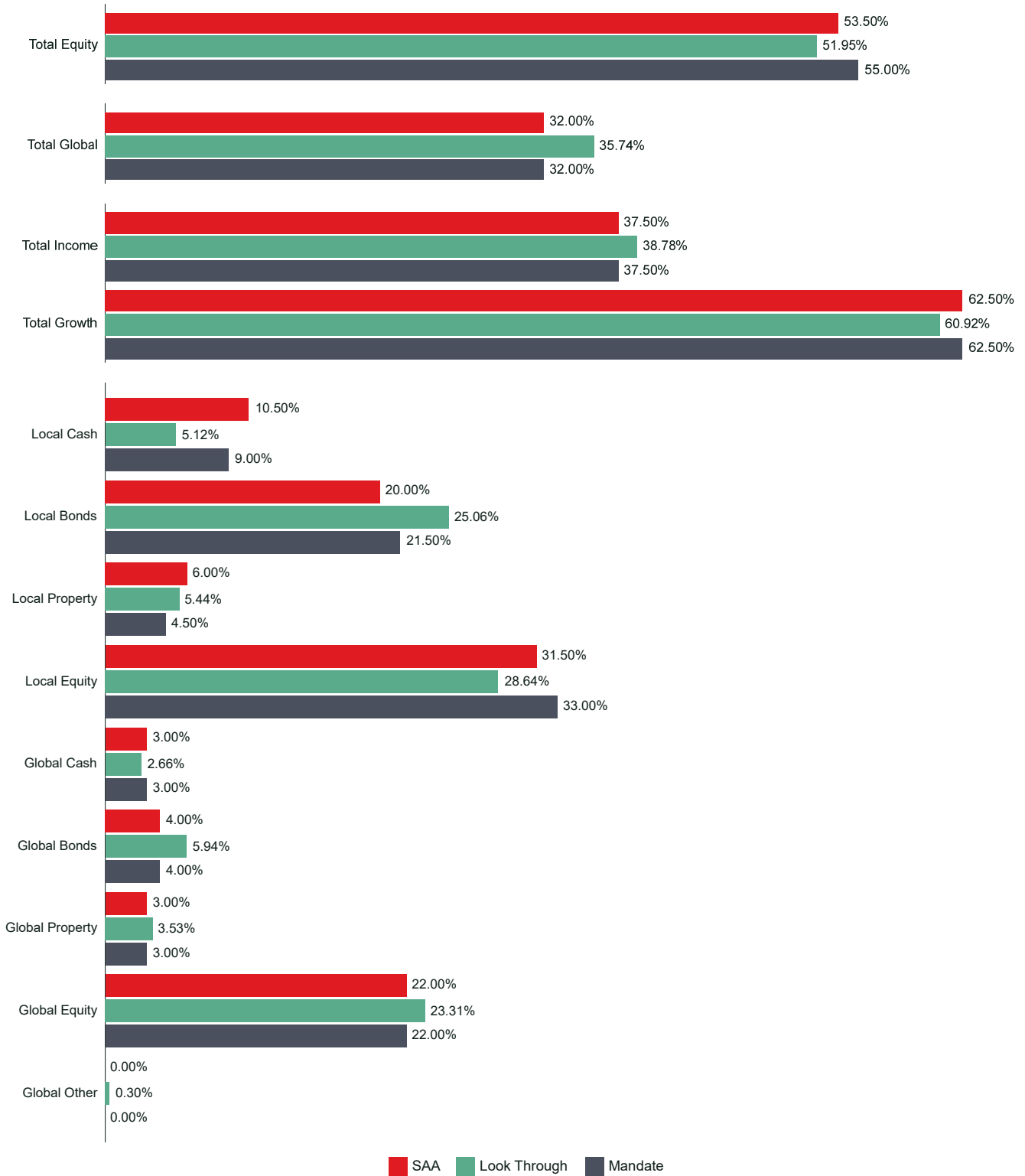
## 4.8 Equilibrium Moderate Portfolio

### 4.8.1 Building block allocation



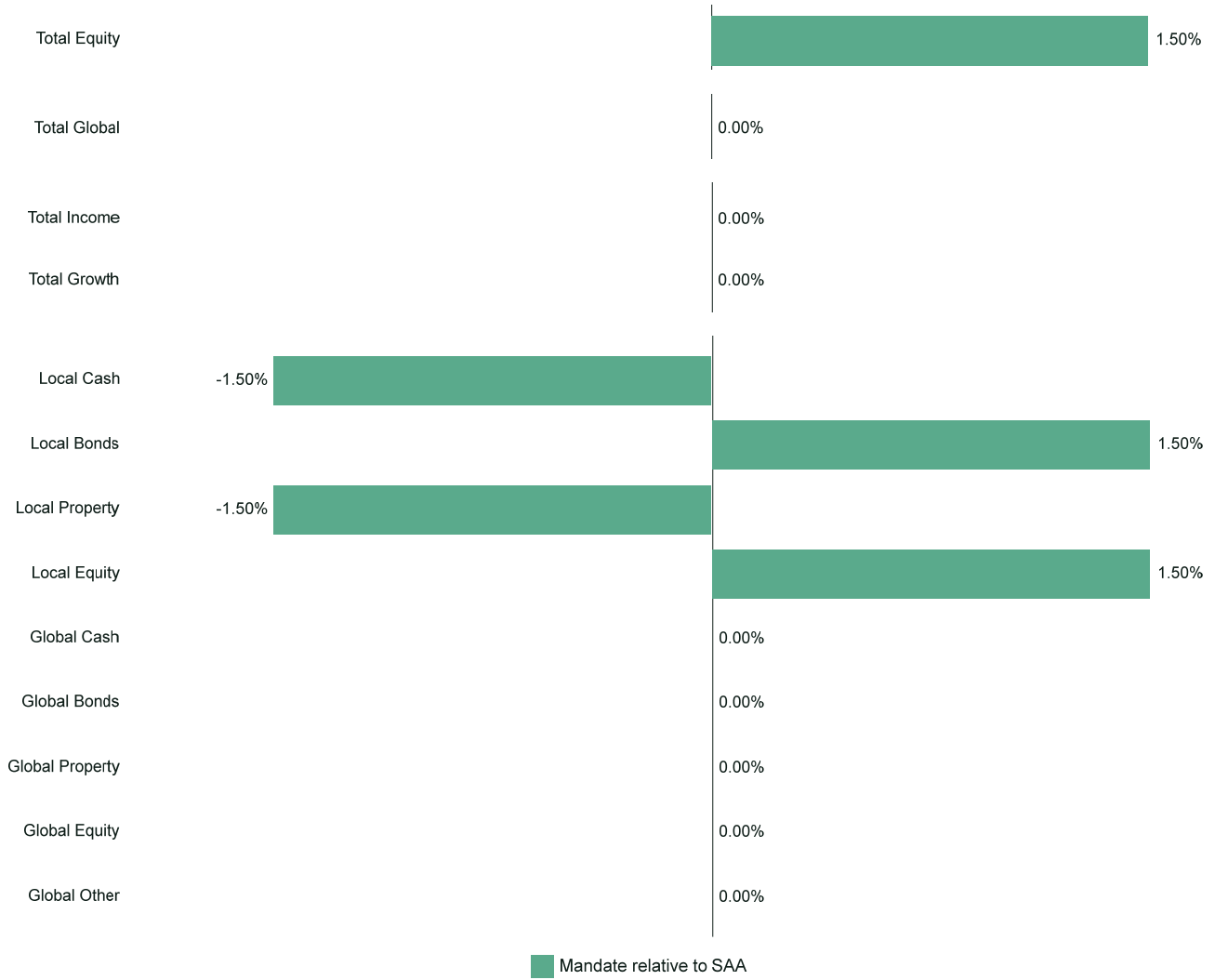


## 4.8.2 Asset allocation





### 4.8.3 Asset allocation – Mandate relative to SAA





#### 4.8.4 Portfolio changes/recommendations

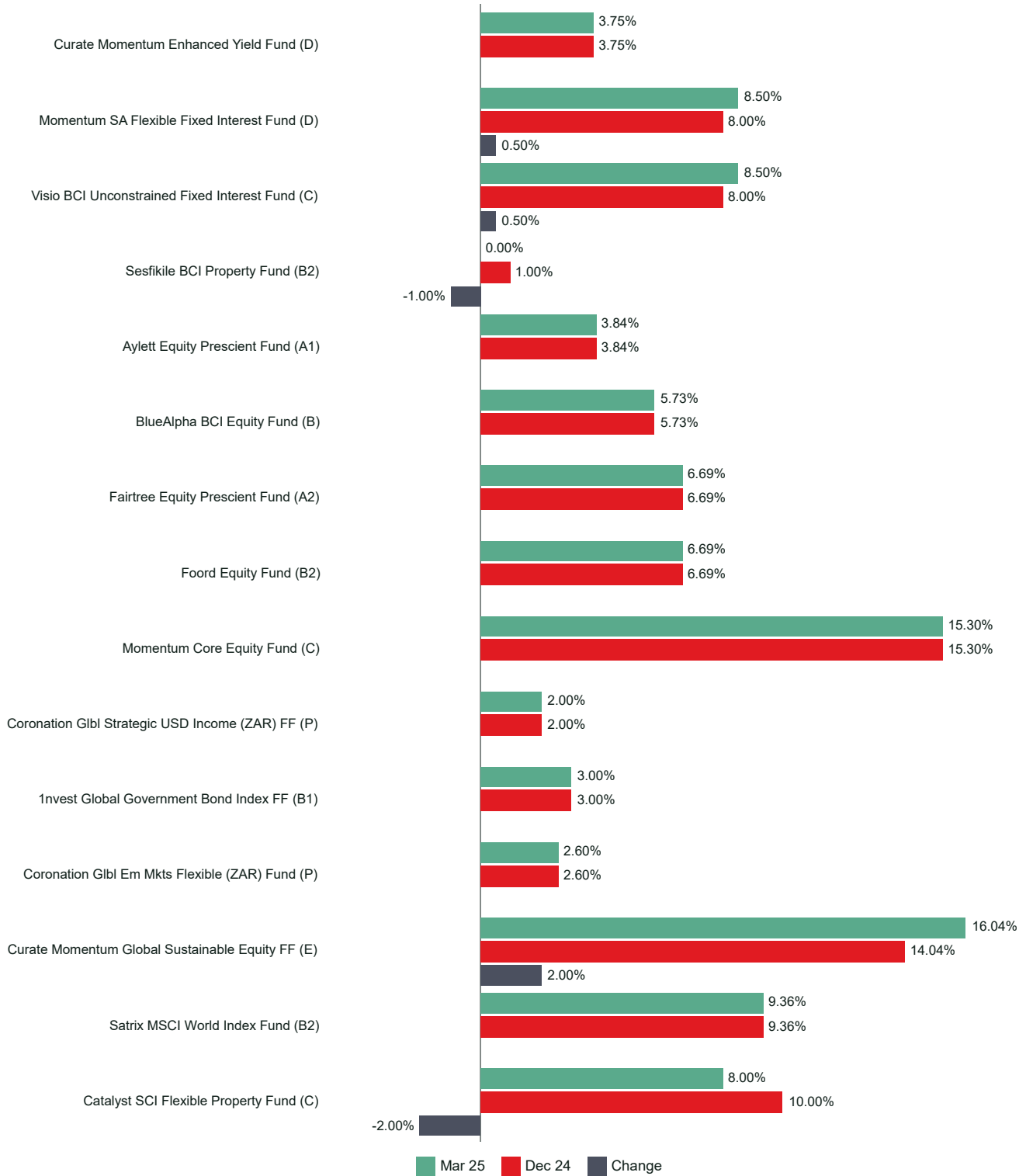
Based on the discussions in section 5.3. and 5.4, our tactical asset allocation views and the current positioning of the portfolio, we recommend the below changes at a building block level:

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	3.30%	<b>4.02%</b>	0.72%
Satrix MSCI World Index Fund (B2)	7.92%	<b>7.70%</b>	-0.22%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.20%	<b>2.20%</b>	0.00%
Fairtree SA Equity Prescient Fund (A2)	5.77%	<b>6.70%</b>	0.93%
Foord Equity Fund (B2)	5.77%	<b>6.70%</b>	0.93%
Visio BCI Unconstrained Fixed Interest Fund (C)	10.75%	<b>11.00%</b>	0.25%
Momentum Core Equity Fund (C)	13.22%	<b>10.05%</b>	-3.17%
Momentum SA Flexible Fixed Interest Fund (D)	10.75%	<b>11.00%</b>	0.25%
BlueAlpha BCI Equity Fund (B)	4.94%	<b>0.00%</b>	-4.94%
Catalyst SCI Flexible Property Fund (C)	7.50%	<b>7.50%</b>	0.00%
1invest Global Government Bond Index Feeder Fund (B1)	4.00%	<b>5.00%</b>	1.00%
Curate Momentum Enhanced Yield Fund (D)	9.00%	<b>7.00%</b>	-2.00%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	3.00%	<b>3.00%</b>	0.00%
Curate Momentum Global Sustainable Equity Feeder Fund (E)	11.88%	<b>12.10%</b>	0.22%
36One BCI SA Equity Fund (E)	0.00%	<b>6.03%</b>	6.03%
	100.00%	100.00%	0.00%



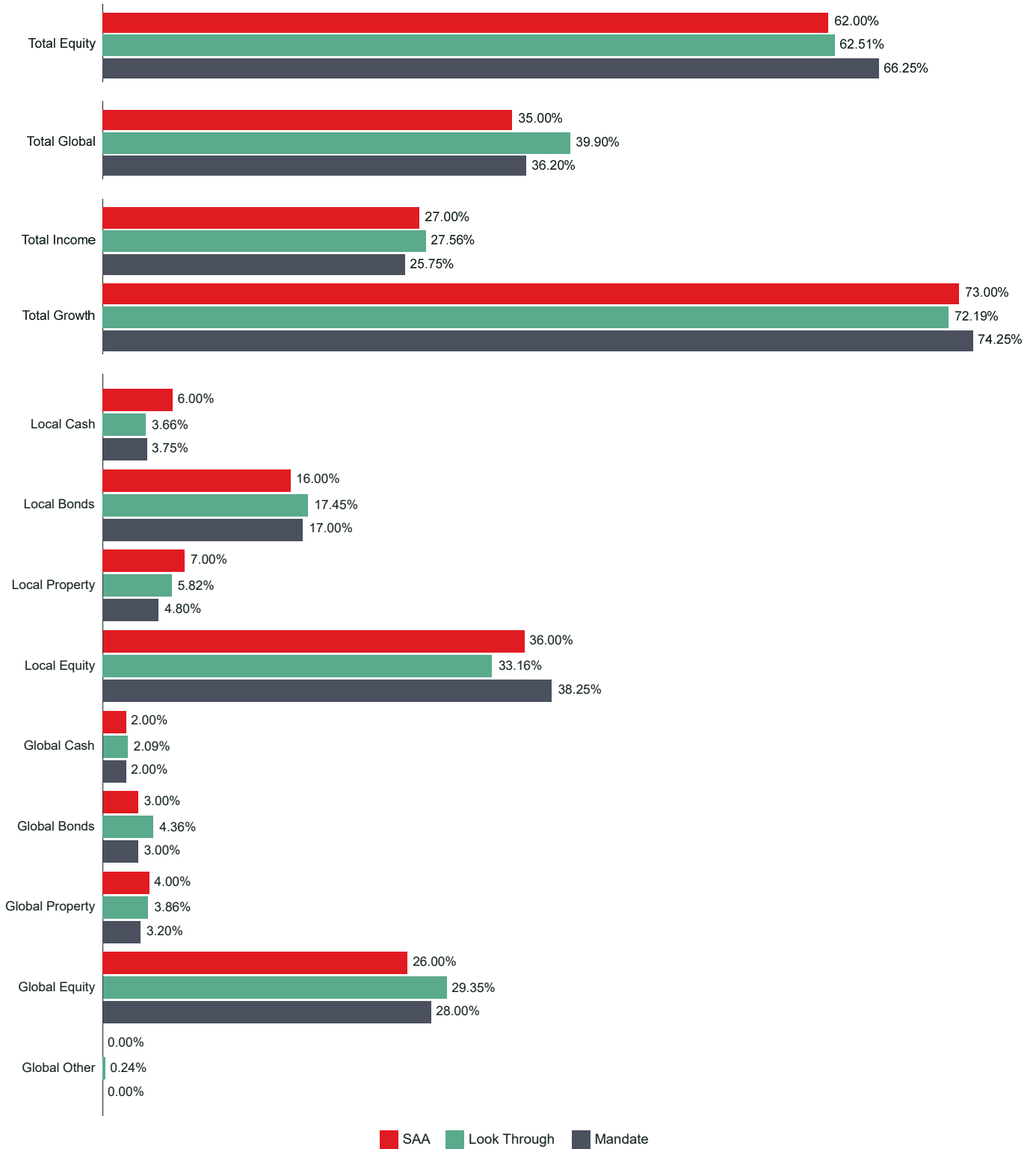
## 4.9 Equilibrium Balanced Portfolio

### 4.9.1 Building block allocation



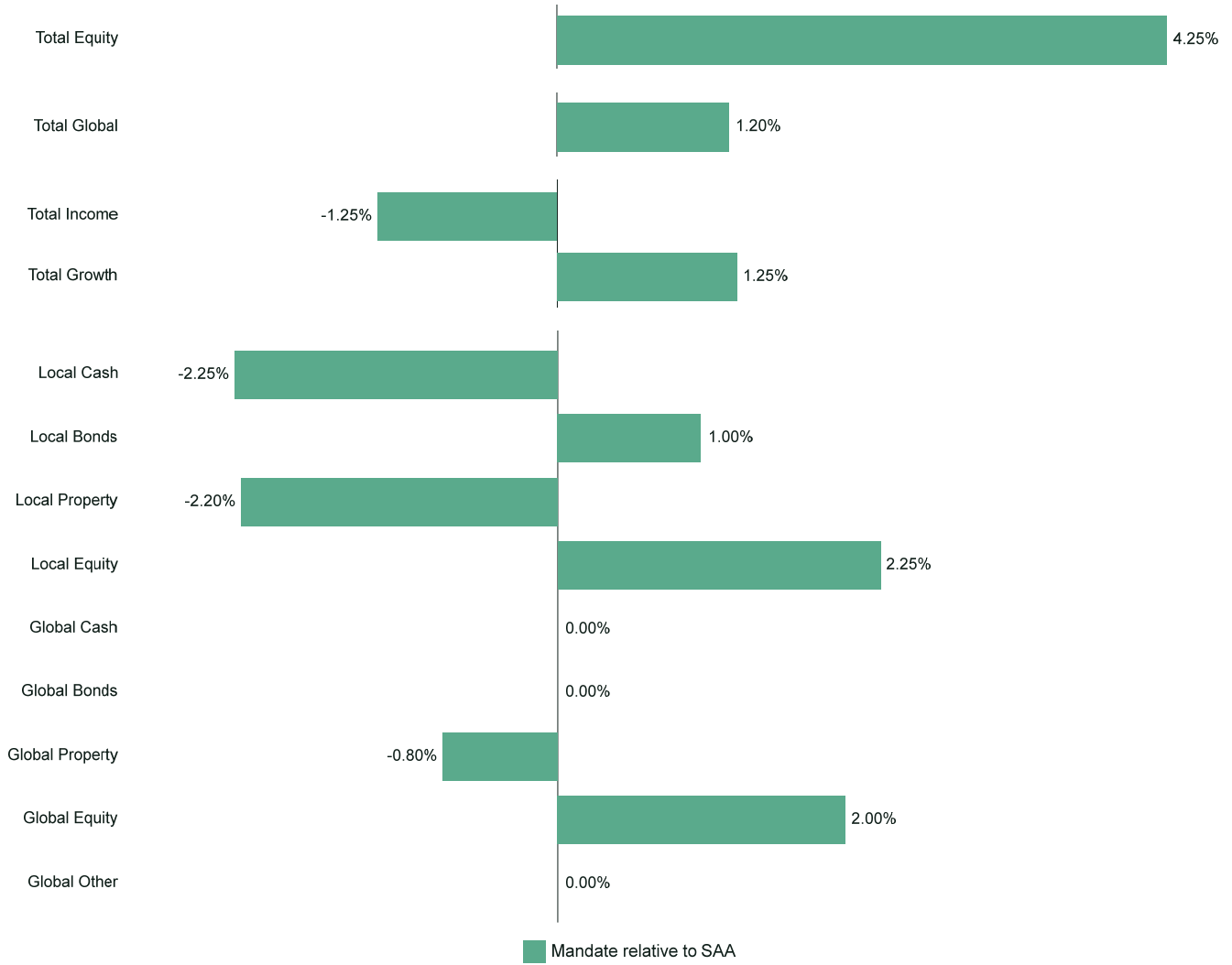


## 4.9.2 Asset allocation





### 4.9.3 Asset allocation – Mandate relative to SAA







## 4.9.4 Portfolio changes/recommendations

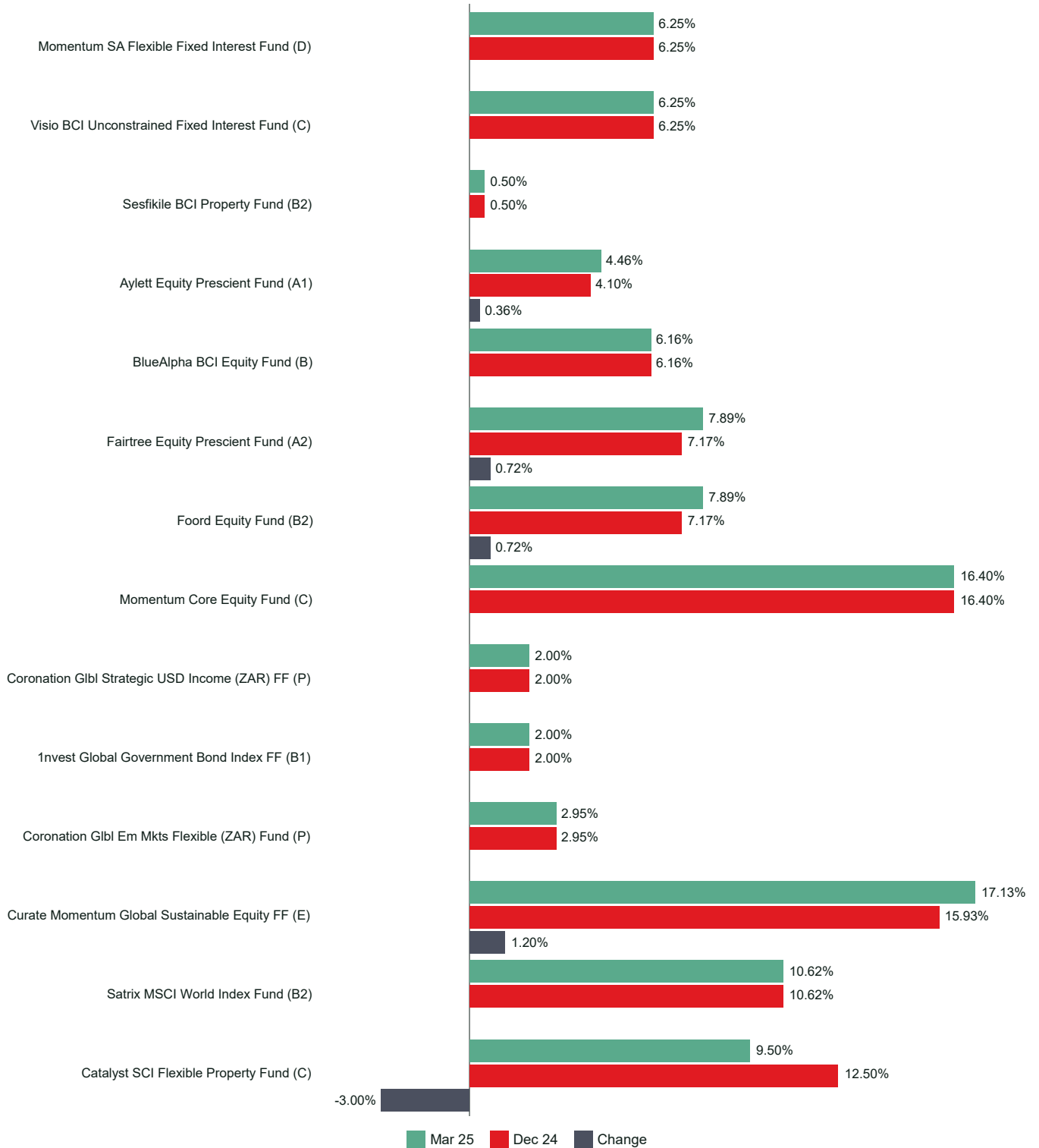
Based on the discussions in section 5.3. and 5.4, our tactical asset allocation views and the current positioning of the portfolio, we recommend the below changes at a building block level:

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	3.84%	<b>4.32%</b>	0.48%
Satrix MSCI World Index Fund (B2)	9.36%	<b>9.99%</b>	0.63%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.60%	<b>2.60%</b>	0.00%
Fairtree SA Equity Prescient Fund (A2)	6.69%	<b>7.20%</b>	0.51%
Foord Equity Fund (B2)	6.69%	<b>7.20%</b>	0.51%
Visio BCI Unconstrained Fixed Interest Fund (C)	8.50%	<b>8.50%</b>	0.00%
Momentum Core Equity Fund (C)	15.30%	<b>10.80%</b>	-4.50%
Momentum SA Flexible Fixed Interest Fund (D)	8.50%	<b>8.50%</b>	0.01%
BlueAlpha BCI Equity Fund (B)	5.73%	<b>0.00%</b>	-5.73%
Catalyst SCI Flexible Property Fund (C)	8.00%	<b>9.00%</b>	1.00%
Curate Momentum Enhanced Yield Fund (D)	3.75%	<b>5.01%</b>	1.26%
1Invest Global Government Bond Index Feeder Fund (B1)	3.00%	<b>3.00%</b>	0.00%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	2.00%	<b>2.00%</b>	0.00%
Curate Momentum Global Sustainable Equity Feeder Fund (E)	16.04%	<b>15.40%</b>	-0.64%
36One BCI SA Equity Fund (E)	0.00%	<b>6.48%</b>	6.48%
	100.00%	100.00%	0.00%



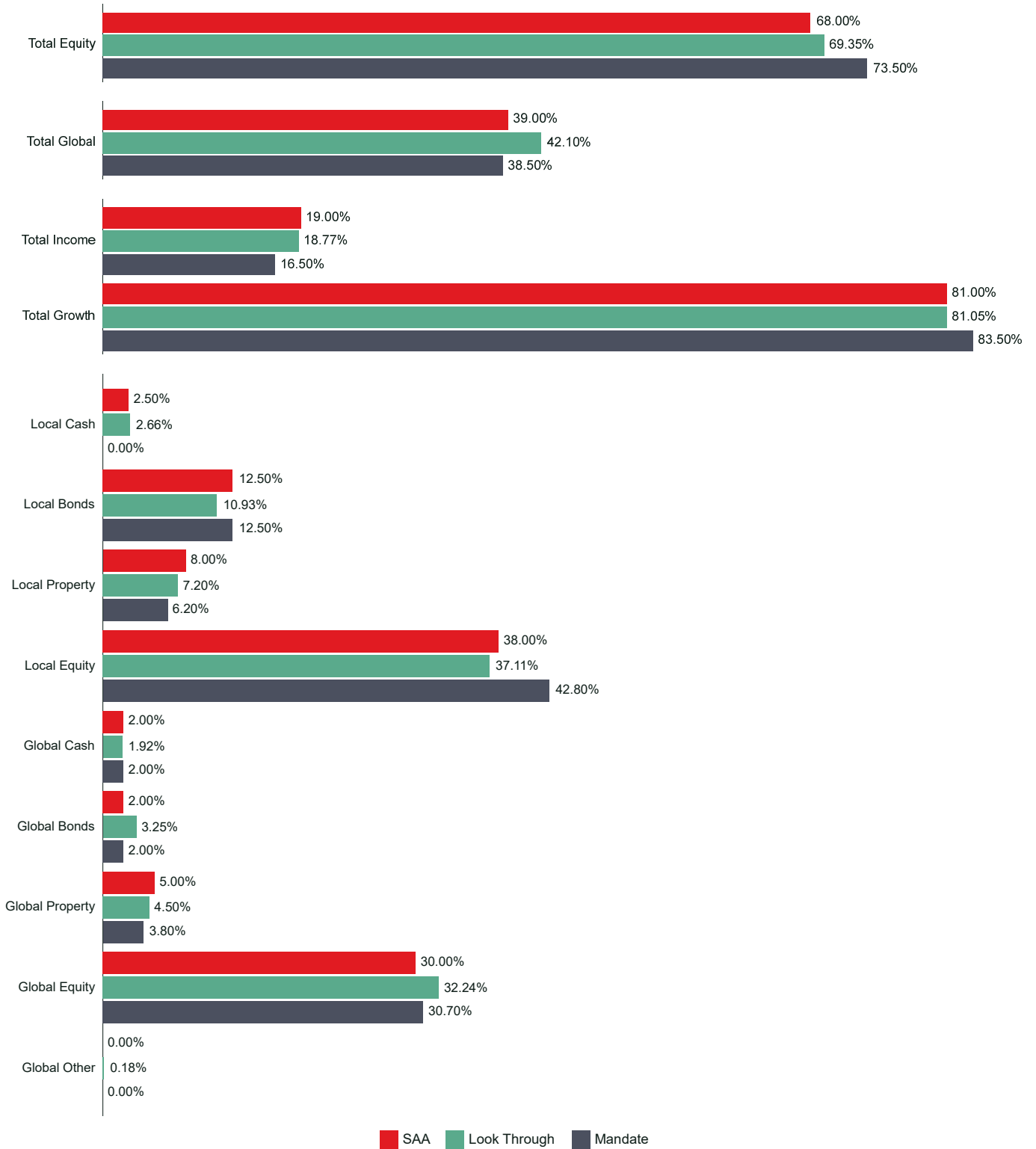
## 4.10 Equilibrium Growth Portfolio

### 4.10.1 Building block allocation



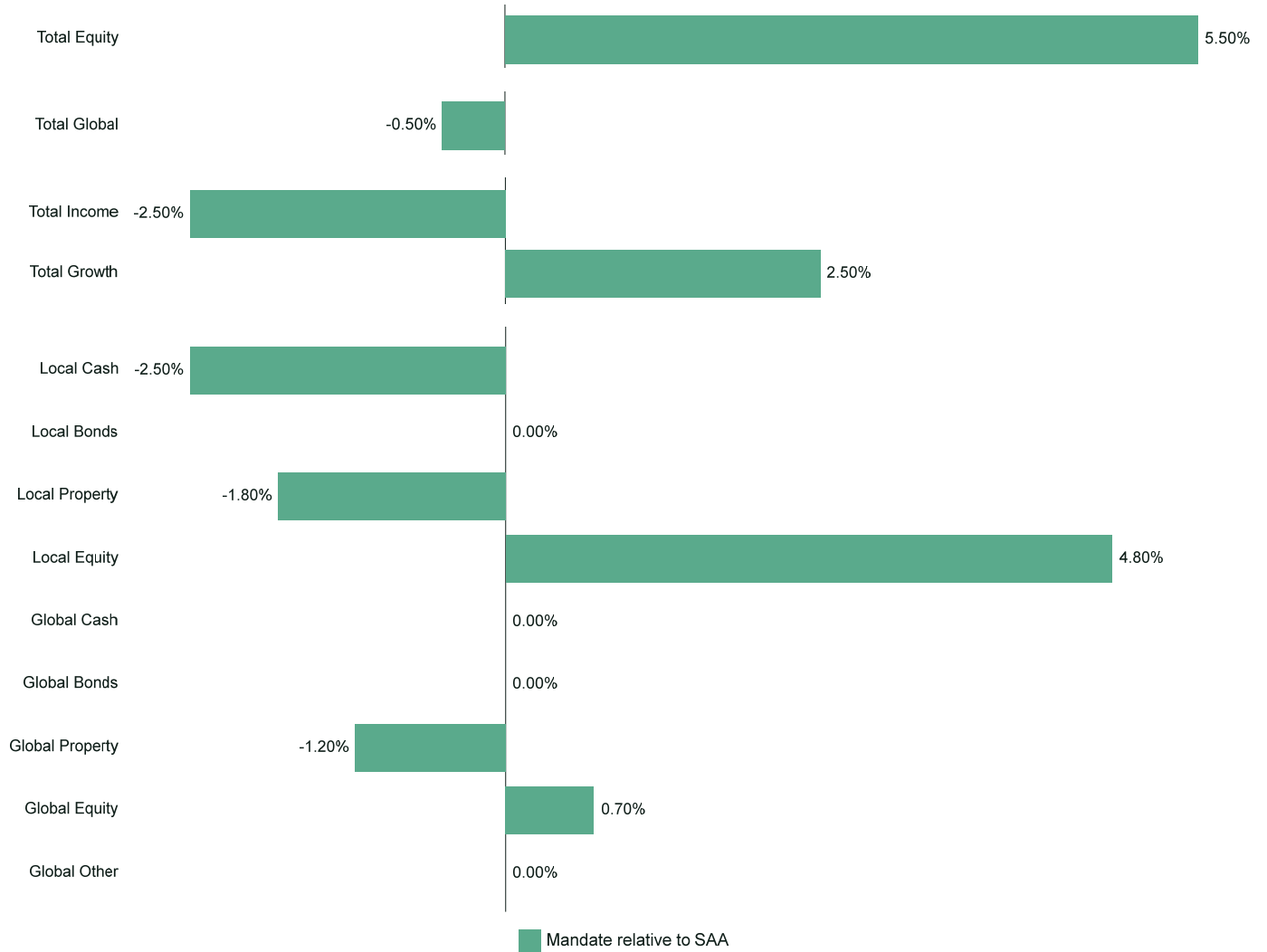


## 4.10.2 Asset allocation





### 4.10.3 Asset allocation – Mandate relative to SAA





#### 4.10.4 Portfolio changes/recommendations

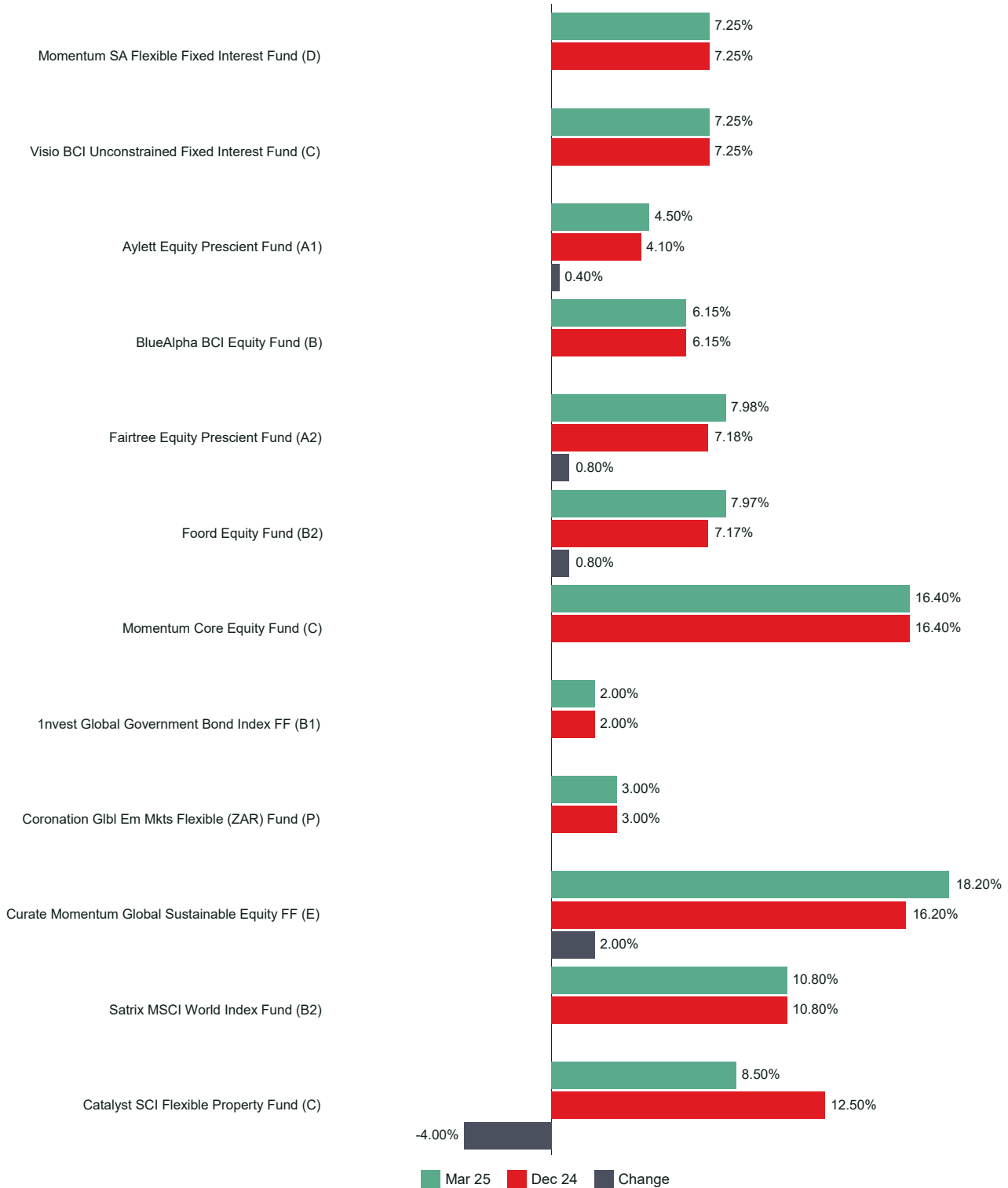
Based on the discussions in section 5.3. and 5.4, our tactical asset allocation views and the current positioning of the portfolio, we recommend the below changes at a building block level:

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.46%	<b>4.80%</b>	0.34%
Satrix MSCI World Index Fund (B2)	10.62%	<b>11.45%</b>	0.83%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.95%	<b>2.95%</b>	0.00%
Fairtree SA Equity Prescient Fund (A2)	7.89%	<b>8.00%</b>	0.11%
Foord Equity Fund (B2)	7.89%	<b>8.00%</b>	0.11%
Visio BCI Unconstrained Fixed Interest Fund (C)	6.25%	<b>4.75%</b>	-1.50%
Momentum Core Equity Fund (C)	16.40%	<b>12.00%</b>	-4.40%
Momentum SA Flexible Fixed Interest Fund (D)	6.25%	<b>4.75%</b>	-1.50%
BlueAlpha BCI Equity Fund (B)	6.16%	<b>0.00%</b>	-6.16%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	2.00%	<b>2.00%</b>	0.00%
1invest Global Government Bond Index Feeder Fund (B1)	2.00%	<b>3.50%</b>	1.50%
Catalyst SCI Flexible Property Fund (C)	9.50%	<b>9.00%</b>	-0.50%
Curate Momentum Global Sustainable Equity Feeder Fund (E)	17.13%	<b>17.60%</b>	0.47%
Sesfikile BCI Property Fund (B2)	0.50%	<b>0.00%</b>	-0.50%
36One BCI SA Equity Fund (E)	0.00%	<b>7.20%</b>	7.20%
Curate Momentum Enhanced Yield Fund (D)	0.00%	<b>4.00%</b>	4.00%
	100.00%	100.00%	0.00%



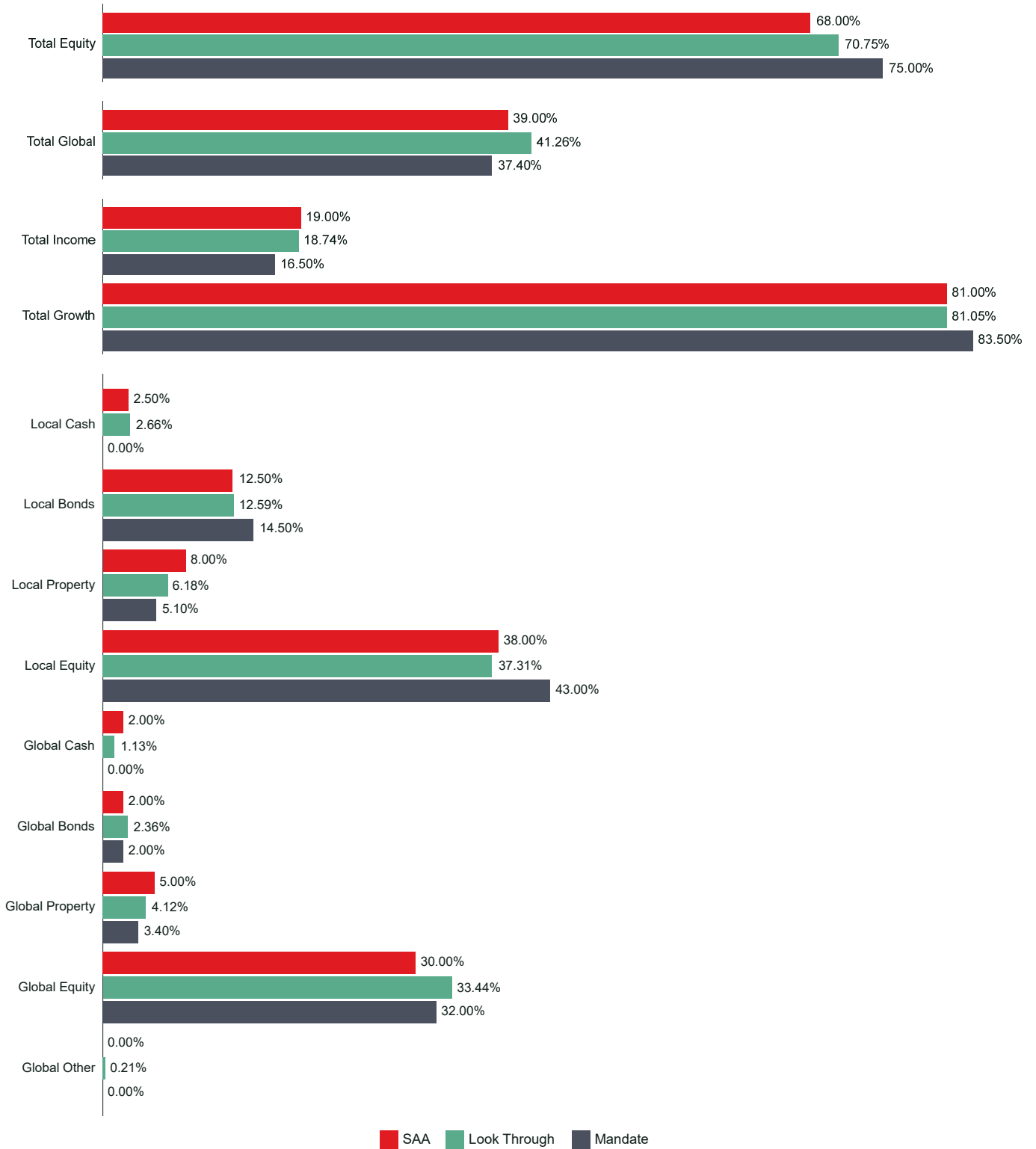
## 4.11 Equilibrium Unconstrained Portfolio

### 4.11.1 Building block allocation



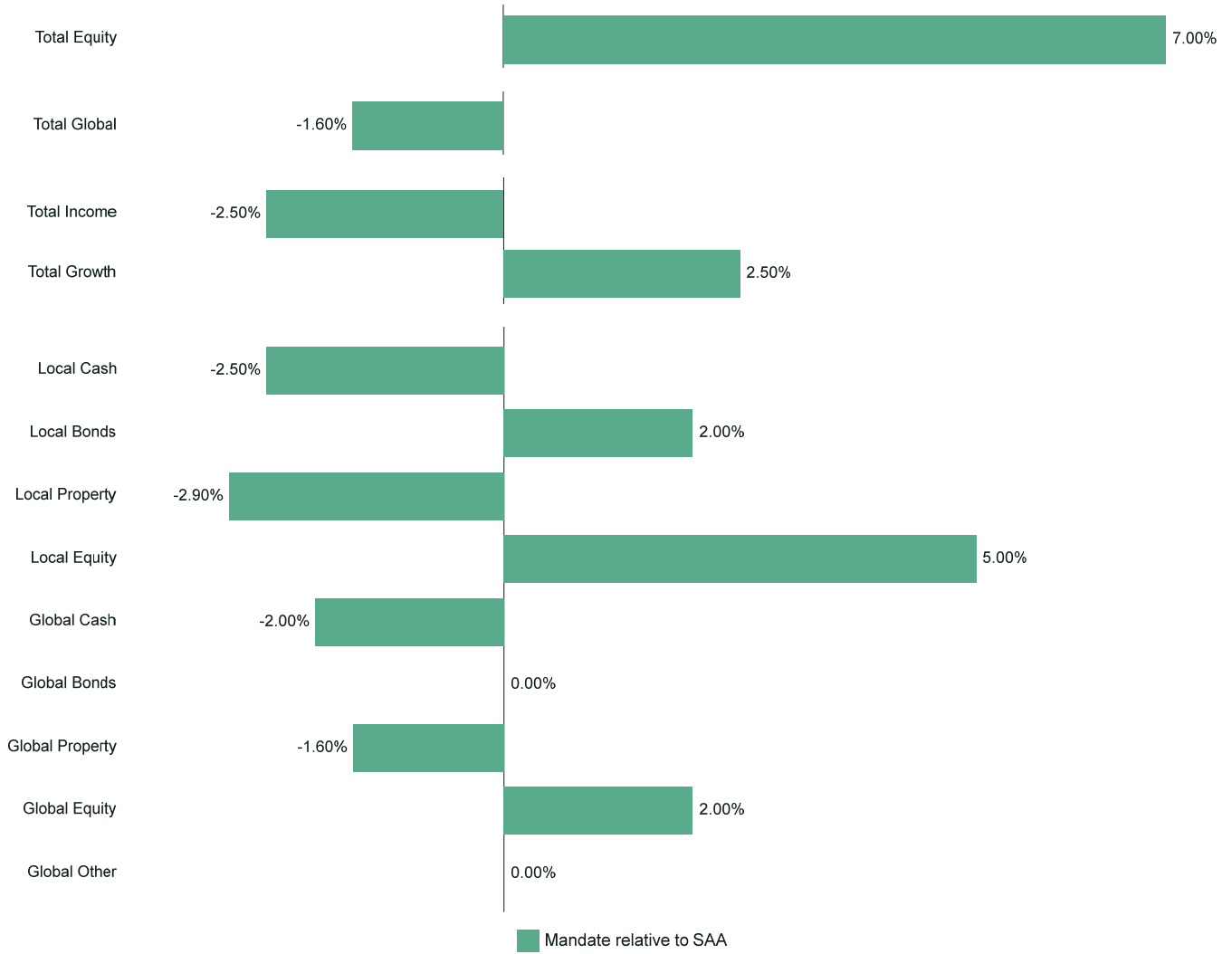


## 4.11.2 Asset allocation





### 4.11.3 Asset allocation – Mandate relative to SAA







#### 4.11.4 Portfolio changes/recommendations

Based on the discussions in section 5.3. and 5.4, our tactical asset allocation views and the current positioning of the portfolio, we are moving to a neutral position for all the asset classes, barring the below asset class positions:

- Increased global equity by 6%
- No local and global cash exposure

The changes at a building block level are:

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.50%	<b>4.80%</b>	0.30%
Satrix MSCI World Index Fund (B2)	10.80%	<b>14.10%</b>	3.30%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	3.00%	<b>3.00%</b>	0.00%
Fairtree SA Equity Prescient Fund (A2)	7.98%	<b>8.00%</b>	0.02%
Foord Equity Fund (B2)	7.97%	<b>8.00%</b>	0.03%
Visio BCI Unconstrained Fixed Interest Fund (C)	7.25%	<b>4.75%</b>	-2.50%
Momentum Core Equity Fund (C)	16.40%	<b>12.00%</b>	-4.40%
Momentum SA Flexible Fixed Interest Fund (D)	7.25%	<b>4.75%</b>	-2.50%
BlueAlpha BCI Equity Fund (B)	6.15%	<b>0.00%</b>	-6.15%
Catalyst SCI Flexible Property Fund (C)	8.50%	<b>9.00%</b>	0.50%
Curate Momentum Global Sustainable Equity Feeder Fund (E)	18.20%	<b>20.90%</b>	2.70%
1Invest Global Government Bond Index Feeder Fund (B1)	2.00%	<b>3.50%</b>	1.50%
36One BCI SA Equity Fund (E)	0.00%	<b>7.20%</b>	7.20%
	100.00%	100.00%	0.00%



## 5. Appendices

### 5.1 Glossary

➤ **Asset allocation**

The allocation in percentage terms to each major asset class we optimise for (Local and Global Cash, Local and Global Bonds, Local and Global Property and Local and Global Equity).

Total growth Total allocation to Local and Global Property and Equity.

Total income Total allocation to Local and Global Cash and Bonds.

➤ **Strategic asset allocation (SAA)**

The optimised long-term benchmark asset allocation of the portfolio. It can be interpreted as the long-term average asset allocation that is expected to most efficiently deliver on a portfolio's risk and return objectives. The actual asset allocation may deviate from the SAA at any given point in time in order to express shorter term views on asset classes or as a result of market movements. The long-term SAA is optimised to deliver on predefined Value at Risk (VaR) targets measured over 12-month periods with a 95% likelihood. As the risk profile of portfolios increase, so will the VaR targets.

➤ **Tactical asset allocation (TAA)**

Deliberate deviations from the strategic asset allocation based on a shorter-term views on asset classes.

➤ **Absolute asset allocation**

The actual allocation to each asset class in the portfolio.

➤ **Relative asset allocation**

The actual allocation to each asset class minus the strategic allocation to that asset class.

➤ **Value-at-Risk**

Value-at-risk (VaR) is a statistical measure which quantifies the risk of loss within a portfolio over a specific time frame. More simply, it is an estimate of the maximum loss one can expect from a specific portfolio over a set time period (in our case 12 months) with a given likelihood (in our case 95%). This is best understood by way of an example: For a portfolio with a -2.0% VaR target, this implies that there is a 95% likelihood that the worst return the portfolio is expected to deliver over any 12-month rolling period is -2.0%.

➤ **Rolling returns (ann.)**

The historic average annualised return over an x-year time period. The rolling returns provide an indication of the **consistency** of the portfolio in meeting its return objective over the relevant investment horizon.

➤ **Rolling 1-year absolute drawdown**

The portfolio's negative returns over historic 12-month periods. This shows the ability of the portfolio to protect capital over any historic 12-month period.

➤ **Rolling x-year absolute drawdown (ann.) relative to benchmark**

The historic average annualised return of the portfolio relative to its benchmark over an x-year time period. The rolling drawdowns show the extent to which the portfolio has underperformed its benchmark over the relevant investment horizon.

➤ **Asset class indices**

The below widely published indices/benchmarks are used to measure the performance of the building block funds within each asset class.

Asset class	Index/benchmark short name	Index/benchmark full name	Comments
Local Cash	STeFI	Short-term fixed interest	Includes instruments with a maturity of up to 1 year.
Local Bonds	ALBI	FTSE/JSE All Bond Index	
Local Property	ALPI	FTSE/JSE All Property Index	Caps the largest stock at 15% of the index. Includes dual-listed companies.
Local Equity	Capped SWIX	FTSE/JSE Capped Shareholder Weighted All Share Index	Caps the largest stock at 10% of the index.
Global Cash	ICE BofA	ICE BofA US 3-Month Treasury Bill Index	
Global Bonds	WGBI	FTSE World Government Bond Index	
Global Property	EPRA Nareit	FTSE EPRA Nareit Developed Index	Includes developed and emerging market listed property.
Global Equity	MSCI ACWI	Morgan Stanley Capital All Country World Index	Includes developed and emerging market equities.



## 5.2 Disclaimers

These portfolios are administered and managed by Equilibrium Investment Management (Pty) Ltd (Equilibrium), an authorised financial services provider (FSP32726) and a part of Momentum Group Limited (Reg 1904/002186/06), rated B-BBEE level 1.

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Sources: Momentum Investments and Morningstar.

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