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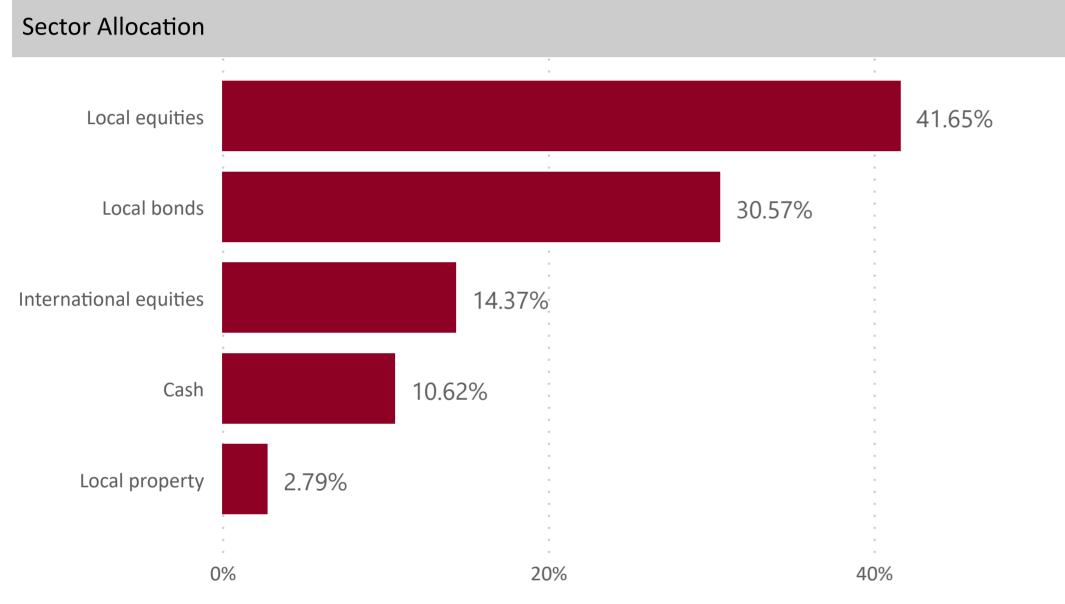
Balanced Portfolio - Quarterly

Investment Objective

This is a balanced investment portfolio focused on capital growth over a minimum investment period of five years. It has less risk when compared to a pure equity portfolio in that it offers diversification into multiple asset classes. The portfolio follows an actively managed multi-asset investment strategy that may incorporate passive investments such as exchange traded funds and index funds exposed to the main asset classes in the local and global markets. The portfolio aims to outperform the median managed South African MA medium equity collective investment scheme's return on investment.

Investment Profile

- Investors who have a longer investment term (in excess of 5 years).
- Value-based investors with high risk tolerance.
- The individual is comfortable with inherent volatility of equities.
- Main objective: Capital growth.



Top 10 Holdings		
Satrix Govi ETF	STXGVI	30.57%
Cash	CASH	10.62%
Satrix World ETF	STXWDM	7.51%
SYGUS	SYGUS	6.86%
Tiger Brands	TBS	4.30%
AVI Limited	AVI	3.74%
Nedbank	NED	3.56%
Sasol	SOL	2.98%
British American	BTI	2.95%
MTN Group	MTN	2.86%

Performance

Portfolio	3 Months	6 Months	12 Months	YTD	2 Year	3 Year	4 Year	5 Year	Since Inception
(ASISA) South Africa MA Medium Equity Average	4.2%	6.9%	2.2%	4.2%	6.2%	11.9%	6.9%	6.8%	5.7%
Balanced Portfolio	0.9%	7.7%	6.2%	0.9%	8.0%	11.6%	6.5%	6.0%	4.7%

Returns for periods longer than 12 months have been annualised.

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March 2023

Risk profile



Investment information

Inception date
1 January 2016

Investment manager

Momentum Securities

Stockbroker/custodian

Momentum Securities

Management fee Max 1.25% (annual)

Minimum lump sum R 250 000

Redemption periods
3 business days

Benchmark

South Africa Medium Equity Average (ASISA)

CPI Plus 4%

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Economic Overview

In March Regional US bank failures were averted by Fed action with the addition of extra liquidity into the US banking system. The Fed has however, continued to hike its Fed Funds Rate as US service inflation has remained sticky at 6%. Goods inflation has however fallen, and investors have taken heart from this decline pushing up the US equity market. Slower US economic growth and a potential credit contraction have largely been ignored by equity investors and are concerning factors that will come into play in the second half of 2023.

China's economy has rebounded since it unlocked last year, and consumption has recovered strongly. The Chinese real estate sector is expected to stabilize but not be the strong driver of growth as it was in the past.

The SA rand weakened for the most part of Q1 impacted by loadshedding, low confidence, and a trade deficit. Current, slowing global growth with tighter monetary conditions is a future headwind to equity performance.

Market Overview

During the first quarter, the SA equity market returned 5,2% with the Industrial index up 13,6%. Resources and financials were down -4,7% and -0.3% respectively in the first quarter, while the property sector was down -5,1%.

SA domestic equity valuations are currently attractive relative to their past and relative to EM equity. We see domestic industrials as offering value along with the financial sector.

The financial sector initially rallied in January and February before falling sharply as the news of US regional banks problems hit the wires. The financial index did recover but ended marginally lower for the quarter. At current levels the financial sector offers value.

Over the last 3 months, the Resource Sector underperformed the Swix index. Over the last 12 months the sector was down 13%.

Portfolio Activity

During the third quarter we bought Sanlam, Old Mutual Ltd, Aspen, Pepkor Holdings, and Truworths. We sold Exxaro, WBHO, Aspen, and Glencore. The portfolio increased by 0.87% for the quarter with the last month of the quarter down 3.26%.

Positive contributions were attributable mainly to WBHO, Aspen, Discovery Ltd, Satrix World ETF, and SYGUS. Losses were attributable to Impala, Glencore, Pepcor Holdings, Sasol and Growthpoint. For the past 12 months the portfolio has increased 6.2% with the benchmark, the ASISA SA Medium equity, up 2.2%.