momentum
investment consulting

MIC Model Portfolio Quarterly Review Report

Period: Q3 2021

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1. Changes made to the portfolios Q2 2021

The balance of the changes to implement the portfolios' new SAA were made. We also executed our best view blend of SA Cash funds for both the Income and multi-asset portfolios. These changes are shown below:

MIC Income

Fund	Current	New	Change
Prescient Income Provider Fund (A2)	50.00%	**30.00%**	-20.00%
MI-PLAN IP Enhanced Income Fund (B1)	30.00%	**30.00%**	0.00%
Coronation Jibar Plus Fund (P)	20.00%	**20.00%**	0.00%
Momentum Enhanced Yield Fund (D)	0.00%	**20.00%**	20.00%
	100.00%	100.00%	0.00%

MIC Conservative

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	1.75%	**2.00%**	0.25%
CoreShares MSCI ACWI Fund of Funds (W)	7.35%	**7.35%**	0.00%
1NVEST Global Government Bond Index Feeder Fund (B1)	3.50%	**3.50%**	0.00%
Fairtree Equity Prescient Fund (A2)	3.06%	**3.50%**	0.44%
Foord Equity Fund (B2)	3.06%	**3.50%**	0.44%
Visio BCI Unconstrained Fixed Interest Fund (C)	17.50%	**16.25%**	-1.25%
Momentum Core Equity Fund (C)	7.00%	**8.00%**	1.00%
Momentum SA Flexible Fixed Interest Fund (D)	17.50%	**16.25%**	-1.25%
Prescient Income Provider Fund (A2)	12.00%	**0.00%**	-12.00%
BlueAlpha BCI Equity Fund (B)	2.63%	**3.00%**	0.37%
Catalyst SCI Flexible Property Fund (C)	6.67%	**6.67%**	0.00%
Satrix MSCI World Equity Index Feeder Fund (B2)	4.41%	**4.41%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	1.24%	**1.24%**	0.00%
Catalyst SCI Global Real Estate Prescient Feeder Fund (B)	0.33%	**0.33%**	0.00%
Coronation Jibar Plus Fund (P)	12.00%	**12.00%**	0.00%
Momentum Enhanced Yield Fund (D)	0.00%	**12.00%**	12.00%
	100.00%	100.00%	0.00%

MIC Stable

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	2.70%	**2.70%**	0.00%
Satrix MSCI World Equity Index Feeder Fund (B2)	5.26%	**6.80%**	1.54%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	1.71%	**1.88%**	0.17%
CoreShares MSCI ACWI Fund of Funds (W)	8.77%	**11.32%**	2.55%
1NVEST Global Government Bond Index Feeder Fund (B1)	2.75%	**2.75%**	0.00%
Fairtree Equity Prescient Fund (A2)	4.73%	**4.73%**	0.00%
Foord Equity Fund (B2)	4.72%	**4.72%**	0.00%
Visio BCI Unconstrained Fixed Interest Fund (C)	16.50%	**14.37%**	-2.13%
Momentum Core Equity Fund (C)	10.80%	**10.80%**	0.00%
Momentum SA Flexible Fixed Interest Fund (D)	16.50%	**14.38%**	-2.12%
Prescient Income Provider Fund (A2)	6.75%	**0.00%**	-6.75%
BlueAlpha BCI Equity Fund (B)	4.05%	**4.05%**	0.00%
Catalyst SCI Flexible Property Fund (C)	8.00%	**8.00%**	0.00%
Coronation Jibar Plus Fund (P)	6.75%	**6.75%**	0.00%
Momentum Enhanced Yield Fund (D)	0.00%	**6.75%**	6.75%
	100.00%	100.00%	0.00%

MIC Moderate

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	3.80%	**3.60%**	-0.20%
Satrix MSCI World Equity Index Feeder Fund (B2)	5.94%	**6.66%**	0.72%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.16%	**2.24%**	0.08%
CoreShares MSCI ACWI Fund of Funds (W)	9.90%	**11.10%**	1.20%
Fairtree Equity Prescient Fund (A2)	6.65%	**6.30%**	-0.35%
Foord Equity Fund (B2)	6.65%	**6.30%**	-0.35%
Visio BCI Unconstrained Fixed Interest Fund (C)	11.84%	**11.84%**	0.00%
Momentum Core Equity Fund (C)	15.20%	**14.40%**	-0.80%
Momentum SA Flexible Fixed Interest Fund (D)	11.84%	**11.84%**	0.00%
Prescient Income Provider Fund (A2)	3.91%	**0.00%**	-3.91%
BlueAlpha BCI Equity Fund (B)	5.70%	**5.40%**	-0.30%
Catalyst SCI Flexible Property Fund (C)	10.67%	**10.67%**	0.00%
Catalyst SCI Global Real Estate Prescient Feeder Fund (B)	0.33%	**0.33%**	0.00%
1NVEST Global Government Bond Index Feeder Fund (B1)	1.50%	**1.50%**	0.00%
Coronation Jibar Plus Fund (P)	3.91%	**3.91%**	0.00%
Momentum Enhanced Yield Fund (D)	0.00%	**3.91%**	3.91%
	100.00%	100.00%	0.00%

MIC Balanced

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.25%	**4.00%**	-0.25%
Satrix MSCI World Equity Index Feeder Fund (B2)	7.20%	**7.20%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.80%	**2.80%**	0.00%
CoreShares MSCI ACWI Fund of Funds (W)	12.00%	**12.00%**	0.00%
Fairtree Equity Prescient Fund (A2)	7.44%	**7.00%**	-0.44%
Foord Equity Fund (B2)	7.43%	**7.00%**	-0.43%
Visio BCI Unconstrained Fixed Interest Fund (C)	7.25%	**7.25%**	0.00%
Momentum Core Equity Fund (C)	17.00%	**16.00%**	-1.00%
Momentum SA Flexible Fixed Interest Fund (D)	7.25%	**7.25%**	0.00%
BlueAlpha BCI Equity Fund (B)	6.38%	**6.00%**	-0.38%
Catalyst SCI Flexible Property Fund (C)	12.00%	**12.00%**	0.00%
Prescient Income Provider Fund (A2)	3.50%	**0.00%**	-3.50%
Catalyst SCI Global Real Estate Prescient Feeder Fund (B)	2.00%	**0.00%**	-2.00%
Coronation Jibar Plus Fund (P)	3.50%	**5.75%**	2.25%
Momentum Enhanced Yield Fund (D)	0.00%	**5.75%**	5.75%
	100.00%	100.00%	0.00%

MIC Growth

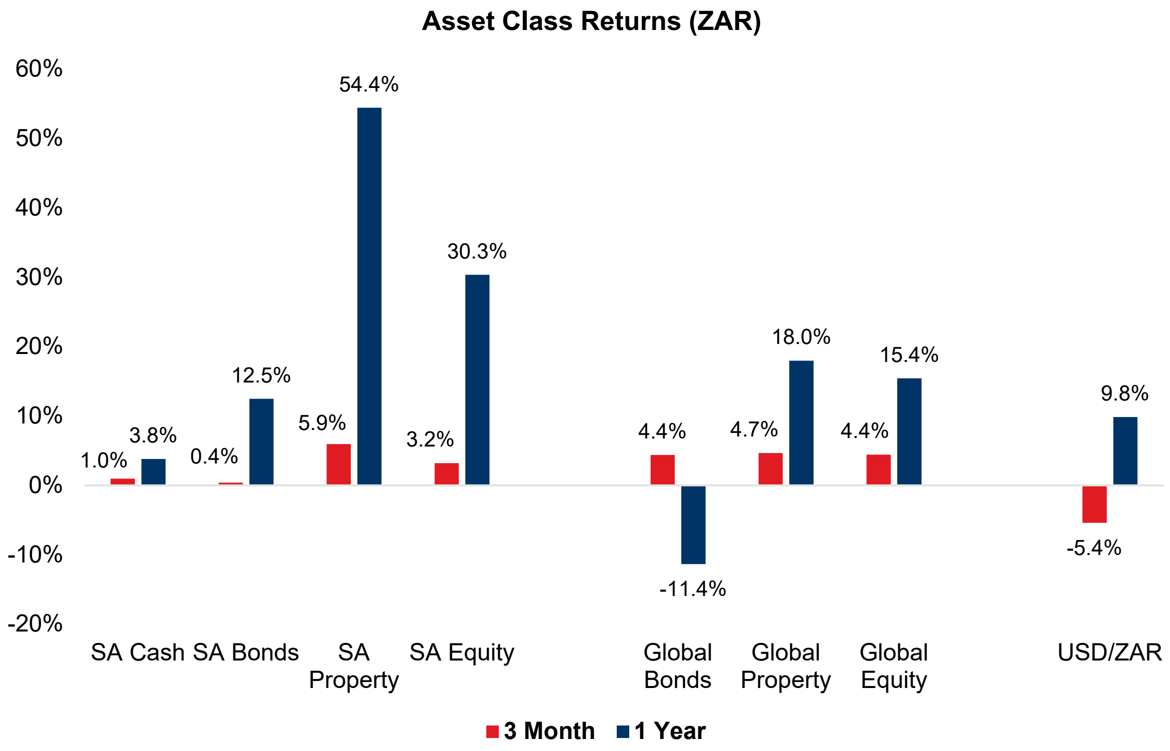
Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.50%	**4.50%**	0.00%
Satrix MSCI World Equity Index Feeder Fund (B2)	7.74%	**7.74%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	3.36%	**3.36%**	0.00%
CoreShares MSCI ACWI Fund of Funds (W)	12.90%	**12.90%**	0.00%
Fairtree Equity Prescient Fund (A2)	7.88%	**7.88%**	0.00%
Foord Equity Fund (B2)	7.87%	**7.87%**	0.00%
Visio BCI Unconstrained Fixed Interest Fund (C)	7.75%	**7.75%**	0.00%
Momentum Core Equity Fund (C)	18.00%	**18.00%**	0.00%
Momentum SA Flexible Fixed Interest Fund (D)	7.75%	**7.75%**	0.00%
BlueAlpha BCI Equity Fund (B)	6.75%	**6.75%**	0.00%
Catalyst SCI Flexible Property Fund (C)	12.00%	**12.00%**	0.00%
Prescient Income Provider Fund (A2)	1.75%	**0.00%**	-1.75%
Coronation Jibar Plus Fund (P)	1.75%	**1.75%**	0.00%
Momentum Enhanced Yield Fund (D)	0.00%	**1.75%**	1.75%
	100.00%	100.00%	0.00%

MIC Unconstrained

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.00%	**4.00%**	0.00%
Satrix MSCI World Equity Index Feeder Fund (B2)	10.62%	**9.90%**	-0.72%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	3.68%	**3.60%**	-0.08%
CoreShares MSCI ACWI Fund of Funds (W)	17.70%	**16.50%**	-1.20%
Fairtree Equity Prescient Fund (A2)	7.00%	**7.00%**	0.00%
Foord Equity Fund (B2)	7.00%	**7.00%**	0.00%
Visio BCI Unconstrained Fixed Interest Fund (C)	6.00%	**7.00%**	1.00%
Momentum Core Equity Fund (C)	16.00%	**16.00%**	0.00%
Momentum SA Flexible Fixed Interest Fund (D)	6.00%	**7.00%**	1.00%
BlueAlpha BCI Equity Fund (B)	6.00%	**6.00%**	0.00%
Catalyst SCI Flexible Property Fund (C)	13.33%	**13.33%**	0.00%
Prescient Income Provider Fund (A2)	1.25%	**0.00%**	-1.25%
Coronation Jibar Plus Fund (P)	1.25%	**1.25%**	0.00%
Catalyst SCI Global Real Estate Prescient Feeder Fund (B)	0.17%	**0.17%**	0.00%
Momentum Enhanced Yield Fund (D)	0.00%	**1.25%**	1.25%
	100.00%	100.00%	0.00%

2. Performance overview

2.1. Quarterly market summary



Global markets entered the third quarter in much the same way as the previous quarter ended, with investor sentiment riding high on the recovery in global growth and strong corporate earnings announcements. Despite sharply rising COVID-19 case numbers for much of the quarter, owing to the resilient Delta variant, investor sentiment stood resolute as market participants kept focus on the strong macroeconomic fundamentals, buoyed further by a more dovish narrative coming out of the Fed's Jackson Hole Symposium late in August. However, the tide would turn in September, with the quarter culminating on a plethora of risks, which had been lurking beneath the surface but had largely been disregarded by the market. With the collective realisation of the possibility of higher inflation, tighter monetary policy, a possible US default as policymakers quarrel over raising the US debt ceiling, potential contagion from an increasingly worrisome Chinese economy and the growth impact of the relentless COVID-19 Delta variant, global risk appetite expectedly diminished and capital markets sold off aggressively.

Owing to the significant correction in September and a protracted sell off in emerging market equities over the quarter, global equities returned negative 1.0% for the quarter in USD terms. Rand returns were however far superior (4.4%), as the rand weakened a meaningful 4.0% in the month of September (5.4% for the quarter). Developed market equities fared much better than emerging markets in the quarter, with a marginally positive return of 0.1% in USD terms (5.5% ZAR). US equities once again led the charge, with the mega-cap tech names in the spotlight, although European and UK equities also contributed meaningfully as restrictions continue to be lifted following very successful vaccination programs, which led to a significant reduction in hospitalisations among vaccinated individuals who contract the virus. Emerging markets on the other hand endured a dismal quarter, falling 8.0% in USD (-3.0% ZAR), dragged lower by China following a regulatory crackdown in the technology and education sectors early in the quarter and exacerbated by fears regarding Evergrande's (the world's largest real estate developer) $300 billion debt pile and a possible default. Losses in EM were however cushioned by strong returns by Russia and India whose significant exposure to energy counters has benefitted from the recent sharp increases in energy prices globally.

In line with investor sentiment and risk appetite, global bond yields were volatile over the quarter as illustrated by the US 10Y, which traded in a 0.4% range but ended the quarter marginally higher than where it started. As a result, global bond returns were approximately -1.0% in USD terms (4.4% in ZAR). Global property mostly kept pace with global equity over the quarter, delivering 4.6% (ZAR) as the sector benefitted from a reopening of the global economy, although fears of a contagion from Evergrande and a rise in COVID-19 cases dampened returns.

Local equities delivered another positive quarter, with the FTSE/JSE Capped SWIX up a 3.2%. Despite a weakening rand, domestically-focussed stocks fared better than the so-called rand-hedges as the cyclical recovery narrative continued to play out. At a sector level, Financials delivered the best returns in the quarter (+12.7%), led higher by banks who benefitted from better-than-expected credit losses, allowing them to unwind provisions made last year. Industrials and Resources on the other hand delivered negative returns of -4.3% and -3.6% respectively. Despite a strong contribution from consumer-focussed domestic shares, Industrials were dragged down by Naspers/Prosus whose share prices fell significantly owing to the sharp correction in the Tencent share price amidst the regulatory crackdown in China, while precious metal and industrial miners were the main culprits behind the fall in the resource sector, driven by a collapse in commodity prices following fears around demand from China (in the case of iron ore) and microchip shortages due to supply constraints (in the case of PGMs).

Among the local interest-bearing asset classes, listed property once again lead the way, delivering 5.9% for the quarter as higher-yielding property counters continue to outperform. Nominal bonds were relatively flat in the quarter, up a marginal 0.4%, as a steepening of the curve in September eroded earlier gains in the quarter. Inflation-linked bonds (IGOV) delivered 2.0% in the quarter, outperforming nominals as the curve held up in September given its inherent inflation protection. Finally, local cash (STeFI) continued to deliver returns of approximately 1.0% for the quarter as the SARB’s MPC kept interest rates unchanged at both the July and September meetings.

2.2. Manager returns and comments

Trailing returns as at 30 September 2021:

	3m	6m	9 months	1y	3y (ann.)	5y (ann.)	7y (ann.)
Coronation JIBAR Plus P	1.16%	2.30%	3.41%	4.48%	6.54%	7.33%	-
Momentum Enhanced Yield D	1.33%	2.18%	3.27%	4.60%	-	-	-
Prescient Income Provider A2	2.03%	3.78%	4.60%	7.20%	6.92%	7.51%	8.07%
MI-PLAN IP Enhanced Income B1	1.67%	4.17%	6.00%	8.77%	9.80%	-	-
Stefi	**0.95%**	**1.88%**	**2.80%**	**3.80%**	**5.77%**	**6.43%**	**6.53%**
(ASISA) South African MA Income	*1.41%*	*3.69%*	*4.70%*	*7.32%*	*6.95%*	*7.17%*	*7.22%*
Momentum SA Flexible Fixed Interest D	0.19%	8.27%	7.85%	16.78%	-	-	-
Visio BCI Unconstrained Fixed Intst C	1.83%	6.21%	7.74%	12.40%	9.50%	-	-
ALBI	**0.37%**	**7.25%**	**5.38%**	**12.46%**	**9.08%**	**8.51%**	**8.18%**
Aylett Equity Prescient A1	4.62%	7.02%	28.86%	38.25%	10.06%	9.90%	9.23%
BlueAlpha BCI Equity B	4.69%	5.85%	15.41%	20.05%	-	-	-
Fairtree Equity Prescient A2	-4.30%	-6.54%	7.82%	23.03%	15.56%	11.91%	-
Foord Equity B2	6.40%	9.73%	20.87%	34.61%	5.92%	2.72%	3.51%
Momentum Core Equity C	2.80%	3.24%	16.03%	29.71%	8.61%	-	-
FTSE/JSE Capped SWIX TR	**3.19%**	**3.83%**	**16.92%**	**30.34%**	**6.49%**	**5.01%**	**5.56%**
(ASISA) South African EQ General	*2.60%*	*3.15%*	*15.76%*	*26.92%*	*6.62%*	*5.02%*	*4.78%*
Catalyst SCI Flexible Property C	7.79%	19.17%	28.63%	55.58%	-	-	-
Catalyst SCI Global Real Estate FF B	7.00%	14.76%	21.34%	14.49%	11.30%	8.17%	11.54%
Flexible Property Composite	**5.71%**	**16.49%**	**24.21%**	**43.19%**	**-1.26%**	**-1.19%**	**3.65%**
FTSE EPRA/NAREIT TR ZAR	**4.65%**	**10.72%**	**18.42%**	**17.96%**	**9.40%**	**7.42%**	**11.17%**
(ASISA) Global RE General	*5.70%*	*11.58%*	*18.70%*	*14.19%*	*8.82%*	*5.94%*	*9.18%*
CoreShares MSCI ACWI FoF W	5.01%	8.82%	14.62%	14.84%	-	-	-
Coronation Global Em Mkts Flex [ZAR] P	-6.92%	-9.67%	-7.07%	-1.50%	12.47%	10.21%	8.32%
Satrix MSCI World Equity Index FF B2	5.71%	10.59%	16.42%	16.49%	14.99%	15.42%	14.50%
MSCI AC World TR ZAR	**4.41%**	**8.56%**	**14.72%**	**15.41%**	**15.48%**	**15.83%**	**15.21%**
MSCI World TR ZAR	**5.51%**	**10.07%**	**16.53%**	**16.68%**	**16.08%**	**16.41%**	**15.81%**
MSCI EM ZAR	**-2.99%**	**-1.40%**	**1.71%**	**6.93%**	**11.22%**	**11.60%**	**10.49%**
(ASISA) Global EQ General	*2.92%*	*6.24%*	*12.31%*	*13.63%*	*12.85%*	*12.83%*	*12.15%*
1nvest Global Govt Bond Index FF B1	4.07%	1.55%	-3.64%	-13.62%	5.38%	-	-
Citigroup WGBI	**4.11%**	**1.65%**	**-3.36%**	**-12.83%**	**5.87%**	**3.18%**	**6.05%**
FTSE G7 Bond Index	**4.33%**	**1.93%**	**-2.94%**	**-13.00%**	**6.01%**	**3.03%**	**6.17%**

Income
Coronation JIBAR Plus outperformed the STeFI index by 0.20% over the quarter ending 30 September 2021, benefiting from higher rates on money market NCDs and higher yields on Treasury Bills.

Momentum Enhanced Yield delivered an outperformance of 0.4% above the STeFI index. From a duration perspective, the fund was lower duration at 0.17 years relative to its benchmark of 0.25 years. The expectation of an increase in interest rates and NCD spreads widening contributed to the fund’s performance.

Prescient Income Provider outperformed the STeFI index by 1.1% over the third quarter of 2021. Preference shares, ILBs and property were all contributors to the fund’s performance, while duration detracted from performance.

MI-Plan Enhanced Income returned 1.7%, outperforming the STeFI index by 0.7% over the quarter. The fund’s exposure to short-dated assets (government and corporate bonds) and an allocation to Coca Cola contributed positively to outperformance, while exposure to medium-dated assets and not holding the notional 6- and 12-month NCD’s detracted from performance.

Local Bonds
Momentum SA Flexible Fixed Interest managed a marginal underperformance of 0.2% over the quarter relative to the ALBI, despite a relatively large overweight duration position (7.98 years vs 6.35 for ALBI). Prescient’s overweight to the 12-plus years sector of the yield curve, the worst performing sector of the yield curve, detracted from performance while an increased position in ILBs coupled with the 2.0% return on ILBs contributed to performance. Coronation, on the other hand, benefited from its both property and ILB exposure, but was hurt by its exposure to the long end of the curve.

Visio BCI Unconstrained Fixed Interest returned 1.8% for the quarter, outperforming both STeFI x 1.25% (the fund’s own benchmark) and ALBI (our internal benchmark) over the quarter. The outperformance of 1.47% relative to ALBI can be attributed to the fund’s lower duration. The fund’s exposure to short- and medium-term inflation-linked bonds and listed property were also contributors to performance.

Local Equity
Aylett Equity Prescient returned 4.6% over the quarter, outperforming the Capped SWIX by 1.4%. The fund’s underweight position in Naspers/Prosus contributed to performance over the quarter, as did positions in Aspen, Tsogo Sun Gaming and Transaction Capital. The fund also benefitted from an overweight position in offshore energy companies in favour of the locally-based Sasol, given the weakening rand. An overweight position in Royal Bafokeng Platinum on the other hand was the largest detractor, while being underweight MTN also hurt performance.

BlueAlpha BCI Equity outperformed the Capped SWIX by 1.5% over the quarter. From a local equity perspective, the fund’s underweight position in gold and platinum miners added to alpha, with positions in MTN, FirstRand and Transaction Capital contributed to performance. The fund also benefited from being underweight local rand hedges (Naspers/Prosus) in favour of its offshore component, with counters such as Autozone, Microsoft and Accenture contributing to performance. Alibaba and Tencent detracted from the offshore component’s positive contribution, given the ongoing regulatory crackdown in China.

Fairtree Equity Prescient ended the quarter with an underperformance of 7.5% relative to the Capped SWIX, as Industrials and Resources yielded negative returns. Impala Platinum, Northam and Naspers/Prosus detracted from performance, while Thungela, Old Mutual and KAP contributed to performance.

Foord Equity’s outperformance of 3.2% relative to the Capped SWIX over the quarter was driven by its underweight to resources and precious metal miners. The fund’s overweight position in the healthcare and financials sectors also contributed to the fund’s performance, with Aspen, Netcare and Mediclinic contributing, alongside FirstRand and Standard Bank. From a stock selection perspective, exposure to mid-caps (Omnia, Metair and KAP), diversified miners (BHP and Anglo American) and Sasol were all contributors to performance, while an underweight position in MTN detracted.

Momentum Core Equity underperformed the Capped SWIX by 0.4% over the quarter, with the fund's overweight position in resources and underweight position in financials, the worst and best performing sectors respectively, detracting from performance. From a style perspective, the value component was the biggest contributor to alpha, while both the quality and momentum components detracted from relative performance. At a stock level, the fund's exposure to African Rainbow Minerals and Kumba detracted from performance, as did the fund's underweight position in Sasol. Contributors to performance included overweight positions in MTN, Old Mutual and Liberty and an underweight position in Naspers/Prosus.

Flexible Property

Catalyst SCI Flexible Property outperformed the flexible property benchmark over the quarter, with an underweight position in global property adding to alpha, while an underweight position in SA property and an overweight position in cash detracted from performance. Stock selection was a significant contributor to performance from both the local and the global perspective, with contributors, including overweight positions in Hyprop, Arrowhead-B and Lighthouse. Detractors from performance included overweight positions in Americold Realty Trust, SA Corporate and Allied Properties, which underperformed relative to the benchmark.

Global Property

Catalyst SCI Global Real Estate outperformed the FTSE EPRA/NAREIT by 2.4% for the quarter. From a regional perspective, the fund benefited from its exposure to Australia with allocations to the UK and Europe working to the detriment of the fund's performance. From a sector perspective, the fund benefited from its overweight positions in the US Housing sectors and Storage in underperforming regions.

Global Equity

Coreshares MSCI ACWI marginally outperformed relative to the MSCI All Country World Index, largely as a result of timing differences in pricing. At an absolute level, the fund returned a positive 5.0% in ZAR on the back of rand weakness. Both the developed markets and emerging markets components yielded negative USD returns, with emerging markets lagging significantly behind developed markets. From a sectoral perspective, Financials, information technology and energy were the top contributors to return, with materials, consumer services and consumer discretionary detracting from performance. Among the top contributors to returns, from an individual stock perspective, were Microsoft, Tesla, Apple and Alphabet, while Tencent Holdings, Amazon and Samsung were among the detractors.

Coronation Global Emerging Flexible lagged the MSCI Emerging Markets Index by 4.0% over the quarter, with an underperformance of -8.4% for the year ending September 2021, driven by the regulatory reform in China, given the fund's overweight position in the region. The largest detractors from performance were Tencent, EDU, which plays in the After School Tuition (AST), Baijiu and Wuliangye Yibin. Contributors to returns included Magnit (a Russian food retailer) and HDFC (an Indian mortgage loan provider).

Satrix MSCI World Equity Index's performance was relatively in line with the MSCI World Index, contributing to the fund's outperformance relative to our global equity benchmark, the All Country World Index, given its greater allocation to emerging markets, which struggled over the quarter.

Global Bonds

1nvest Global Government Bond Index performed in line with the FTSE G7 Government Bond Index, marginally underperforming due to fees and cash drag. The fund's performance was also relatively in line with our benchmark, the Citigroup World Government Bond Index, which had slightly lower returns than the more geographically concentrated G7 index, as developed markets outperformed emerging markets.

3. Portfolio performance

3.1. MIC Income Portfolio

Investment goal: **Stefi**
Time horizon: **1-year**

3.1.1. Returns

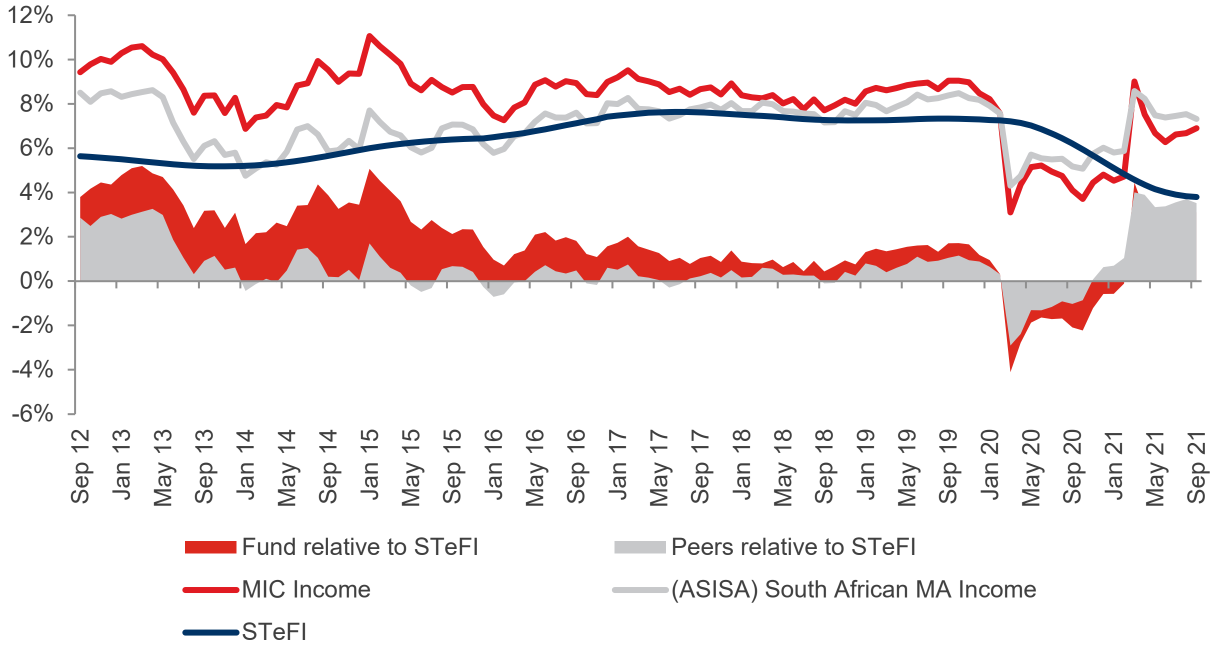
Figure 1.1: Trailing returns as at 30 September 2021*:

	3m	6m	1y	3y (ann.)	5y (ann.)	7y (ann.)	SI* (ann.)	Mths SI*
MIC Income	**1.6%**	**3.4%**	**6.9%**	**6.7%**	**7.3%**	**7.7%**	**7.1%**	
Benchmark: STeFI	1.0%	1.9%	3.8%	5.8%	6.4%	6.5%	6.2%	**51**
(ASISA) South African MA Income	*1.4%*	*3.7%*	*7.3%*	*6.9%*	*7.2%*	*7.2%*	*7.2%*	

**SI. = "Since inception". This is the inception date of the tracker investment. Returns prior to inception are calculated on a back tested basis.*

- The portfolio outperformed its STeFI benchmark over all periods, net of all investment related fees. The portfolio outperformed the peer group over the quarter and periods 5 years and greater.

Figure 1.2: Rolling 1-year returns: 10 years to 30 September 2021 *



	MIC Income	(ASISA) South African MA Income
Number of observations	109	
Period outperforming	97	84
Realised probability of outperforming	**89%**	77%
Max outperformance p.a.	**5.2%**	4.0%
Max underperformance p.a.	**-4.1%**	-2.9%

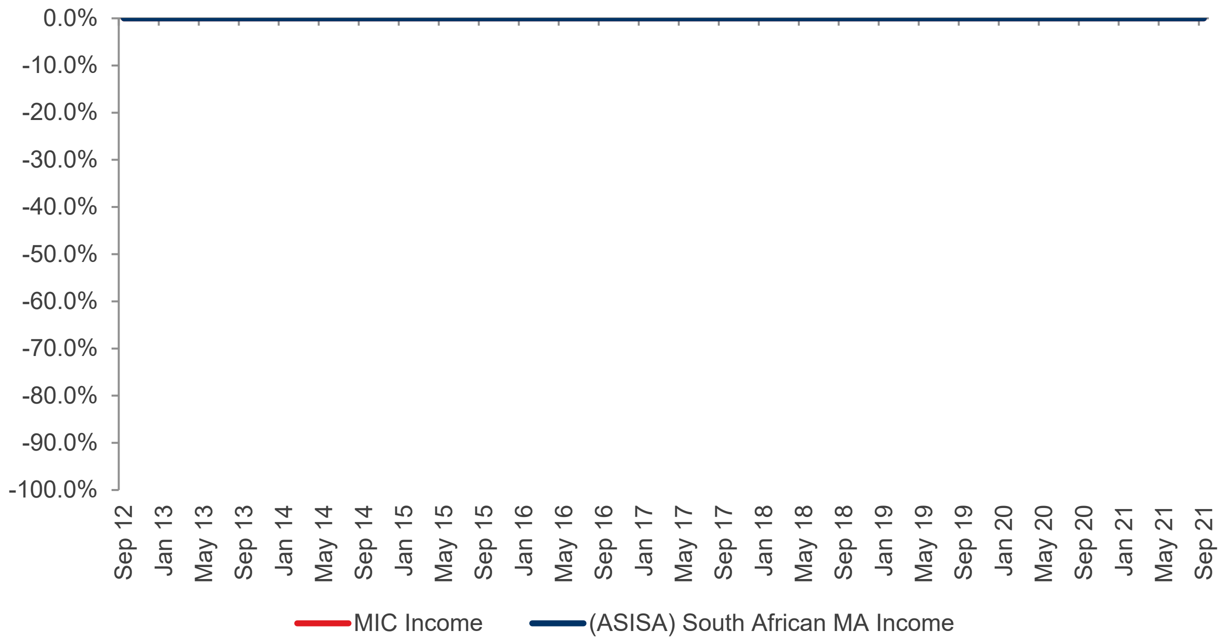
- Over the last 10 years, the portfolio outperformed its benchmark during 89% of the rolling 1-year periods. This compares favourably with the peer group which outperformed during 77% of the 1-year periods.

Figure 1.3: Portfolio performance relative to goal*

- The above table shows the progression of the annualised returns relative to the Stefi benchmark over the measurement period up to 30 September 2021. Even though the portfolio underperformed during the initial months, due to residual volatility in the fixed interest markets, the portfolio managed to significantly outperform the Stefi benchmark at the end of the measurement period.

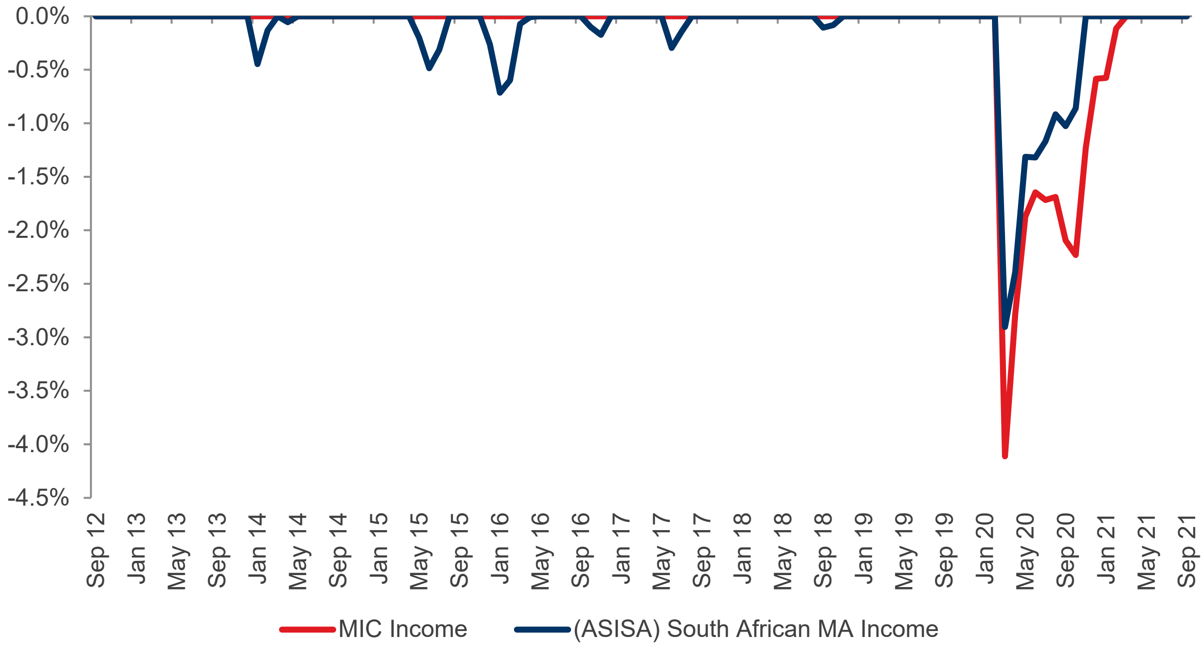
3.1.2. Risk

Figure 1.4: Rolling 1-year absolute drawdown: 10 years to 30 September 2021*



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

Figure 1.5: Rolling 1-year drawdown relative to goal: 10 years to 30 September 2021*



- Over the total period to 30 September 2021, the portfolio was significantly impacted by the marginal property exposure held by underlying managers during the COVID-19 crisis but has made a strong recovery.

3.2. MIC Conservative Portfolio

Investment goal: **CPI + 2%**
Time horizon: **3-years**

3.2.1. Returns

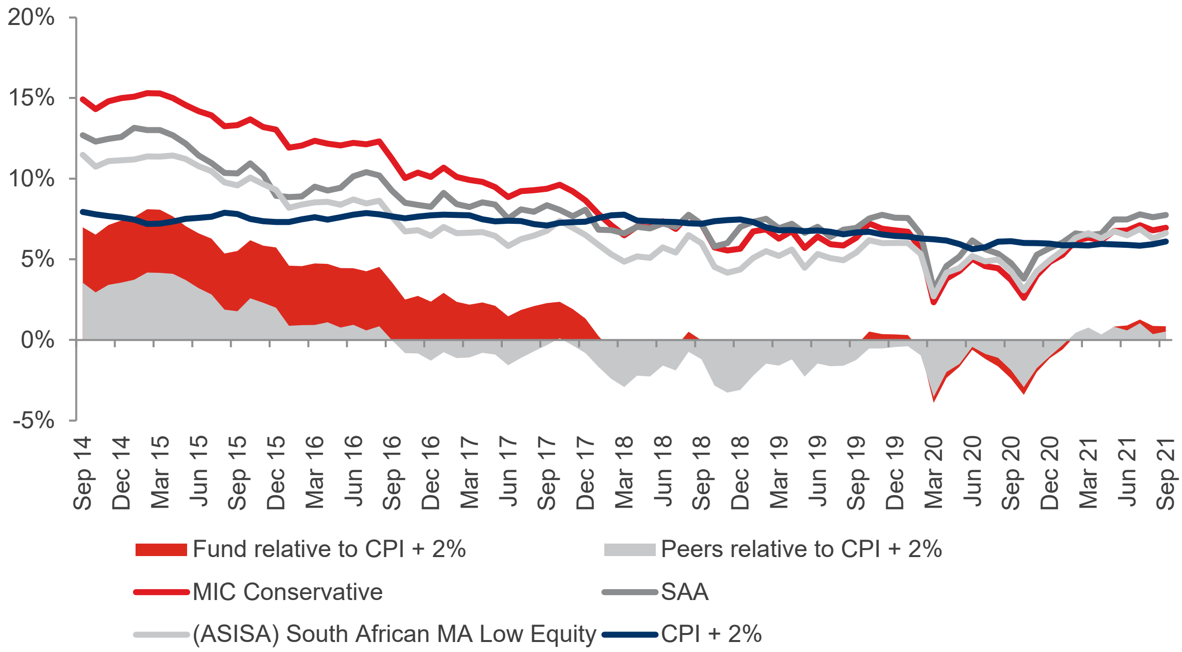
Figure 2.1: Trailing returns as at 30 September 2021*:

	3m	6m	1y	3y (ann.)	5y (ann.)	7y (ann.)	SI* (ann.)	Mths SI*
MIC Conservative	2.3%	6.0%	15.1%	6.9%	6.7%	7.7%	7.0%	51
Benchmark: CPI + 2%	2.2%	4.2%	6.9%	6.1%	6.4%	6.6%	6.2%	
SAA	2.2%	6.3%	15.1%	7.7%	7.3%	7.7%	7.8%	
(ASISA) South African MA Low Equity	*2.0%*	*4.5%*	*12.0%*	*6.6%*	*6.2%*	*6.4%*	*6.7%*	

**SI. = "Since inception". This is the inception date of the tracker investment. Returns prior to inception are calculated on a back tested basis.*

- The portfolio outperformed its CPI + 2% benchmark by 0.8% p.a. over the 3-year period to 30 September 2021. It also outperformed the peer group over the same period.
- The portfolio performed in line with its strategic asset allocation over the last 12 months, net of all investment related fees.

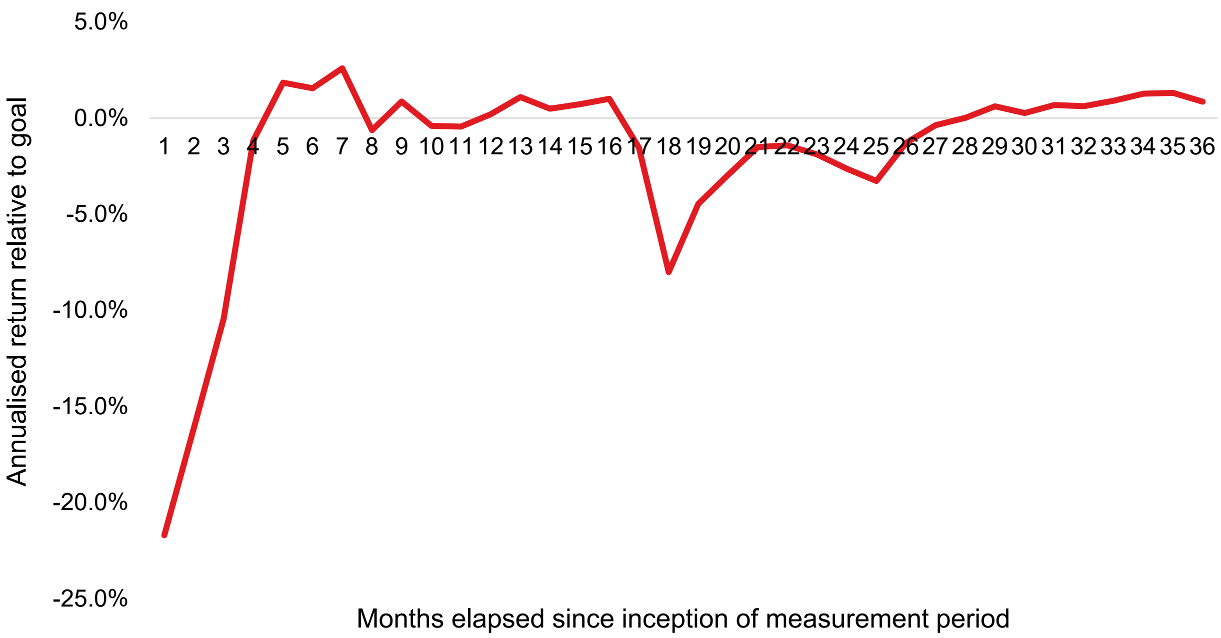
Figure 2.2: Rolling 3-year returns ann.: 10 years to 30 September 2021 *



	MIC Conservative	(ASISA) South African MA Low Equity
Number of observations	85	
Period outperforming	55	33
Realised probability of outperforming	65%	39%
Max outperformance p.a.	8.1%	4.2%
Max underperformance p.a.	-3.9%	-3.5%

- Over the last 10 years, the portfolio outperformed its benchmark on 65% of the total rolling 3-year periods. This compares favourably with the peer group which only managed to outperform on 39% of the rolling 3-year periods.

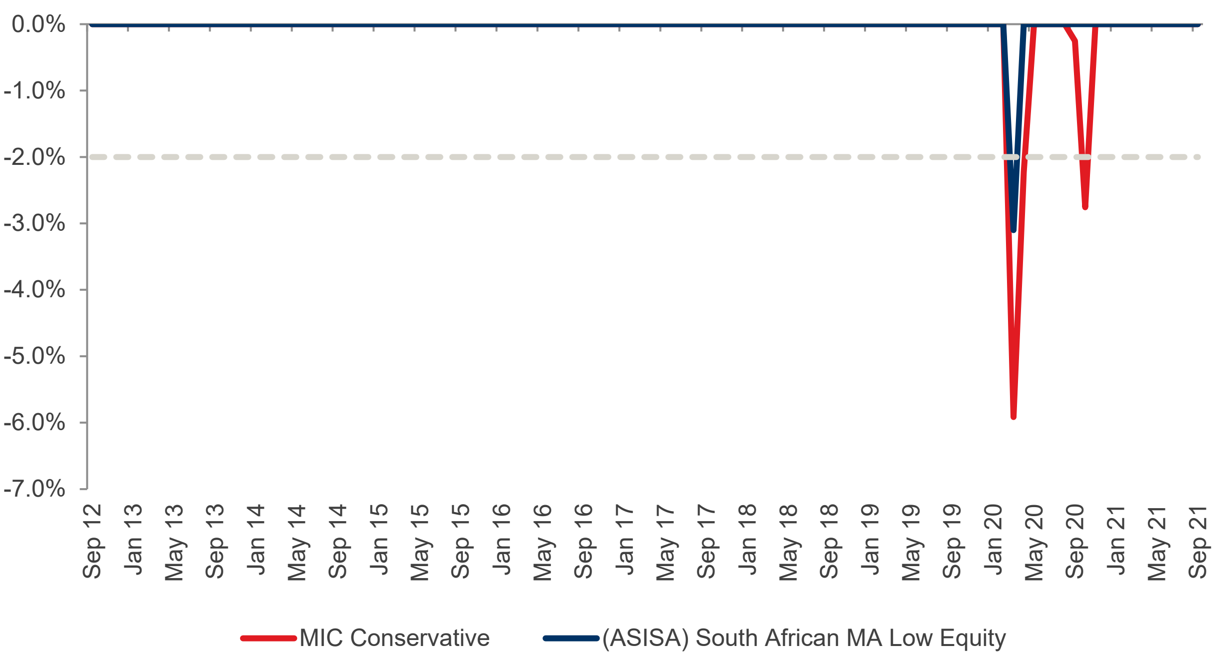
Figure 2.3: Portfolio performance relative to goal*



- Over the measurement period up to 30 September 2021 the portfolio's annualised returns relative to its goal were mostly positive supported by good returns from local bonds as well as the strong returns in growth asset classes over the last year.

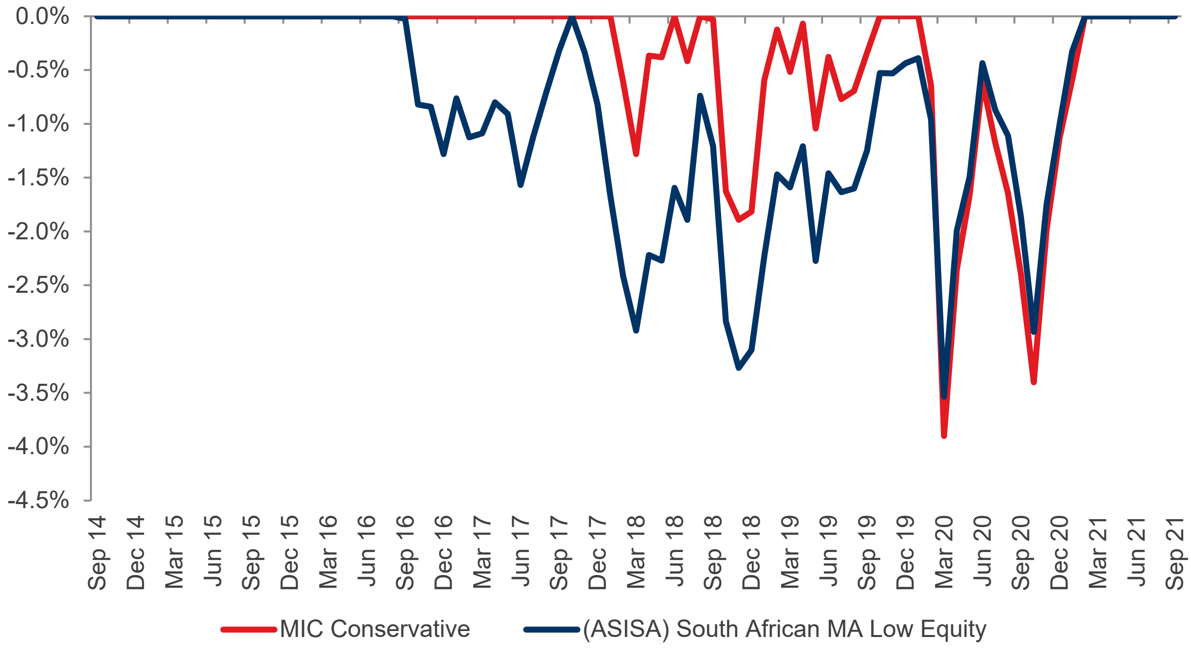
3.2.2. Risk

Figure 2.4: Rolling 1-year absolute drawdown: 10 years to 30 September 2021*



- The portfolio breached the acceptable drawdown level of 2% twice. This was before the implementation of explicit drawdown limits. However, given the severity of drawdowns in markets during the COVID-19 crisis, it is likely that these limits would have, in any event, been breached.

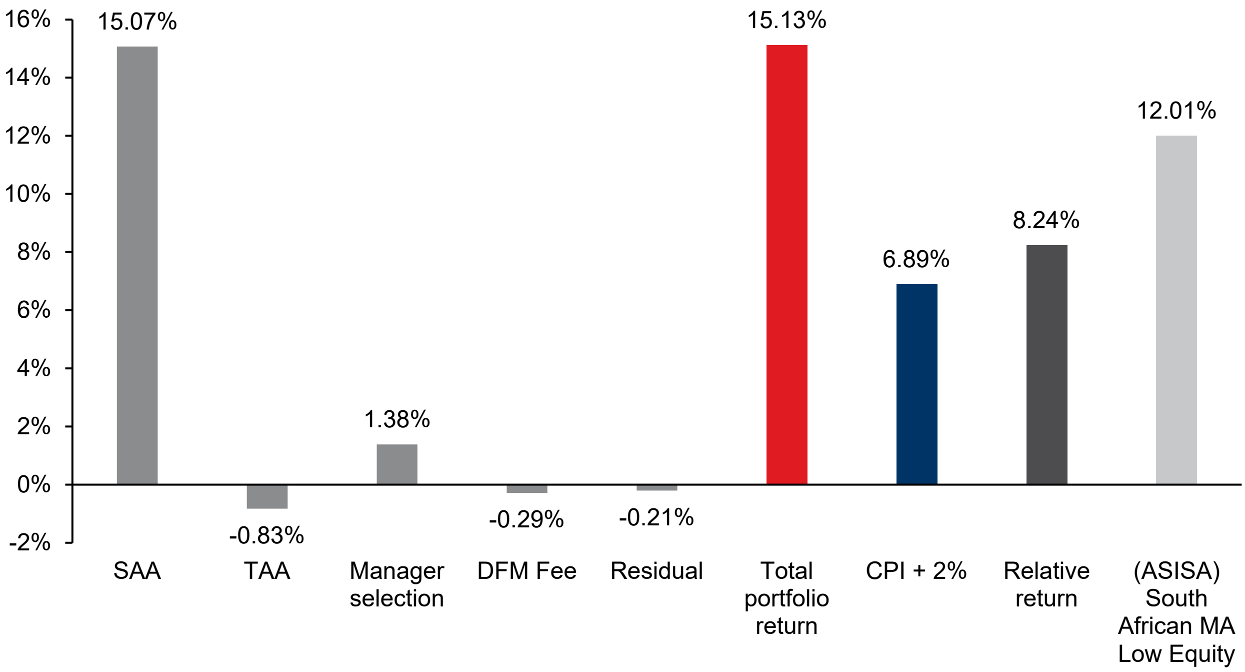
Figure 2.5: Rolling 3-year drawdown ann. relative to goal: 10 years to 30 September 2021*



- Another objective of the portfolio is to outperform its benchmark over rolling 3-year periods. Even though the portfolio recently underperformed its benchmark over rolling 3 years, and recently greater than the peer group, it managed to outperform CPI + 2% more consistently than the peer group.

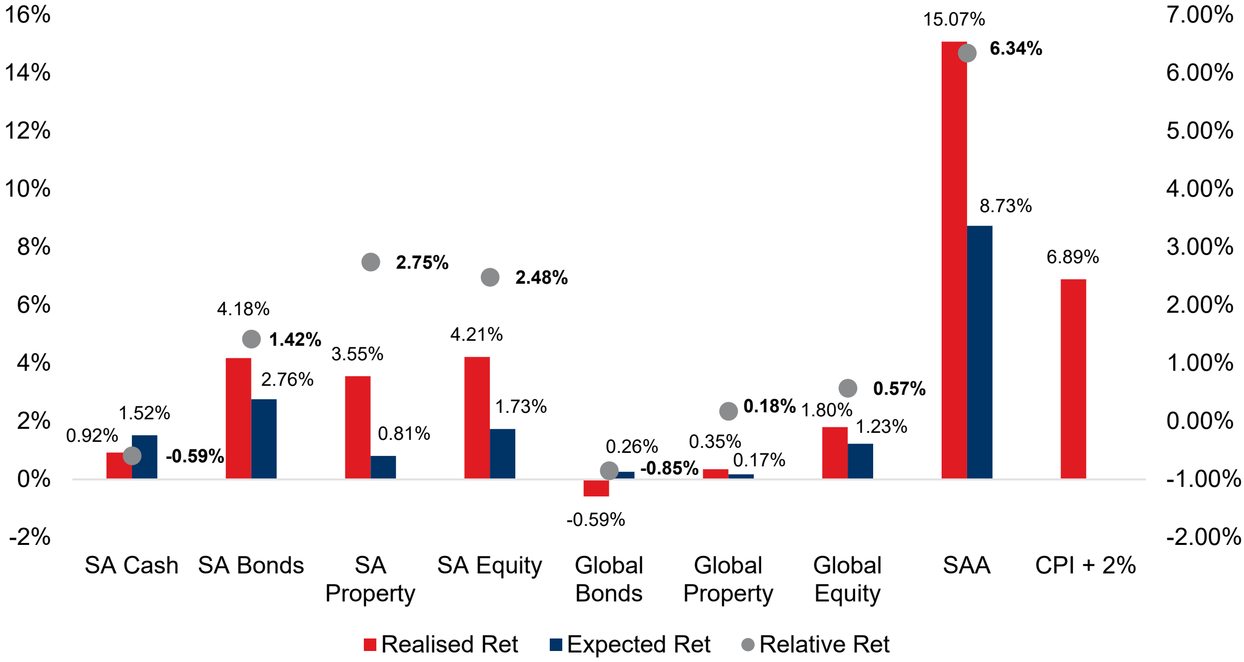
3.2.3. Performance attribution

Figure 2.6: Total return attribution: 12 months to 30 September 2021



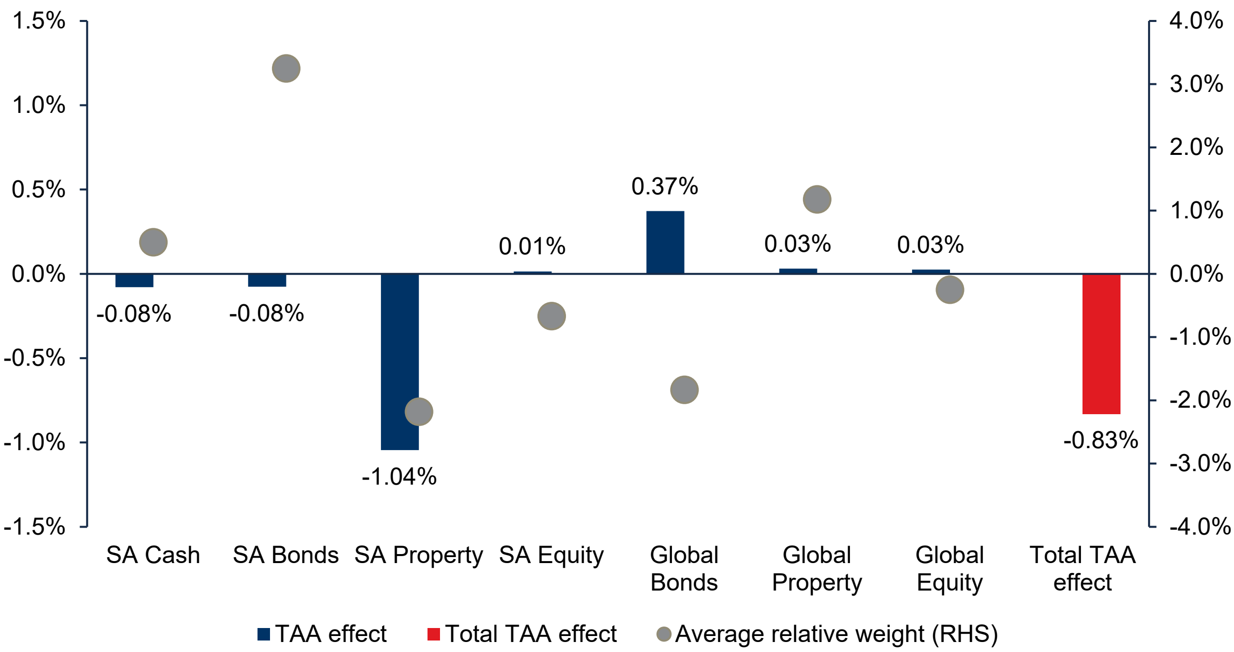
- SAA and manager selection contributed to performance while tactical asset allocation detracted from performance over the 12 months ending 30 September 2021.

Figure 2.7: Strategic asset allocation effects: 12 months to 30 September 2021



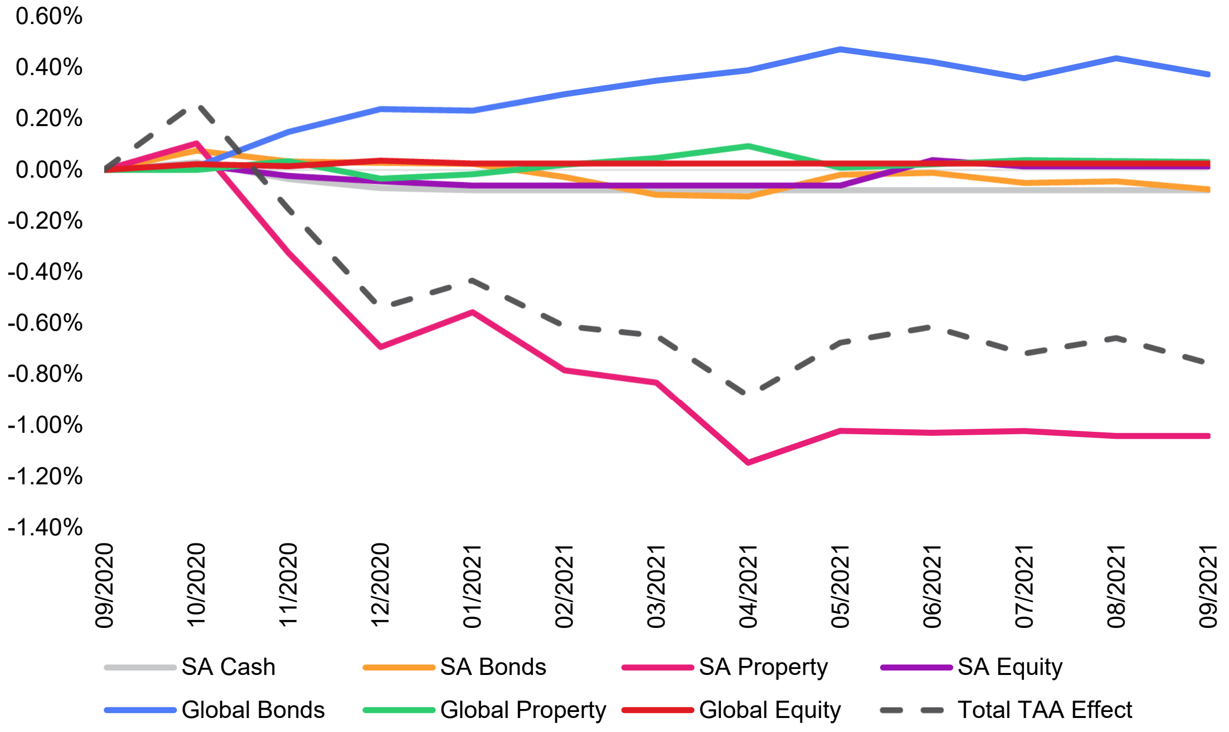
- The graph above illustrates the weighted realised return from each asset class over the period considered relative to our long-term forward-looking expectations.
- Given the large absolute returns in asset classes over the last 12 months as the global economy reopened, most asset classes outperformed our long-term assumptions, resulting in the SAA returns being well ahead of expectations and the CPI + 2% benchmark.

Figure 2.8: Tactical asset allocation effects: 12 months to 30 September 2021



- Our underweight position in SA Property was the largest detractor over the period from a tactical asset allocation perspective.

Figure 2.9: Cumulative tactical asset allocation effects: 12 months to 30 September 2021



- The above graph illustrates the progression of the tactical asset allocation for all asset classes and in aggregate over the previous 12 months.
- The underweight position in Global Bonds contributed consistently over the last 12 months as global bond yields rose in line with inflation expectations and the rand strengthened as the global economy reopened. SA Property on the other hand detracted from performance given the strong recovery, driven by the cyclical recovery narrative, post October 2020.

Figure 2.10: Manager selection effects: 12 months to 30 September 2021

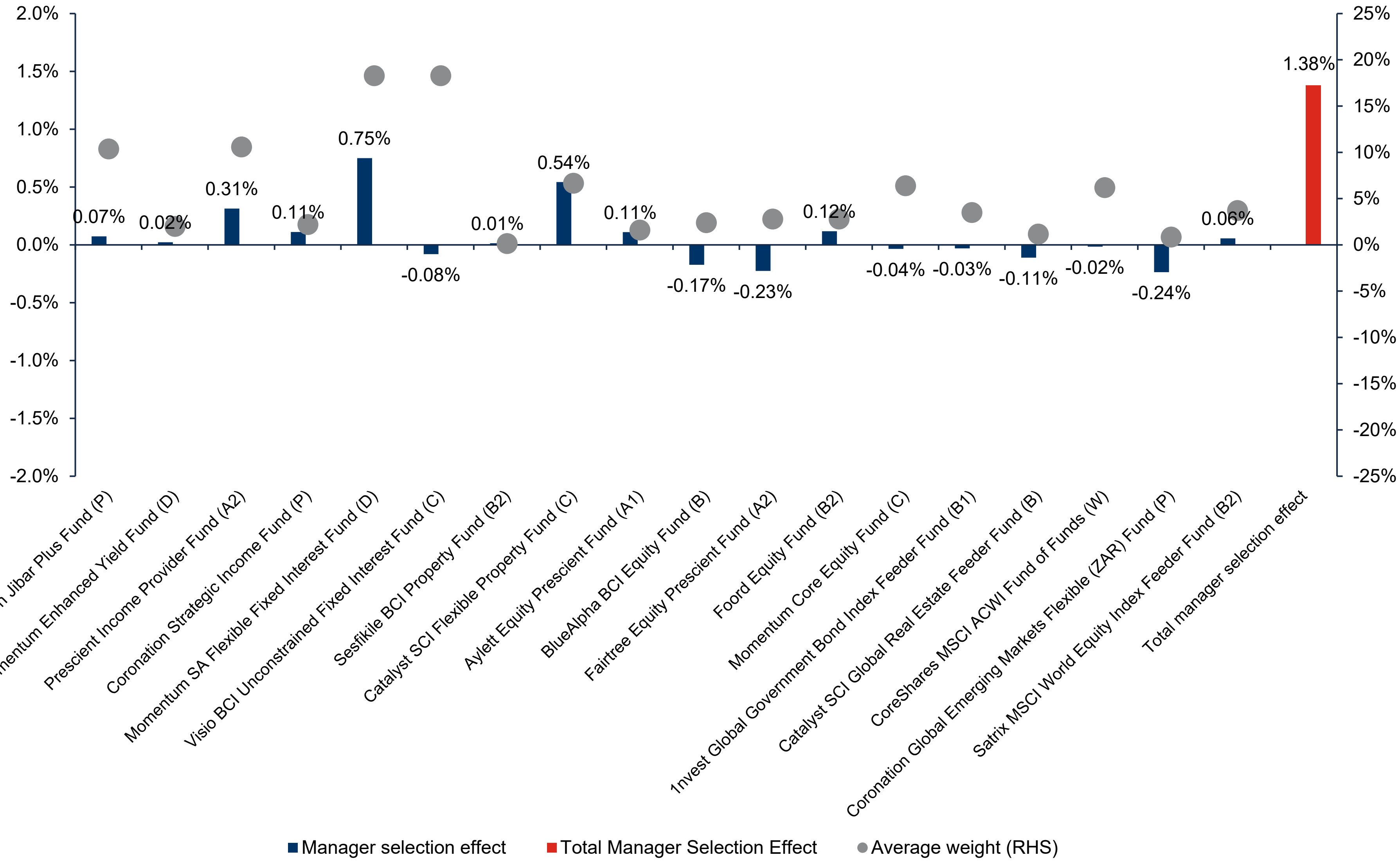
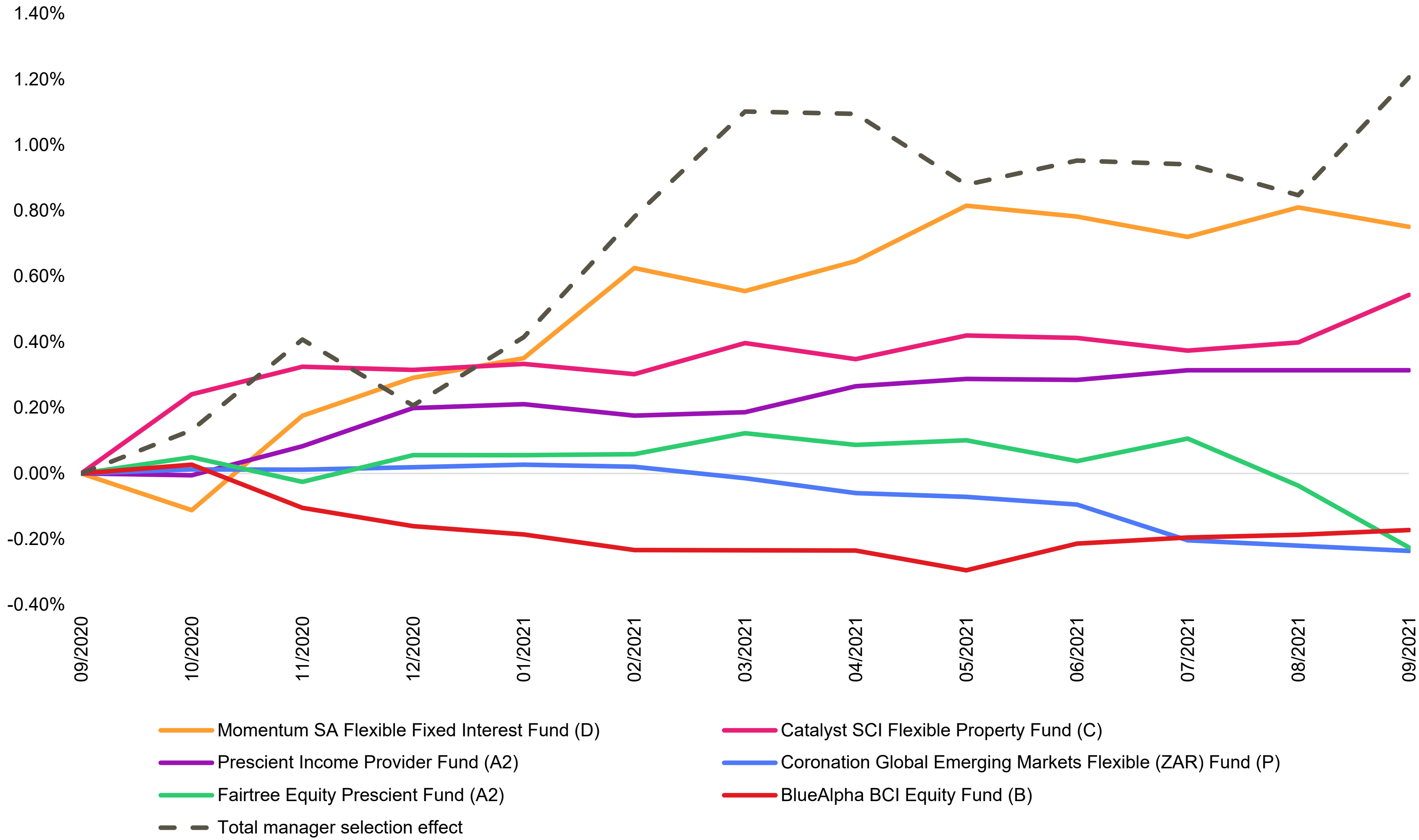


Figure 2.11: Cumulative manager selection effects: 12 months to 30 September 2021



3.3. MIC Stable Portfolio

Investment goal: **CPI + 3%**
Time horizon: **4-years**

3.3.1. Returns

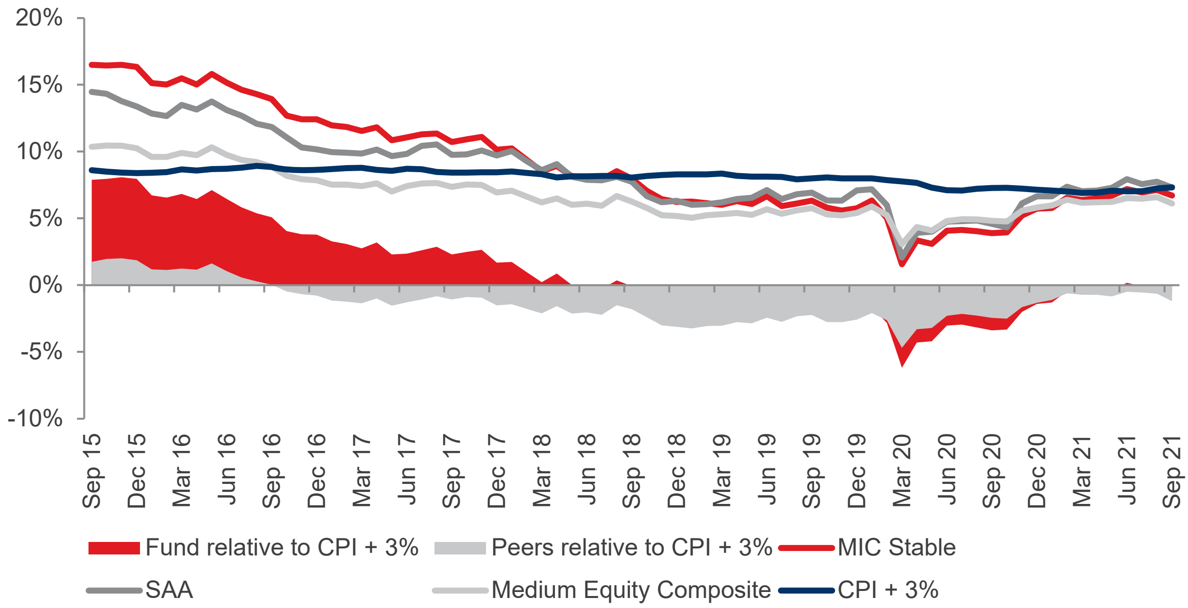
Figure 3.1: Trailing returns as at 30 September 2021*:

	3m	6m	1y	2y (ann.)	4y (ann.)	6y (ann.)	SI* (ann.)	Mths SI*
MIC Stable	**2.5%**	**6.4%**	**19.1%**	**8.9%**	**6.7%**	**7.2%**	**7.4%**	**51**
Benchmark: CPI + 3%	2.5%	4.7%	7.9%	7.0%	7.3%	7.6%	7.2%	
SAA	2.7%	7.3%	19.5%	9.1%	7.3%	7.7%	8.1%	
*Medium Equity Composite***	*2.1%*	*4.3%*	*11.9%*	*7.4%*	*6.1%*	*6.3%*	*6.6%*	

**SI. = "Since inception". This is the inception date of the tracker investment. Returns prior to inception are calculated on a back tested basis.*
***The peer group returns until 31 May 2021 are for the ASISA SA MA Low Equity peer group. From 1 June 2021, this changed to the ASISA SA MA Medium Equity peer group due to a change in the portfolio's strategic asset allocation.*

- The portfolio underperformed its CPI + 3% benchmark by 0.6% p.a. over the 4-year period to 30 September 2021. It outperformed the peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 0.4% over the last 12 months, net of all investment related fees.

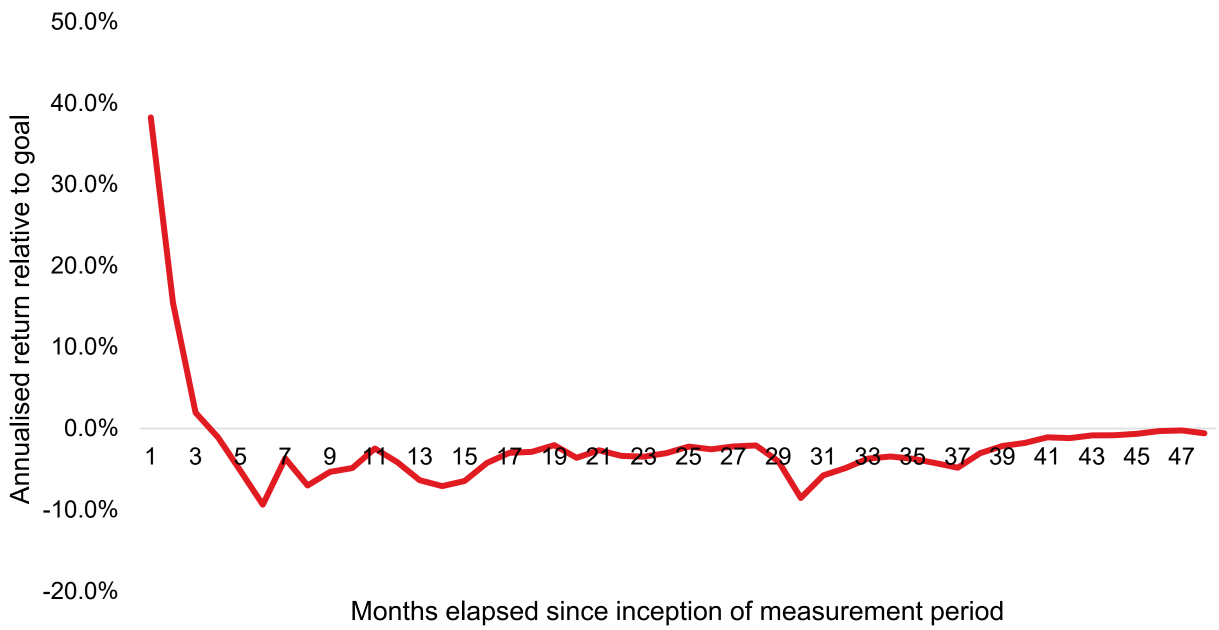
Figure 3.2: Rolling 4-year returns ann.: 10 years to 30 September 2021 *



	MIC Stable	Medium Equity Composite
Number of observations	73	
Period outperforming	35	13
Realised probability of outperforming	**48%**	18%
Max outperformance p.a.	**8.1%**	2.0%
Max underperformance p.a.	**-6.2%**	-4.7%

- Over the last 10 years, the portfolio outperformed its benchmark on 48% of the total rolling 4-year periods. This compares favourably with the peer group which only managed to outperform on 18% of the rolling 4-year periods.

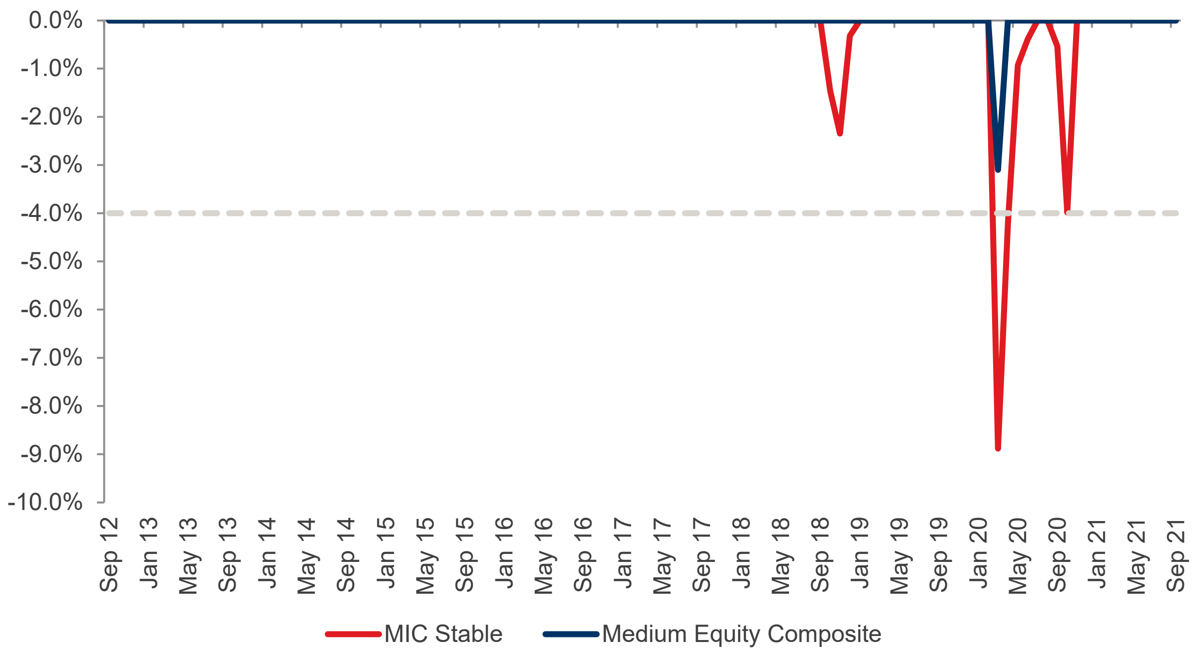
Figure 3.3: Portfolio performance relative to goal*



- Over the measurement period up to 30 September 2021 the portfolio's annualised returns relative to its goal were mostly below its target due to weak returns from the growth asset classes. After the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark.

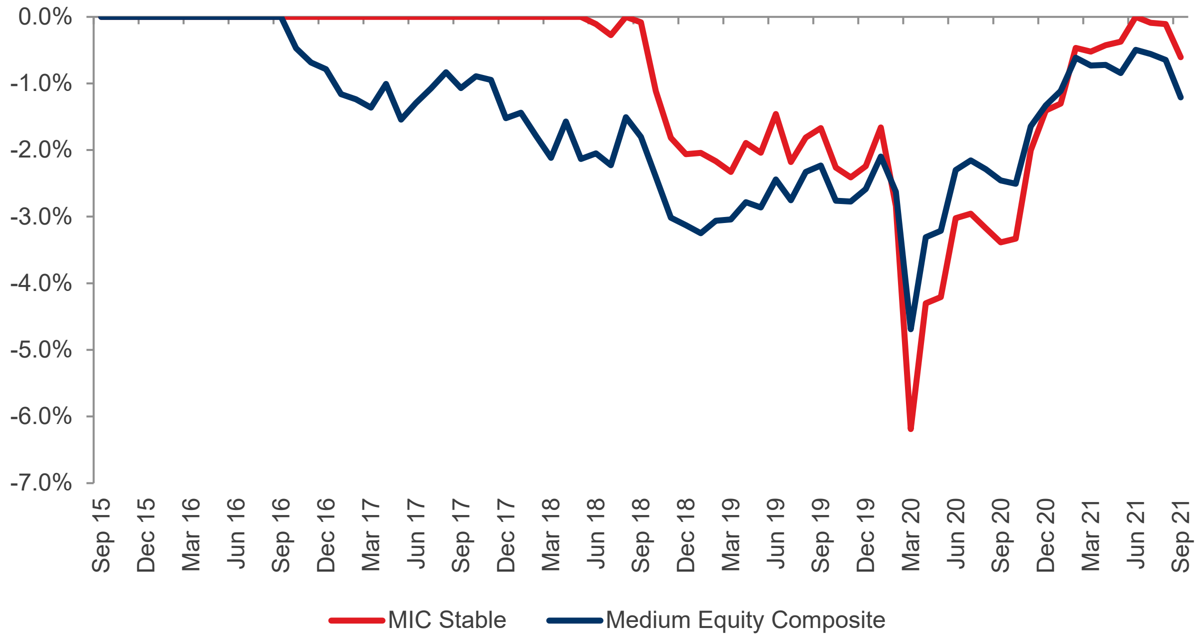
3.3.2. Risk

Figure 3.4: Rolling 1-year absolute drawdown: 10 years to 30 September 2021*



- The portfolio breached the acceptable drawdown level of 4% once. This was before the implementation of explicit drawdown limits. However, given the severity of drawdowns in markets during the COVID-19 crisis, it is likely that these limits would have, in any event, been breached.

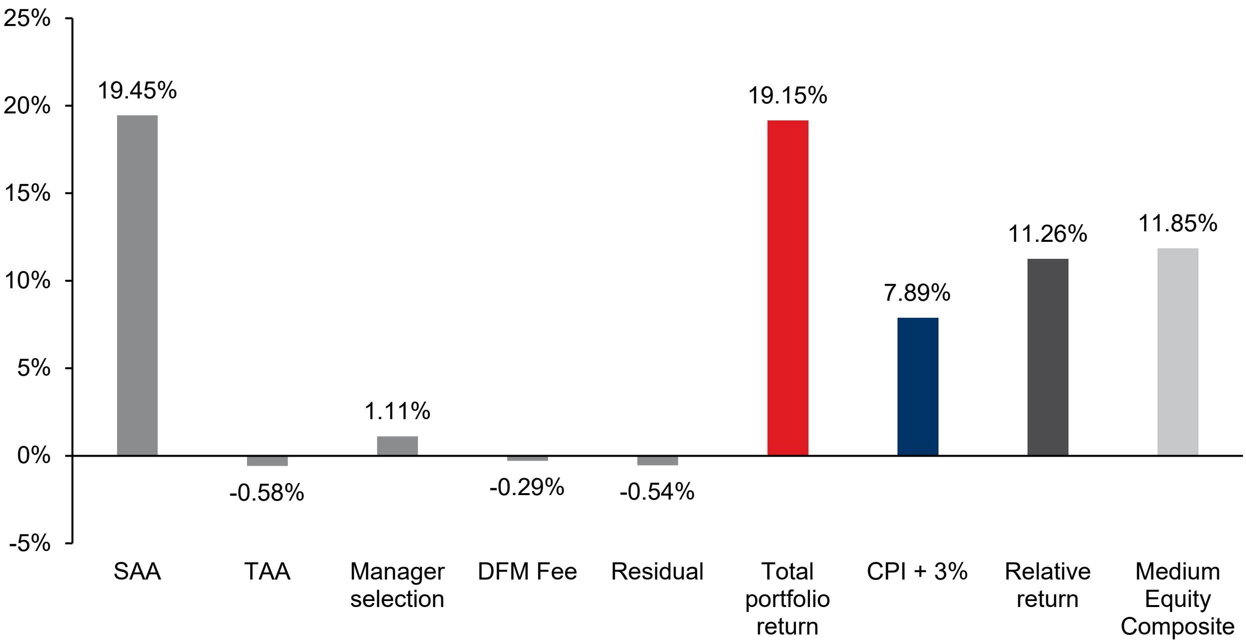
Figure 3.5: Rolling 4-year drawdown ann. relative to goal: 10 years to 30 September 2021*



- Even though the portfolio recently underperformed its benchmark over rolling 4 years, and recently greater than the peer group, it managed to outperform CPI+3% more consistently than the peer group.

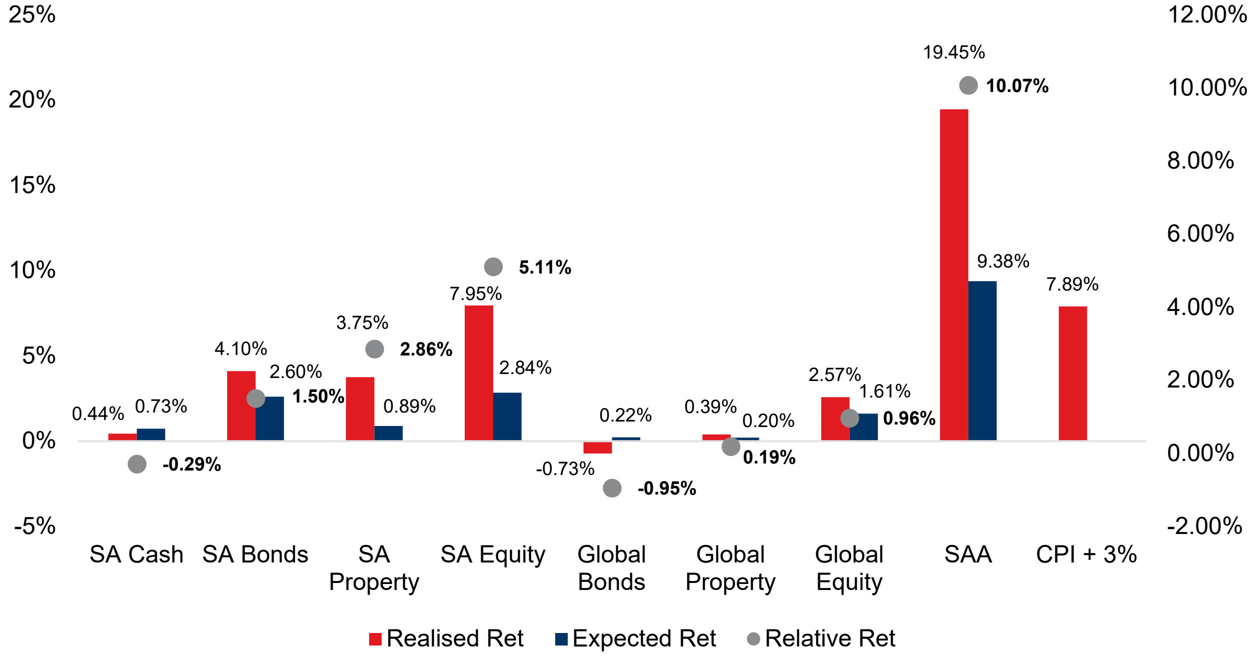
3.3.3. Performance attribution

Figure 3.6: Total return attribution: 12 months to 30 September 2021



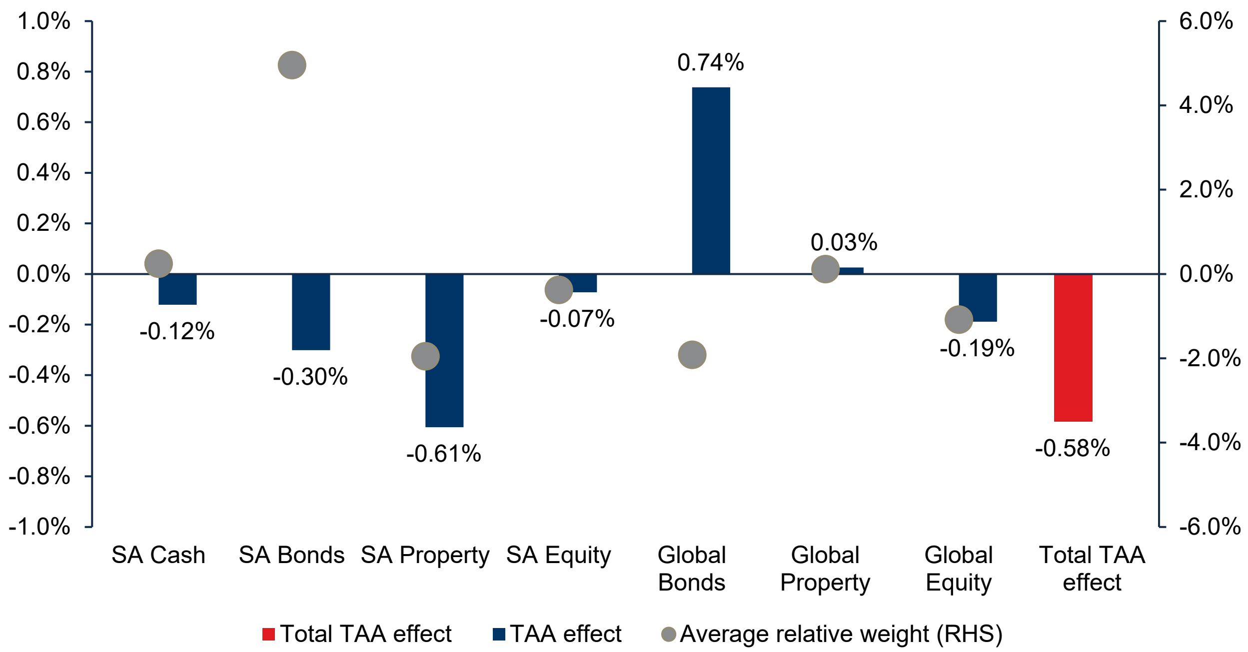
- SAA and manager selection contributed to performance while tactical asset allocation detracted from performance over the 12 months ending 30 September 2021.

Figure 3.7: Strategic asset allocation effects: 12 months to 30 September 2021



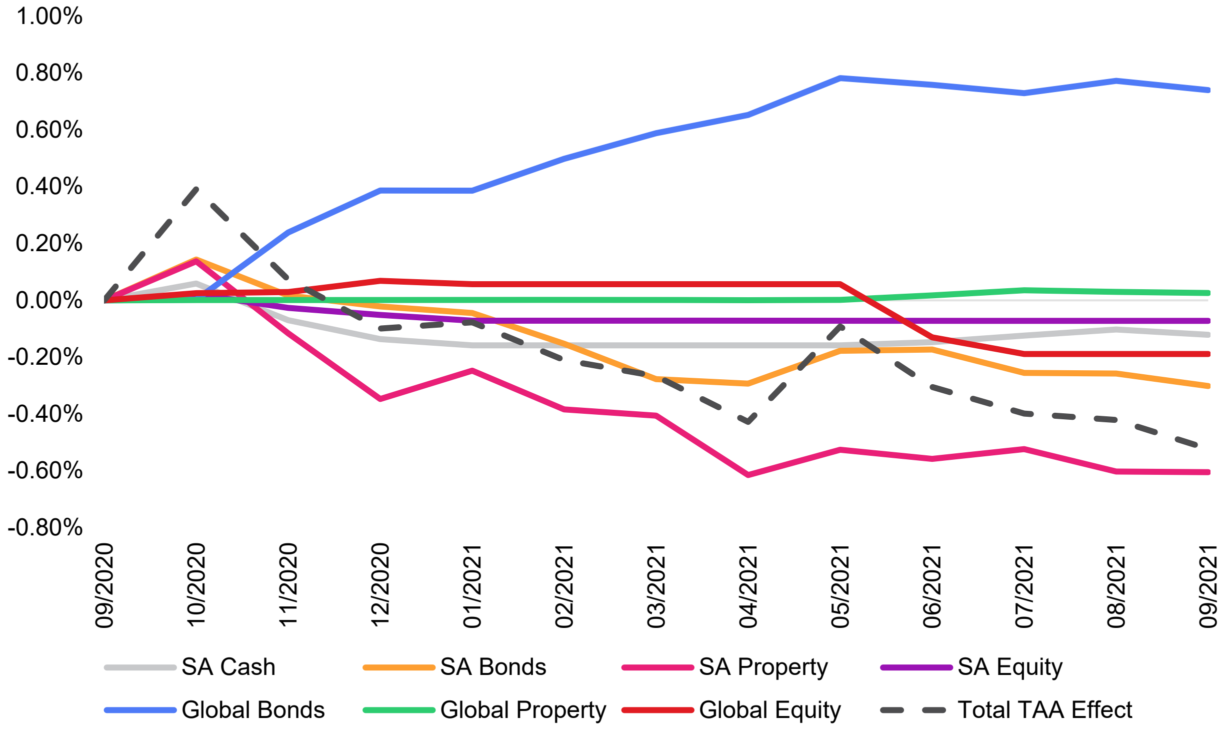
- Given the large absolute returns in asset classes over the last 12 months as the global economy reopened, most asset classes outperformed our long-term assumptions, resulting in the SAA returns being well ahead of expectations and the CPI + 3% benchmark.

Figure 3.8: Tactical asset allocation effects: 12 months to 30 September 2021



- Our underweight position in SA Property and overweight position in SA Bonds were the largest detractors over the period from a tactical asset allocation perspective. This was partly offset by our underweight position in Global Bonds.

Figure 3.9: Cumulative tactical asset allocation effects: 12 months to 30 September 2021



- The underweight position in Global Bonds contributed consistently over the last 12 months as global bond yields rose in line with inflation expectations and the rand strengthened as the global economy reopened. SA Property on the other hand detracted from performance given the strong recovery, driven by the cyclical recovery narrative, post October 2020. Similarly, given the strong performance of growth assets post October 2020, the overweight positions in SA Bonds and SA Cash detracted from performance, despite double-digit absolute returns from SA Bonds.

Figure 3.10: Manager selection effects: 12 months to 30 September 2021

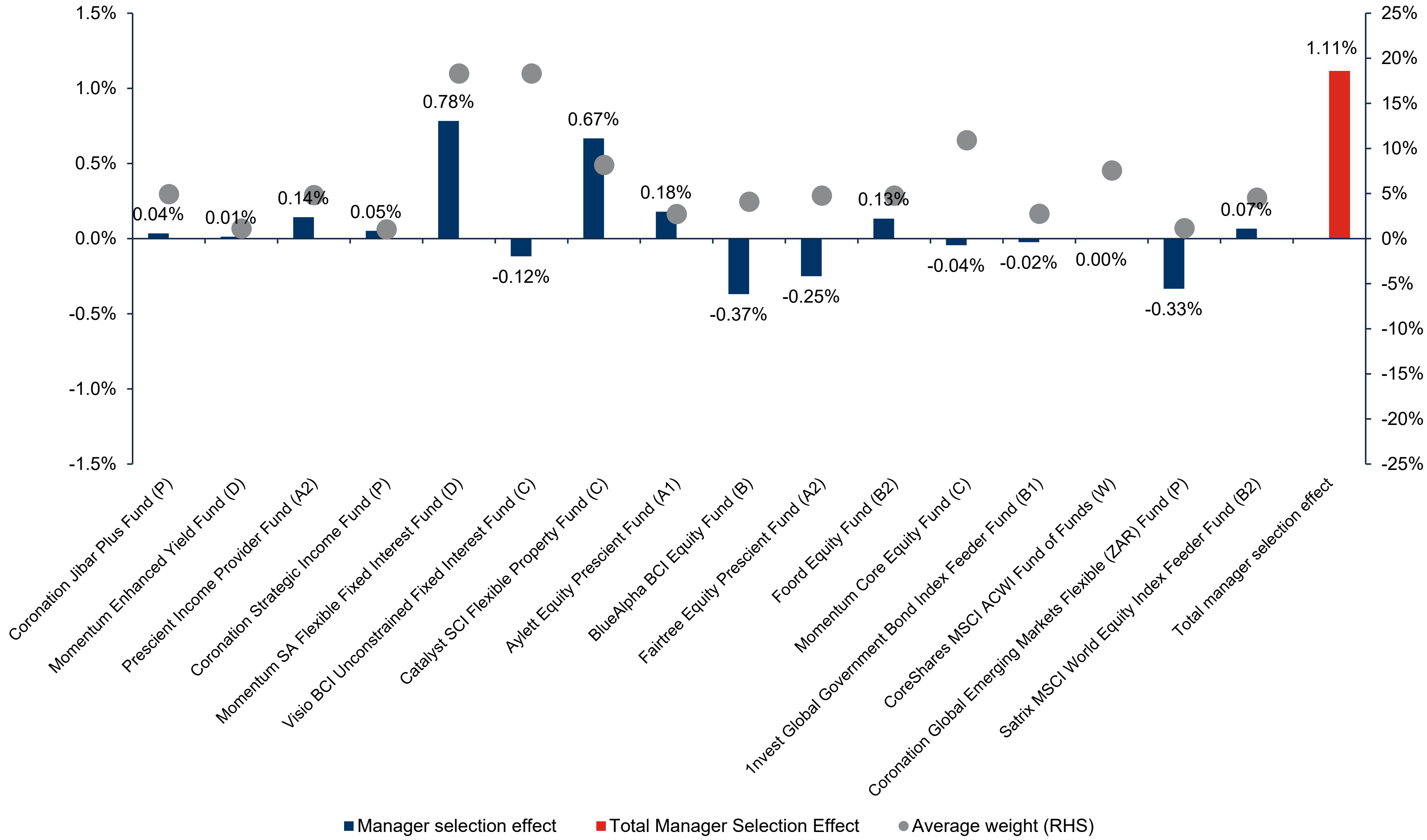
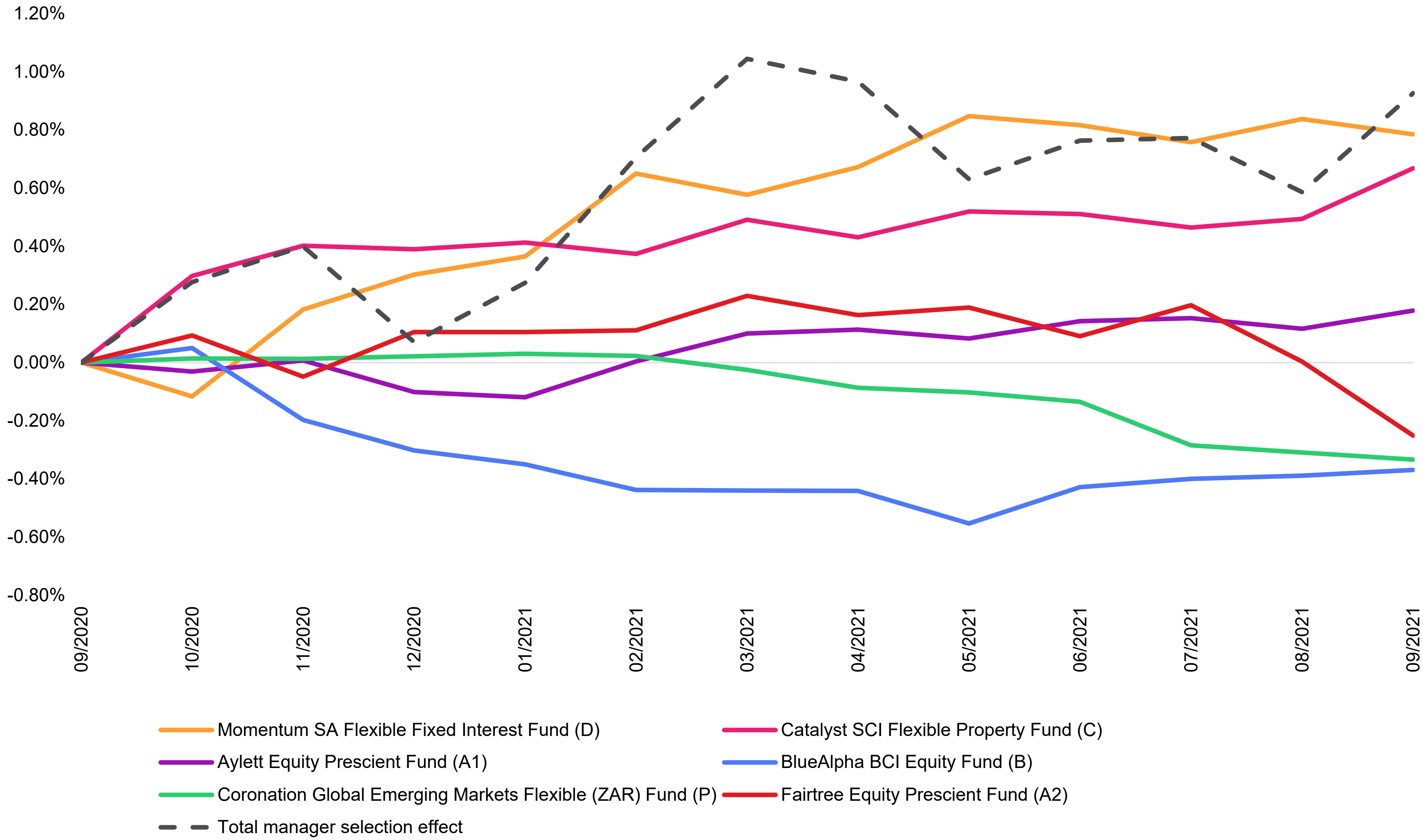


Figure 3.11: Cumulative manager selection effects: 12 months to 30 September 2021



3.4. MIC Moderate Portfolio

Investment goal: **CPI + 4%**
Time horizon: **5-years**

3.4.1. Returns

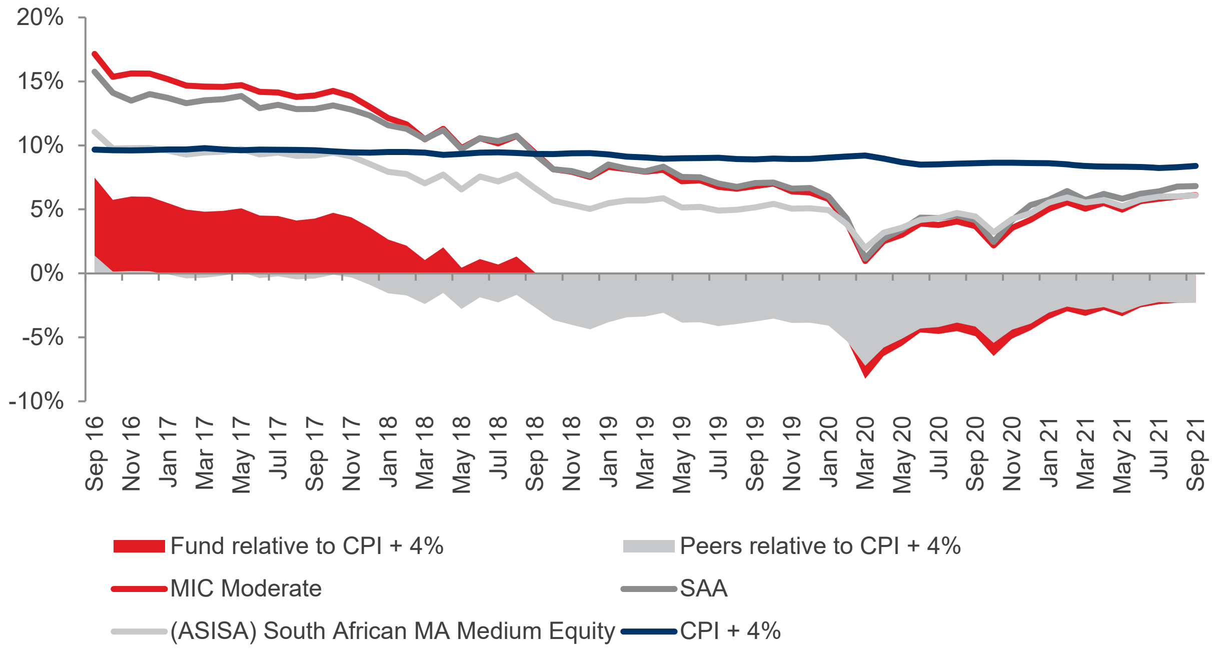
Figure 4.1: Trailing returns as at 30 September 2021*:

	3m	6m	1y	3y (ann.)	5y (ann.)	7y (ann.)	SI* (ann.)	Mths SI*
MIC Moderate	**2.9%**	**6.5%**	**22.4%**	**7.3%**	**6.1%**	**7.5%**	**6.8%**	**51**
Benchmark: CPI + 4%	2.7%	5.1%	8.9%	8.1%	8.4%	8.6%	8.2%	
SAA	3.0%	7.4%	24.0%	7.6%	6.8%	7.7%	7.6%	
(ASISA) South African MA Medium Equity	*2.1%*	*4.2%*	*14.9%*	*6.9%*	*6.1%*	*6.2%*	*6.9%*	

**SI. = "Since inception". This is the inception date of the tracker investment. Returns prior to inception are calculated on a back tested basis.*

- The portfolio underperformed its CPI + 4% benchmark by 2.3% over the 5-year period to 30 September 2021. It performed in line with the peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 1.6% over the last 12 months, net of all investment related fees.

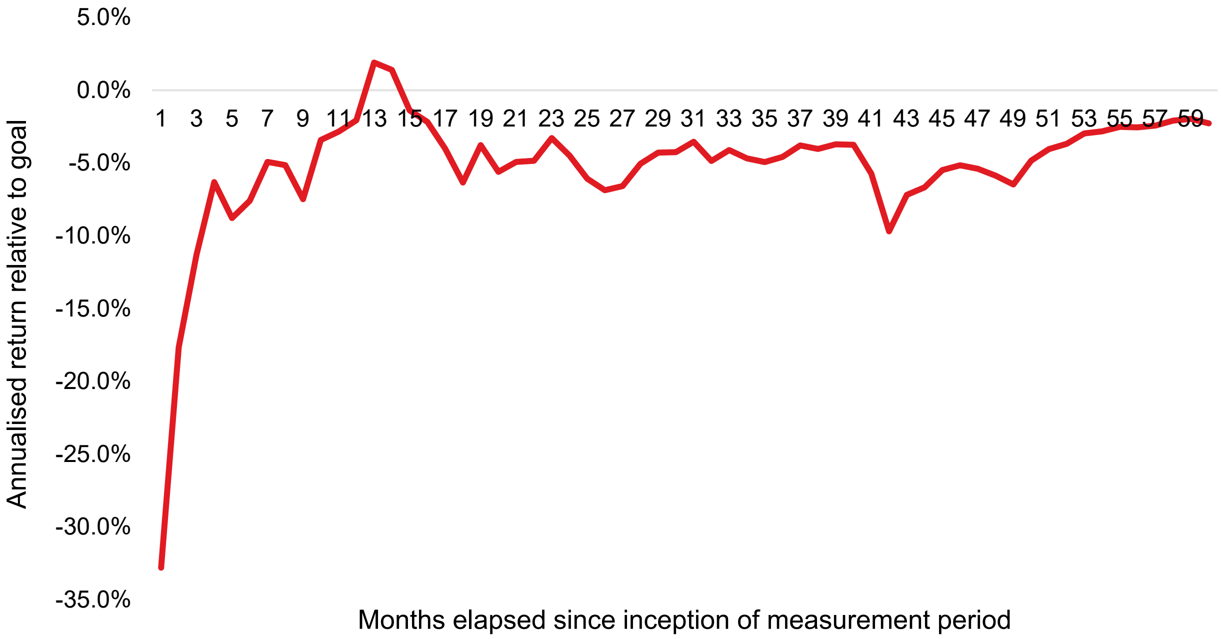
Figure 4.2: Rolling 5-year returns ann.: 10 years to 30 September 2021 *



	MIC Moderate	(ASISA) South African MA Medium Equity
Number of observations	61	
Period outperforming	25	5
Realised probability of outperforming	**41%**	8%
Max outperformance p.a.	**7.5%**	1.4%
Max underperformance p.a.	**-8.2%**	-7.2%

- Over the last 10 years, the portfolio outperformed its benchmark on 41% of the total rolling 5-year periods. This compares favourably with the peer group which only managed to outperform on 8% of the rolling 5-year periods.

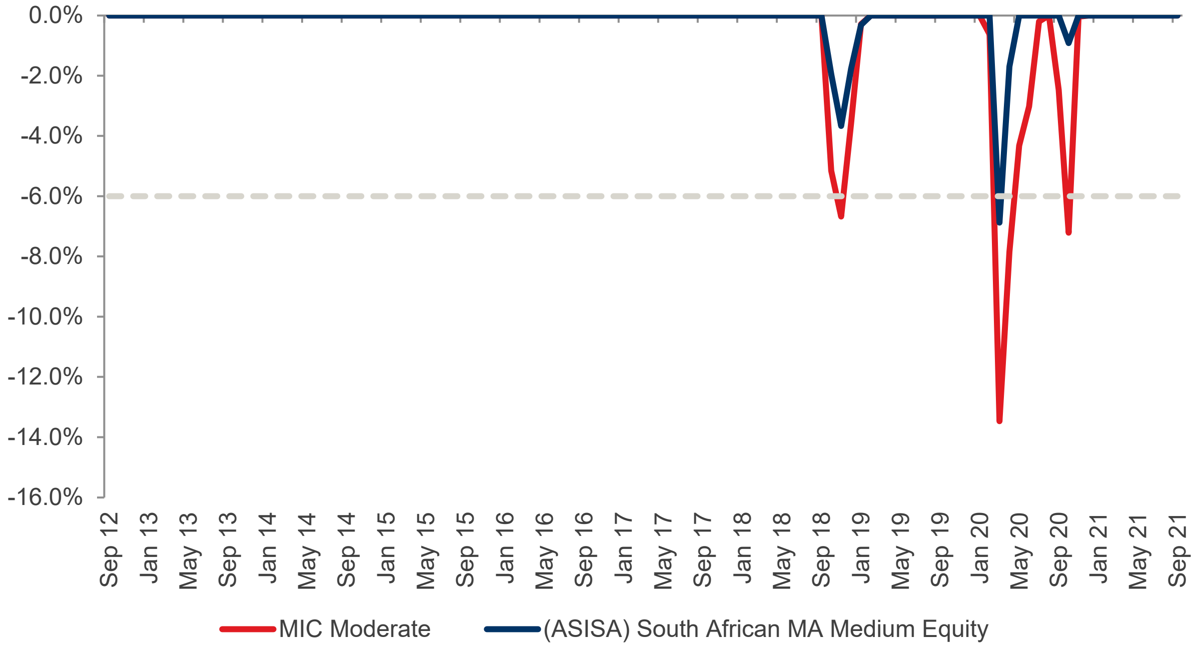
Figure 4.3: Portfolio performance relative to goal*



- Over the measurement period up to 30 September 2021 the portfolio's annualised returns relative to its goal were mostly below its target due to weak returns from the growth asset classes. Subsequent to the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark.

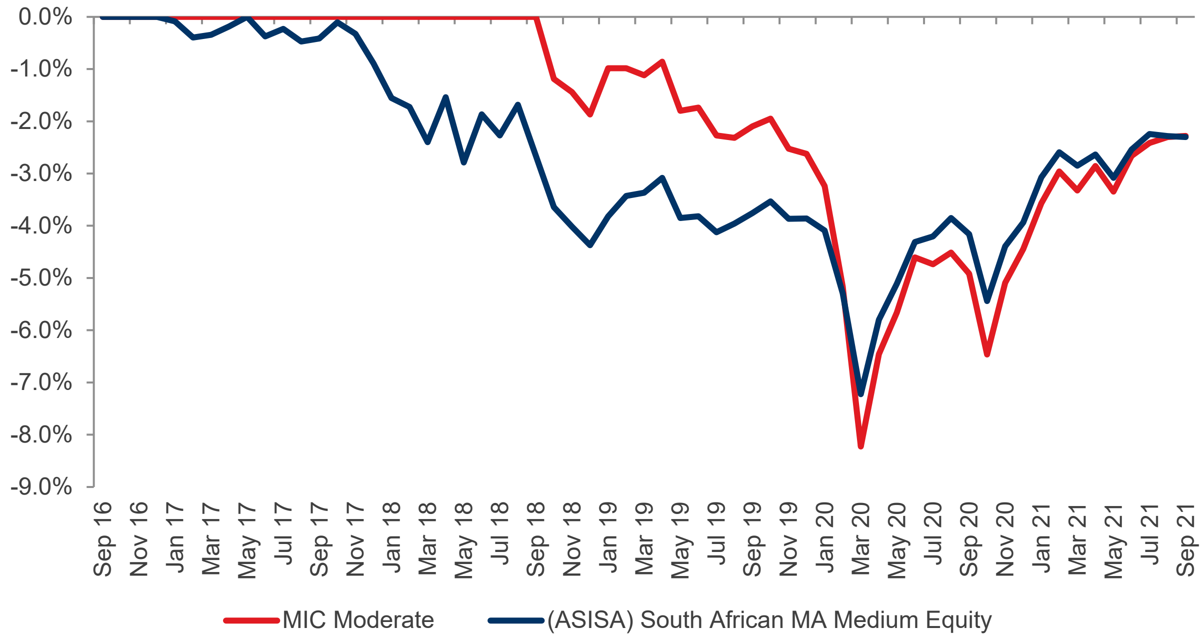
3.4.2. Risk

Figure 4.4: Rolling 1-year absolute drawdown: 10 years to 30 September 2021*



- The portfolio breached the acceptable drawdown level of 6% three times. This was before the implementation of explicit drawdown limits. However, given the severity of drawdowns in markets during the COVID-19 crisis, it is likely that these limits would have, in any event, been breached.

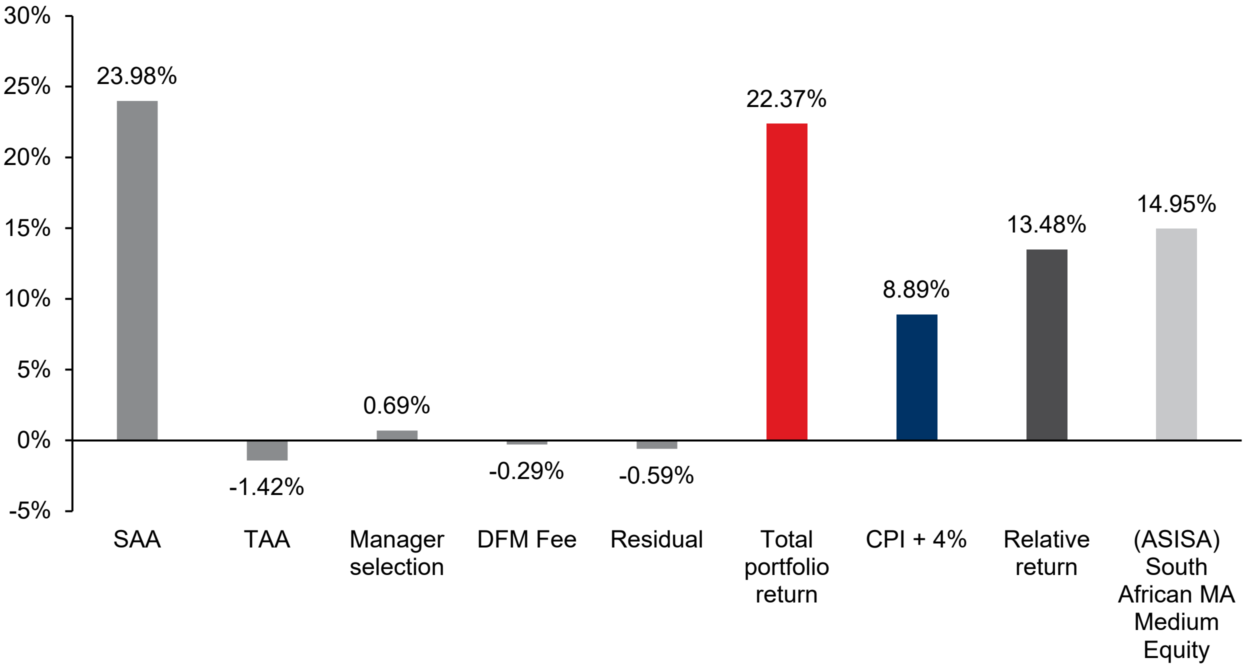
Figure 4.5: Rolling 5-year drawdown ann. relative to goal: 10 years to 30 September 2021*



- Even though the portfolio recently underperformed its benchmark over rolling 5 years, and recently greater than the peer group, it managed to outperform CPI+4% more consistently than the peer group.

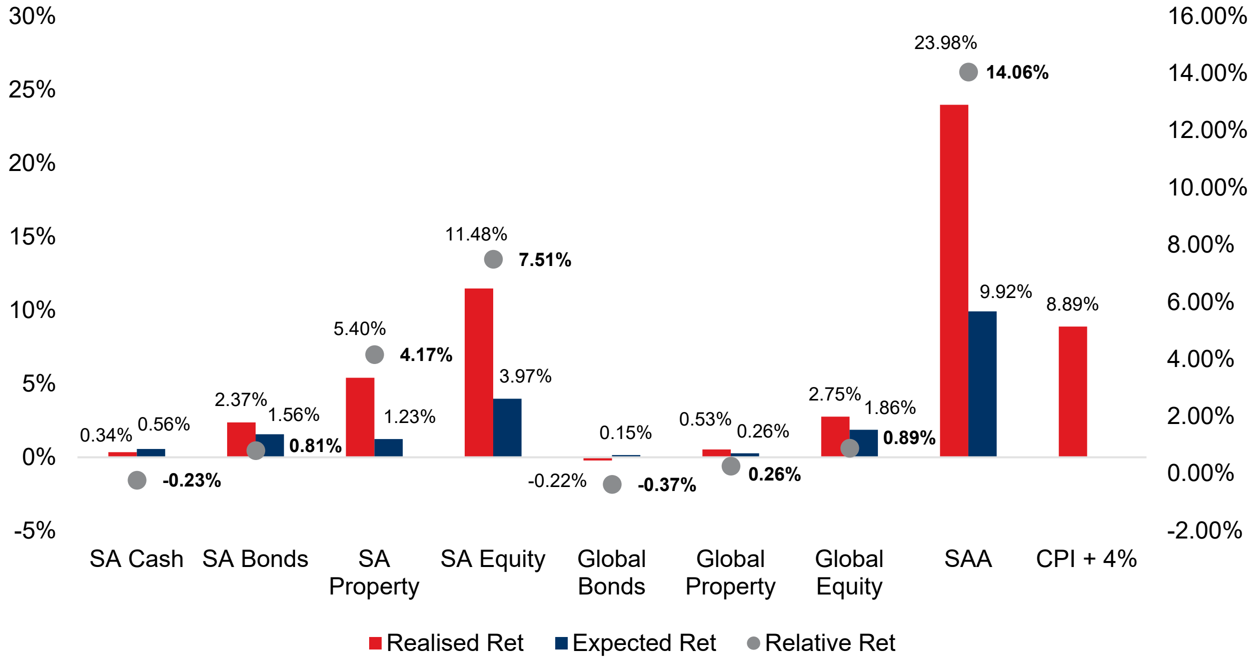
3.4.3. Performance attribution

Figure 4.6: Total return attribution: 12 months to 30 September 2021



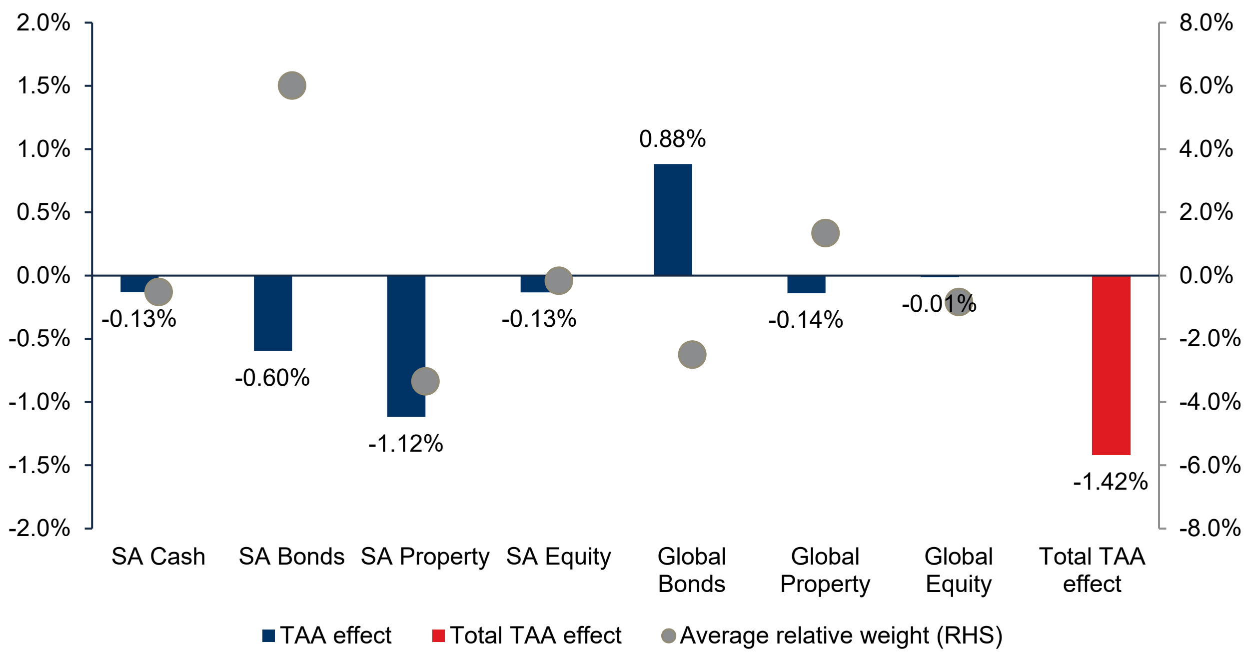
- SAA and manager selection contributed to performance while tactical asset allocation detracted from performance over the 12 months ending 30 September 2021.

Figure 4.7: Strategic asset allocation effects: 12 months to 30 September 2021



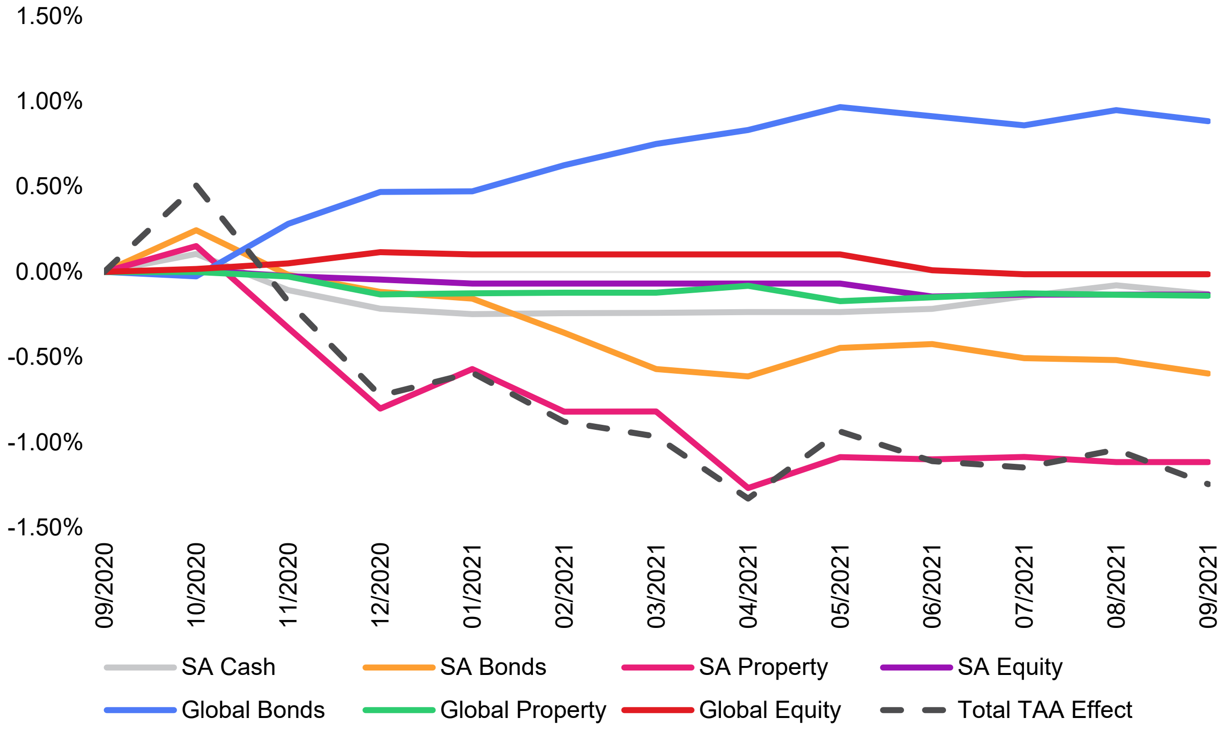
- Given the large absolute returns in asset classes over the last 12 months as the global economy reopened, most asset classes outperformed our long-term assumptions, resulting in the SAA returns being well ahead of expectations and the CPI + 4% benchmark.

Figure 4.8: Tactical asset allocation effects: 12 months to 30 September 2021



- Our underweight position in SA Property and overweight position in SA Bonds were the largest detractors over the period from a tactical asset allocation perspective. This was partly offset by our underweight position in Global Bonds.

Figure 4.9: Cumulative tactical asset allocation effects: 12 months to 30 September 2021



- The underweight position in Global Bonds contributed consistently over the last 12 months as global bond yields rose in line with inflation expectations and the rand strengthened as the global economy reopened. SA Property on the other hand detracted from performance given the strong recovery, driven by the cyclical recovery narrative, post October 2020. Similarly, given the strong performance of growth assets post October 2020, the overweight positions in SA Bonds and SA Cash detracted from performance, despite double-digit absolute returns from SA Bonds.

Figure 4.10: Manager selection effects: 12 months to 30 September 2021

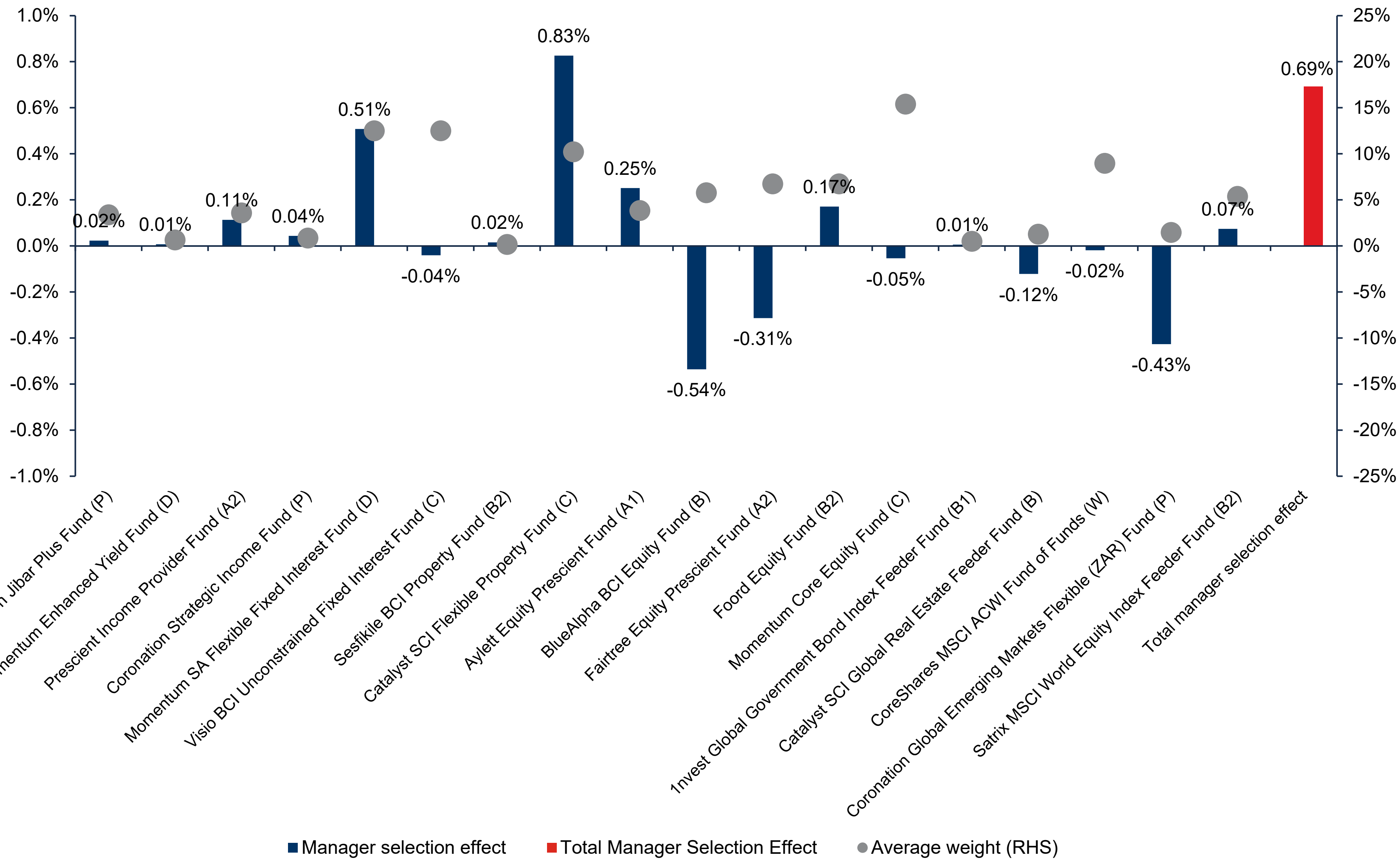
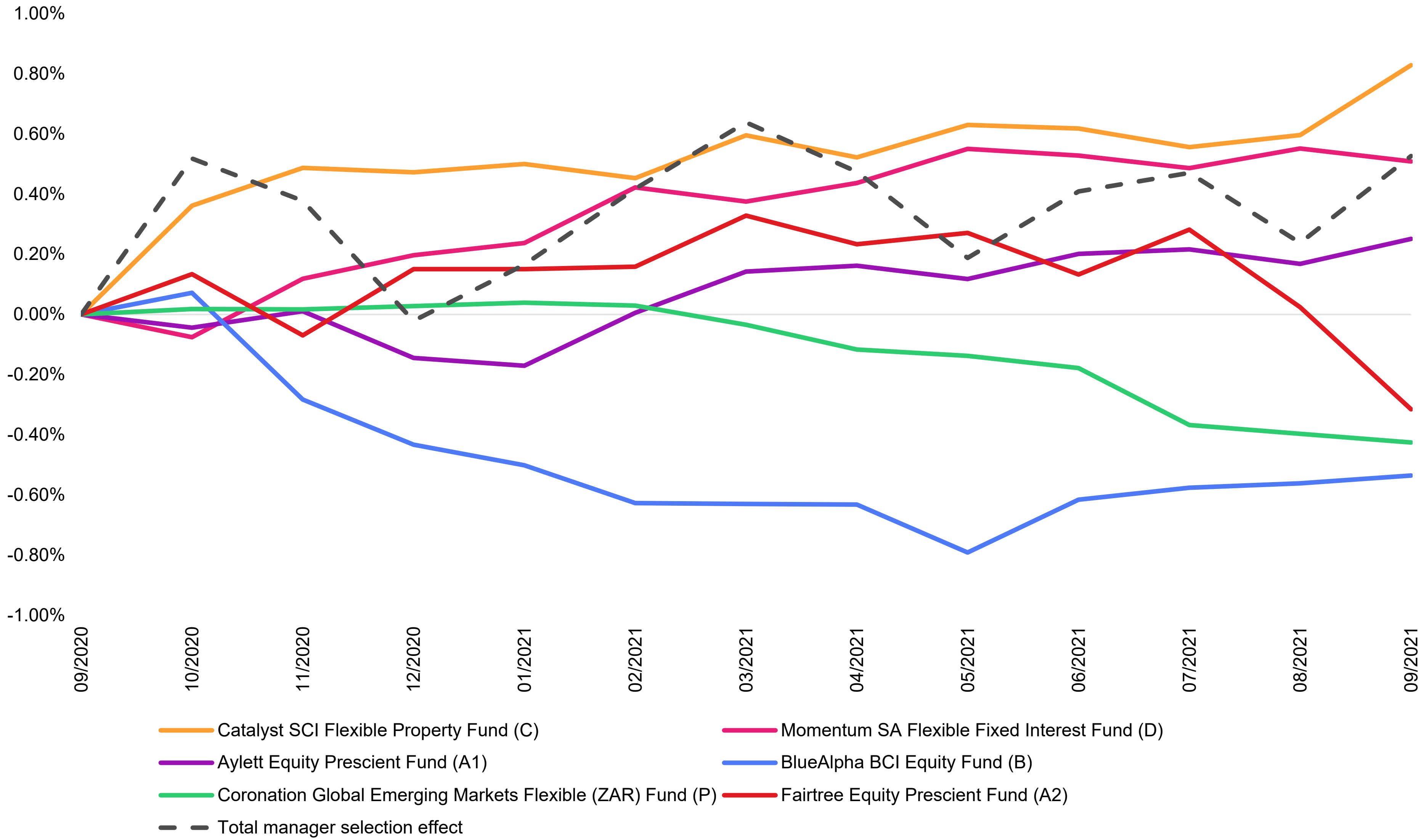


Figure 4.11: Cumulative manager selection effects: 12 months to 30 September 2021



3.5. MIC Balanced Portfolio

Investment goal: **CPI + 5%**
Time horizon: **6-years**

3.5.1. Returns

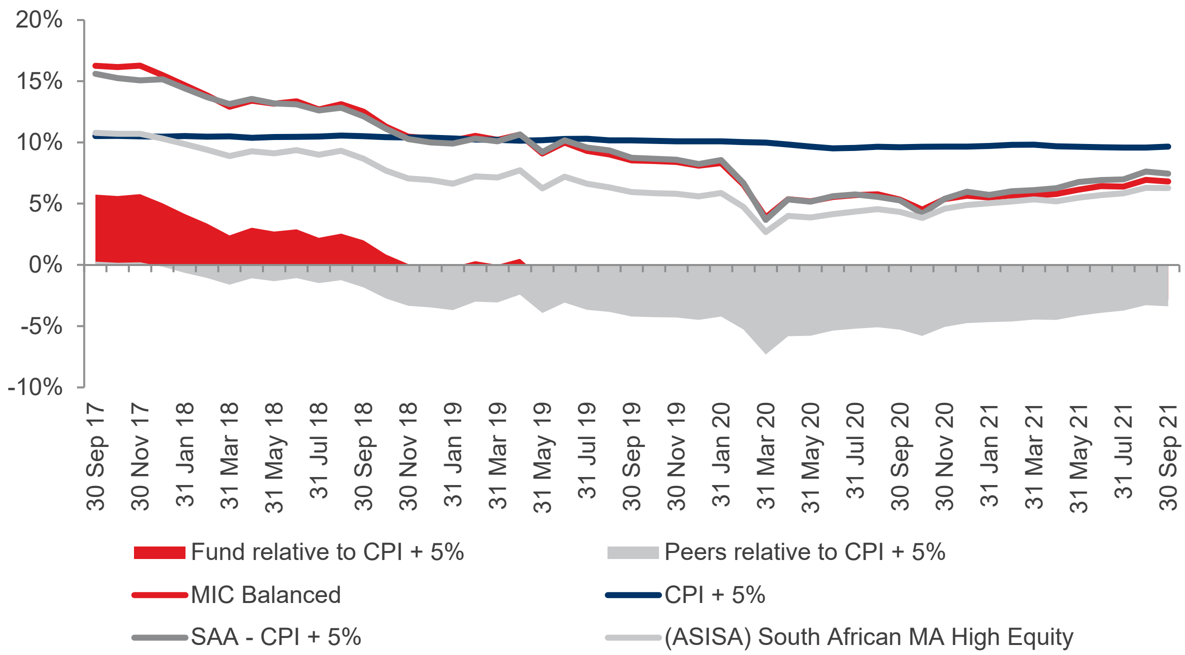
Figure 5.1: Trailing returns as at 30 September 2021*:

	3m	6m	1y	2y (ann.)	4y (ann.)	6y (ann.)	SI* (ann.)	Mths SI*
MIC Balanced	3.2%	6.6%	23.7%	10.3%	6.3%	6.8%	7.3%	51
Benchmark: CPI + 5%	2.9%	5.6%	9.9%	9.0%	9.3%	9.6%	9.2%	
SAA	3.3%	7.2%	25.8%	10.0%	6.7%	7.4%	7.8%	
(ASISA) South African MA High Equity	*2.5%*	*4.4%*	*18.7%*	*10.0%*	*6.2%*	*6.3%*	*7.1%*	

**SI. = "Since inception". This is the inception date of the tracker investment. Returns prior to inception are calculated on a back tested basis.*

- The portfolio underperformed its CPI + 5% benchmark by 2.8% over the 6-year period to 30 September 2021. It outperformed the peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 2.1% over the last 12 months, net of all investment related fees.

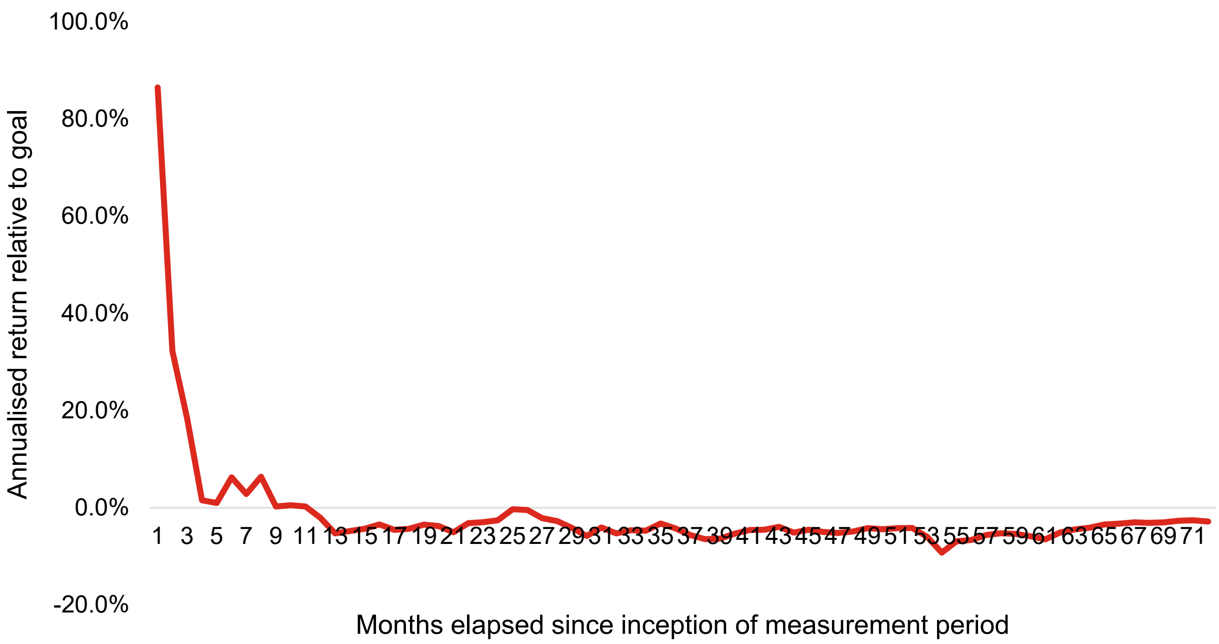
Figure 5.2: Rolling 6-year returns ann.: 10 years to 30 September 2021 *



	MIC Balanced	(ASISA) South African MA High Equity
Number of observations	49	
Period outperforming	18	3
Realised probability of outperforming	37%	6%
Max outperformance p.a.	5.8%	0.3%
Max underperformance p.a.	-6.1%	-7.3%

- Over the last 10 years, the portfolio outperformed its benchmark on 37% 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.

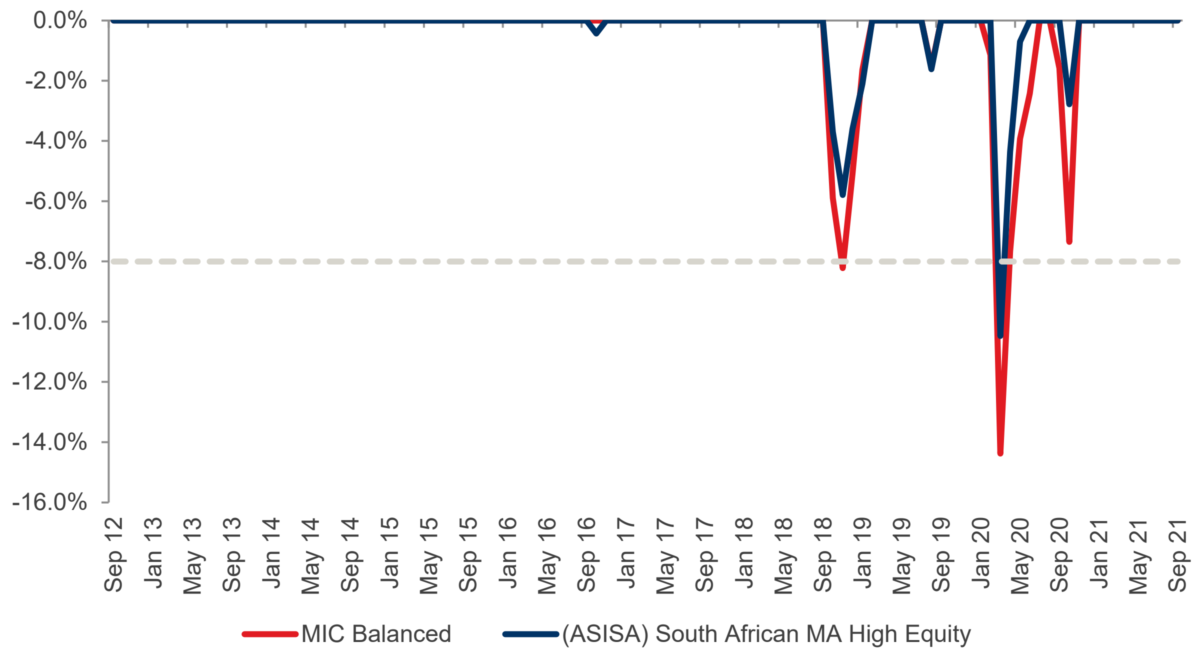
Figure 5.3: Portfolio performance relative to goal*



- Over the measurement period up to 30 September 2021 the portfolio's annualised returns relative to its goal were mostly below its target due to weak returns from the growth asset classes. Subsequent to the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark.

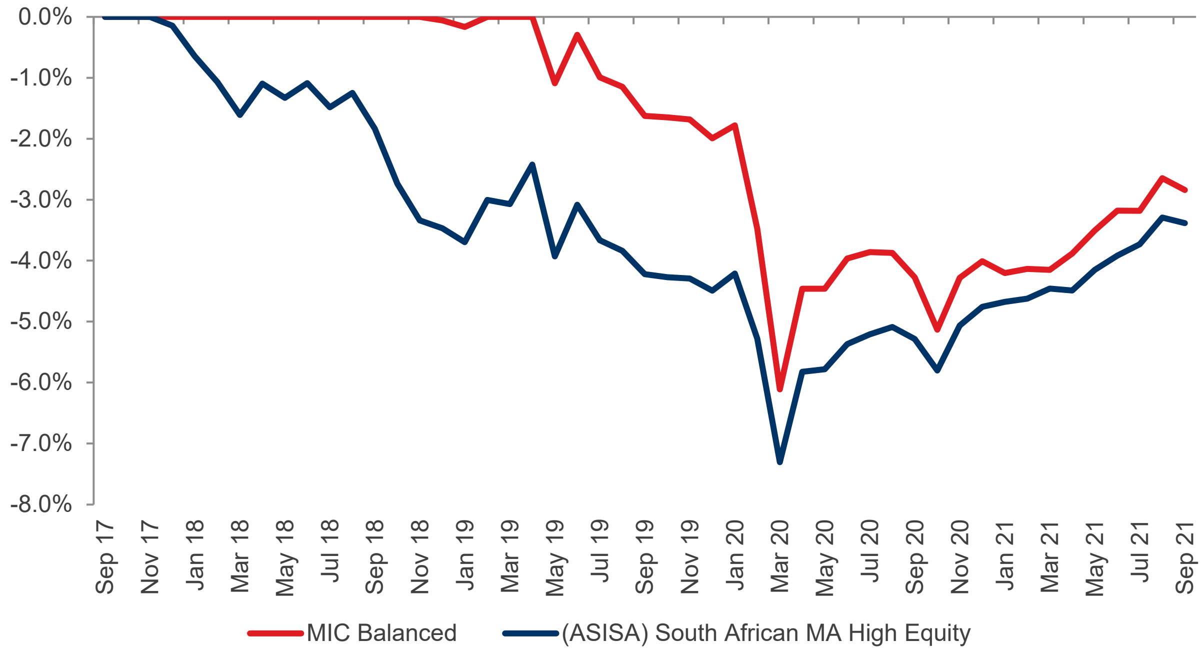
3.5.2. Risk

Figure 5.4: Rolling 1-year absolute drawdown: 10 years to 30 September 2021*



- The portfolio breached the acceptable drawdown level of 8% twice. This was before the implementation of explicit drawdown limits. However, given the severity of drawdowns in markets during the COVID-19 crisis, it is likely that these limits would have, in any event, been breached.

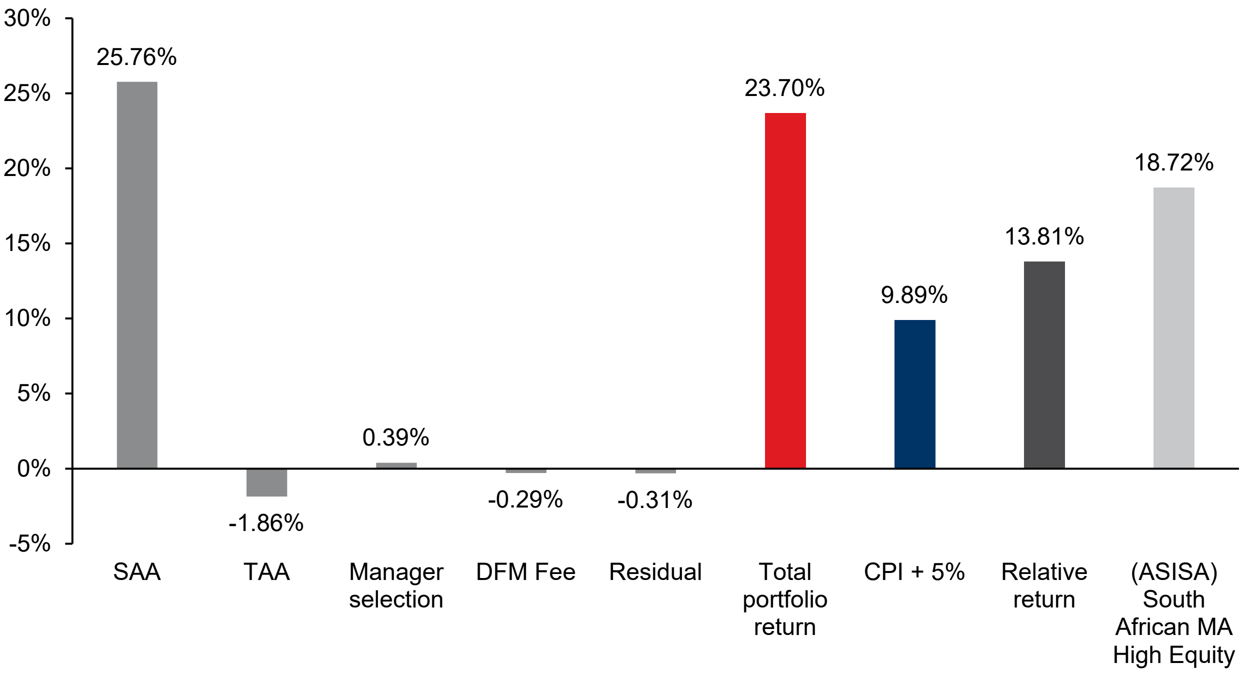
Figure 5.5: Rolling 6-year drawdown ann. relative to goal: 10 years to 30 September 2021*



- Even though the portfolio recently underperformed its benchmark over rolling 6 years, it was to a lesser extent than the peer group. The portfolio also managed to outperform CPI+5% more consistently than the peer group.

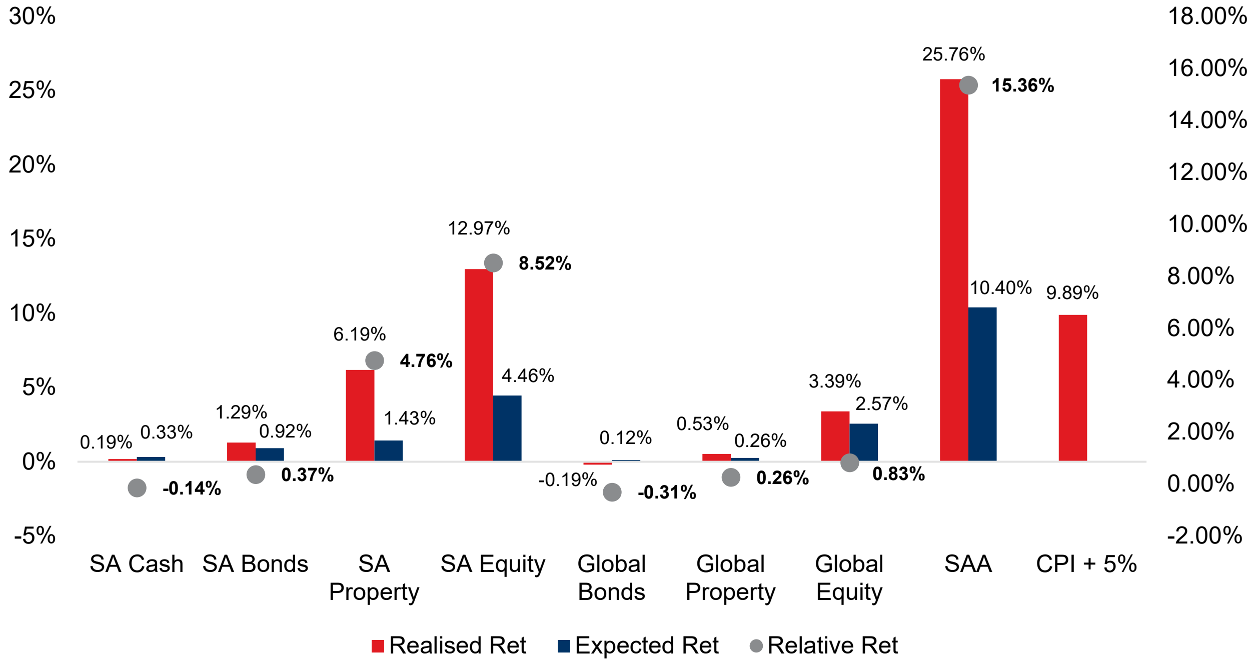
3.5.3. Performance attribution

Figure 5.6: Total return attribution: 12 months to 30 September 2021



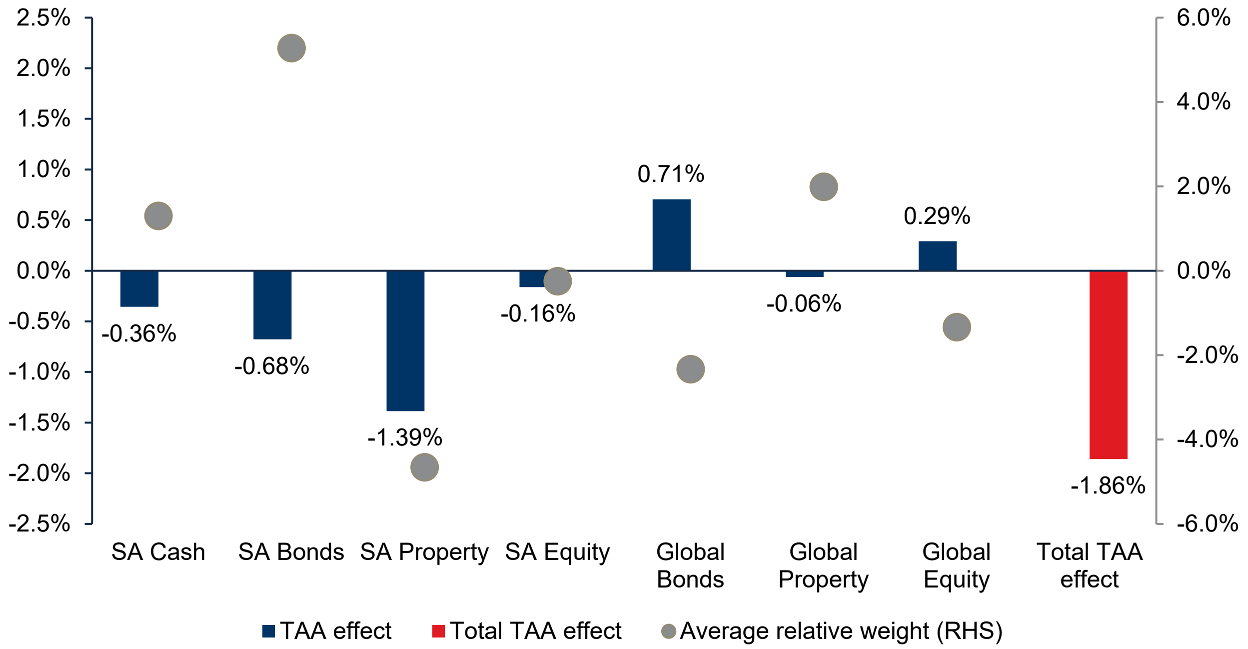
- SAA and manager selection contributed to performance while tactical asset allocation detracted from performance over the 12 months ending 30 September 2021.

Figure 5.7: Strategic asset allocation effects: 12 months to 30 September 2021



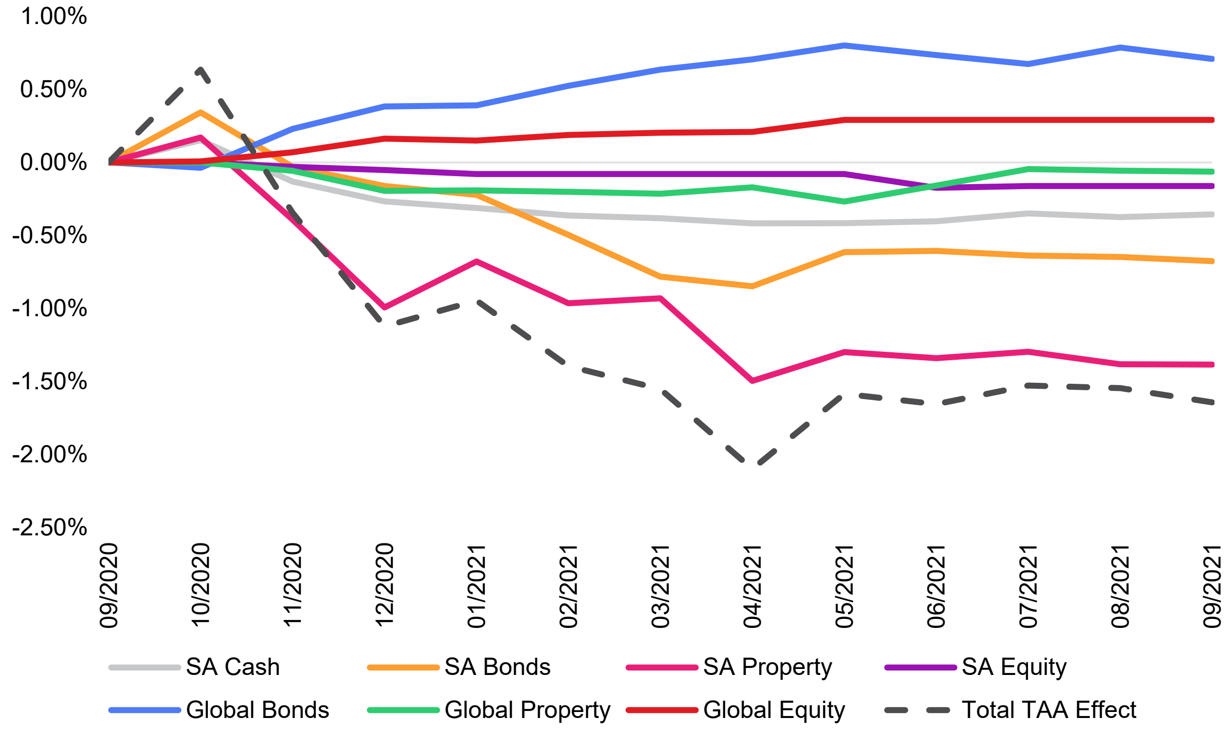
- Given the large absolute returns in asset classes over the last 12 months as the global economy reopened, most asset classes outperformed our long-term assumptions, resulting in the SAA returns being well ahead of expectations and the CPI + 5% benchmark.

Figure 5.8: Tactical asset allocation effects: 12 months to 30 September 2021



- Our underweight position in SA Property and overweight positions in SA Cash and SA Bonds were the largest detractors over the period from a tactical asset allocation perspective. This was partly offset by our underweight position in Global Bonds.

Figure 5.9: Cumulative tactical asset allocation effects: 12 months to 30 September 2021



- The underweight position in Global Bonds contributed consistently over the last 12 months as global bond yields rose in line with inflation expectations and the rand strengthened as the global economy reopened. SA Property on the other hand detracted from performance given the strong recovery, driven by the cyclical recovery narrative, post October 2020. Similarly, given the strong performance of growth assets post October 2020, the overweight positions in SA Bonds and SA Cash detracted from performance, despite double-digit absolute returns from SA Bonds.

Figure 5.10: Manager selection effects: 12 months to 30 September 2021

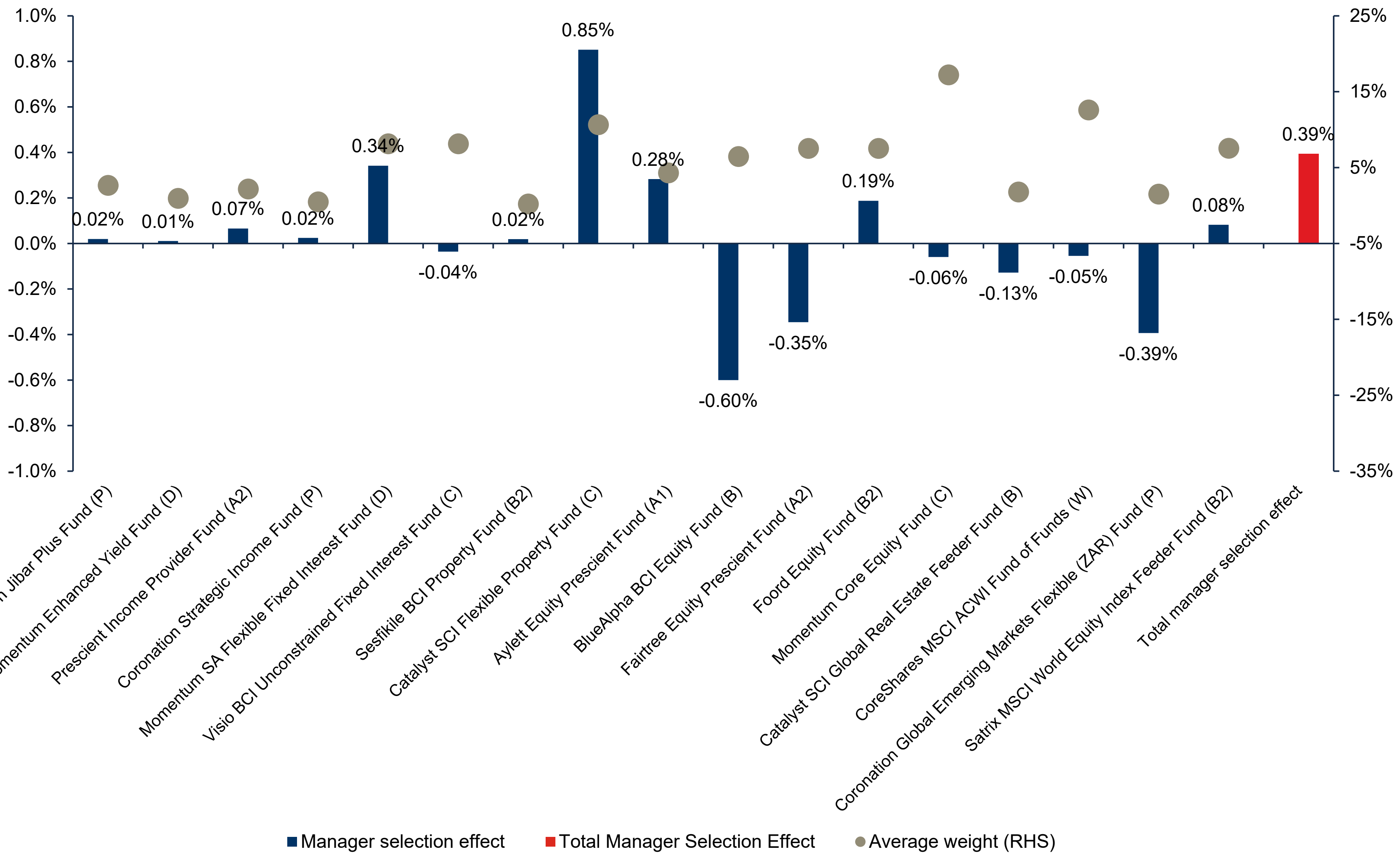
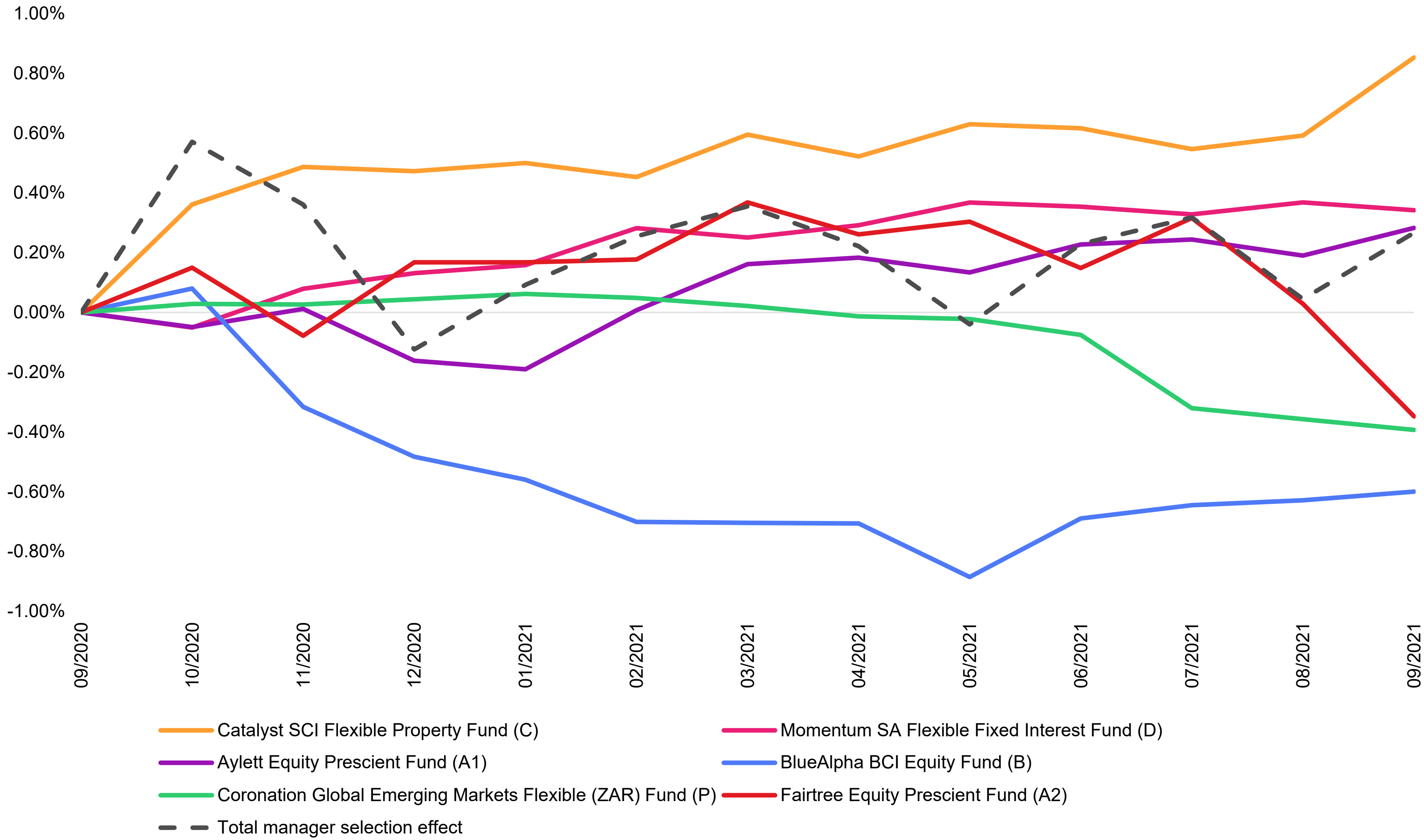


Figure 5.11: Cumulative manager selection effects: 12 months to 30 September 2021



3.6. MIC Growth Portfolio

Investment goal: **CPI + 6%**
Time horizon: **7-years**

3.6.1. Returns

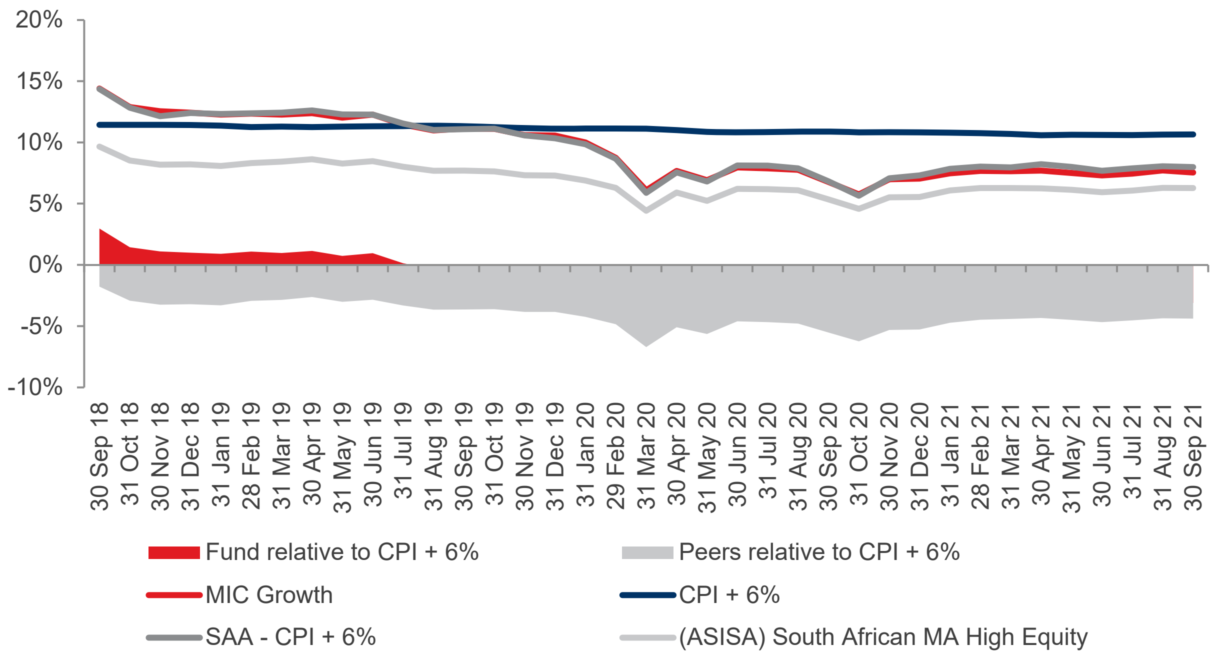
Figure 6.1: Trailing returns as at 30 September 2021*:

	3m	6m	1y	3y (ann.)	5y (ann.)	7y (ann.)	SI* (ann.)	Mths SI*
MIC Growth	**3.1%**	**6.6%**	**24.3%**	**7.3%**	**6.1%**	**7.5%**	**7.0%**	**51**
Benchmark: CPI + 6%	3.1%	6.1%	10.9%	10.1%	10.4%	10.6%	10.2%	
SAA	3.4%	7.4%	26.9%	7.5%	7.0%	8.0%	7.9%	
(ASISA) South African MA High Equity	*2.5%*	*4.4%*	*18.7%*	*7.3%*	*6.2%*	*6.3%*	*7.1%*	

**SI. = "Since inception". This is the inception date of the tracker investment. Returns prior to inception are calculated on a back tested basis.*

- The portfolio underperformed its CPI + 6% benchmark by 3.1% p.a. over the 7-year period to 30 September 2021. It outperformed the peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 2.6% over the last 12 months, net of all investment related fees.

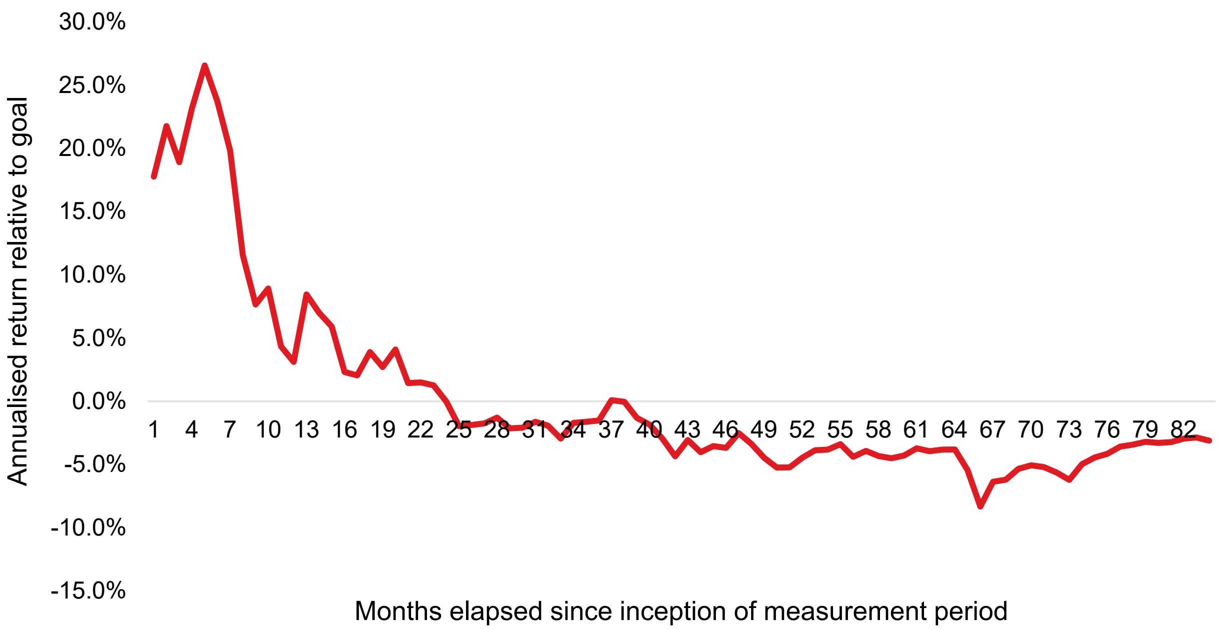
Figure 6.2: Rolling 7-year returns ann.: 10 years to 30 September 2021 *



	MIC Growth	(ASISA) South African MA High Equity
Number of observations	37	
Period outperforming	11	0
Realised probability of outperforming	**30%**	0%
Max outperformance p.a.	**3.0%**	-1.8%
Max underperformance p.a.	**-5.1%**	-6.7%

- Over the last 10-years, the portfolio outperformed its benchmark on 30% of the total rolling 7-year periods. This compares favourably with the peer group which only managed to outperform on 0% of the rolling 7-year periods.

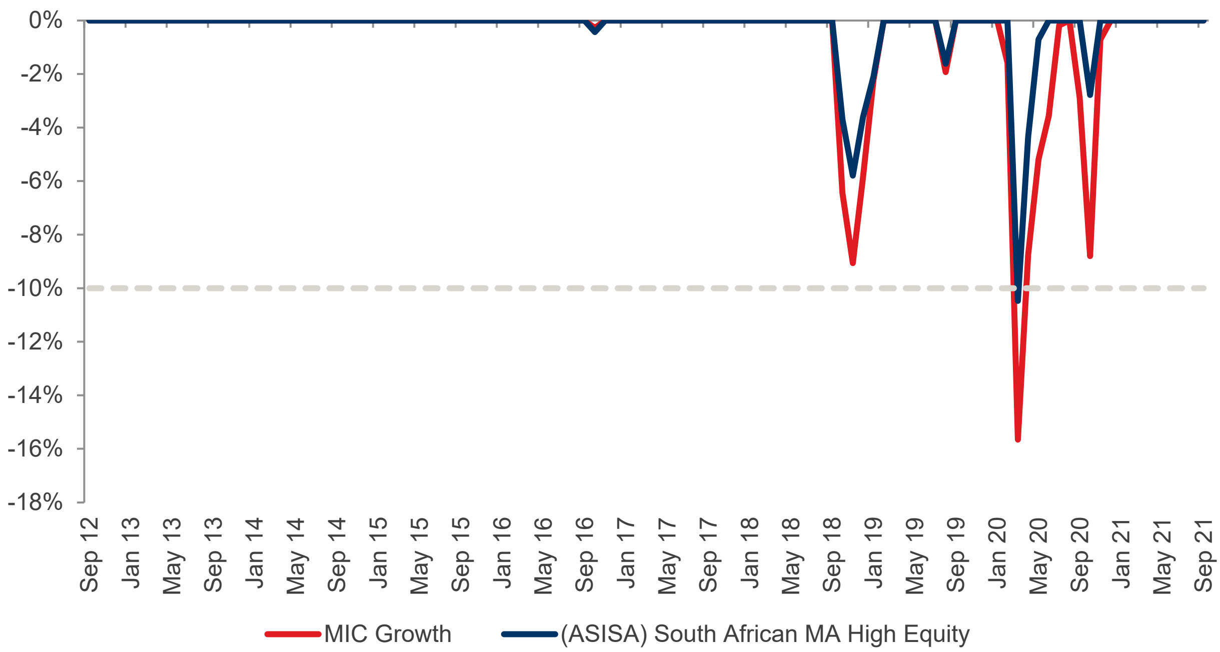
Figure 6.3: Portfolio performance relative to goal*



- Over the measurement period up to 30 September 2021 the portfolio's annualised returns relative to its goal were mostly below its target due to weak returns from the growth asset classes. After the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark.

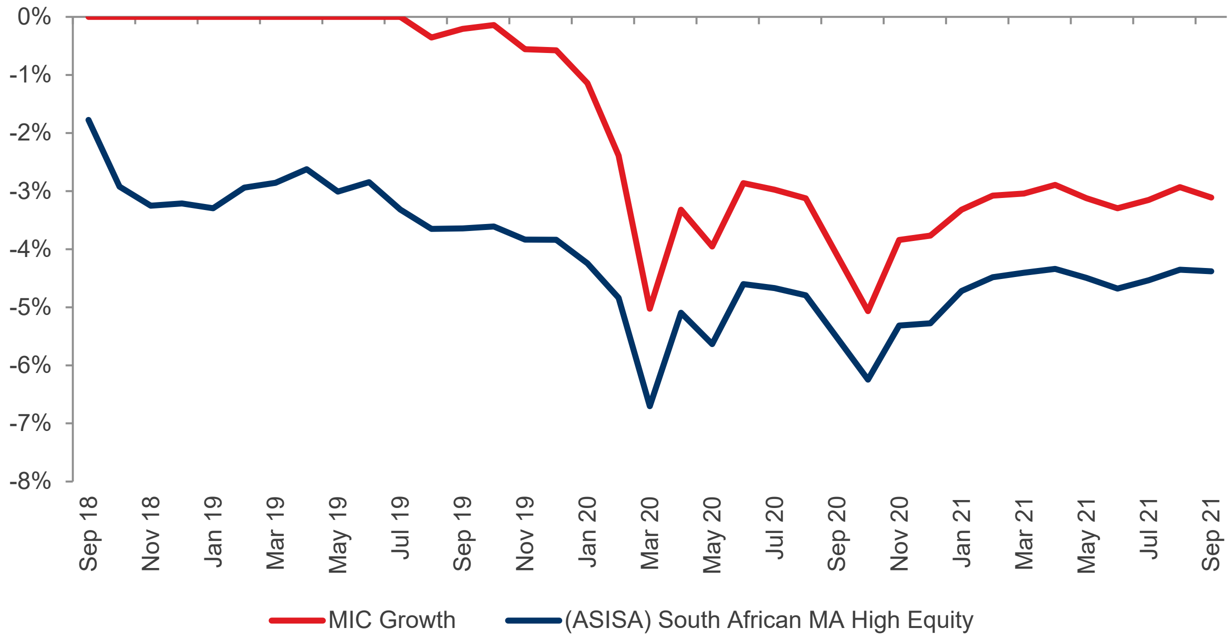
3.6.2. Risk

Figure 6.4: Rolling 1-year absolute drawdown: 10 years to 30 September 2021*



- The portfolio breached the acceptable drawdown level of 10% once. This was before the implementation of explicit drawdown limits. However, given the severity of drawdowns in markets during the COVID-19 crisis, it is likely that these limits would have, in any event, been breached.

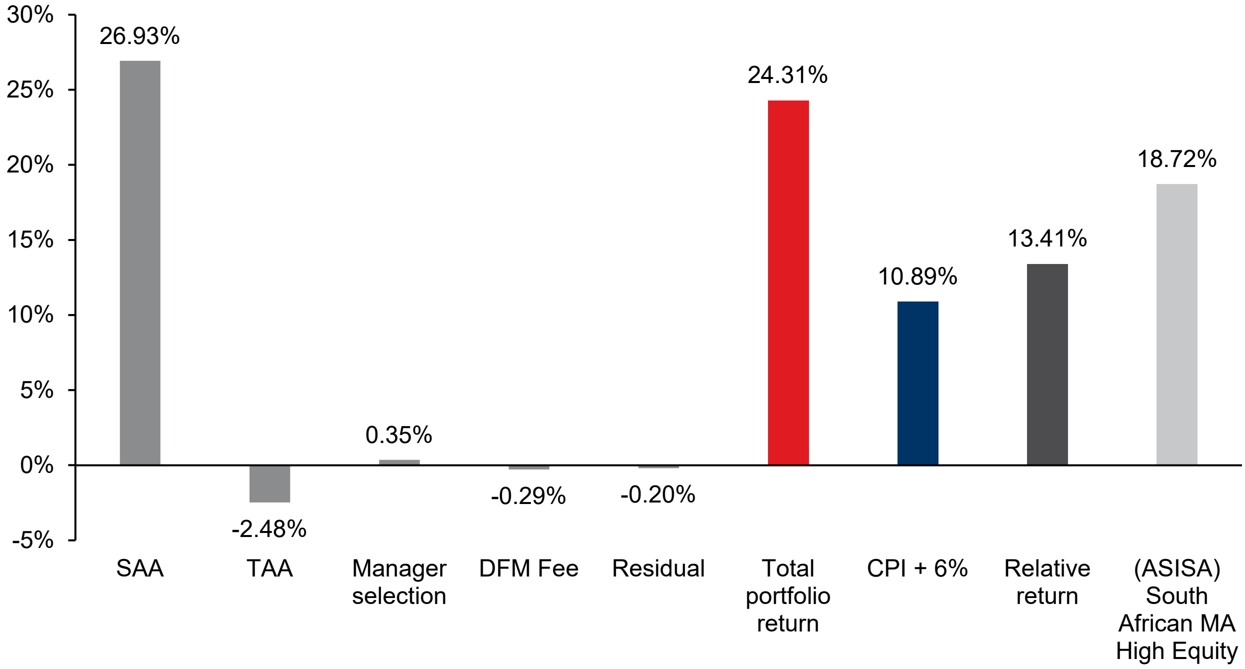
Figure 6.5: Rolling 7-year drawdown ann. relative to goal: 10 years to 30 September 2021*



- Even though the portfolio recently underperformed its benchmark over rolling 7 years, it was to a lesser extent than the peer group. The portfolio also managed to outperform CPI+6% more consistently than the peer group.

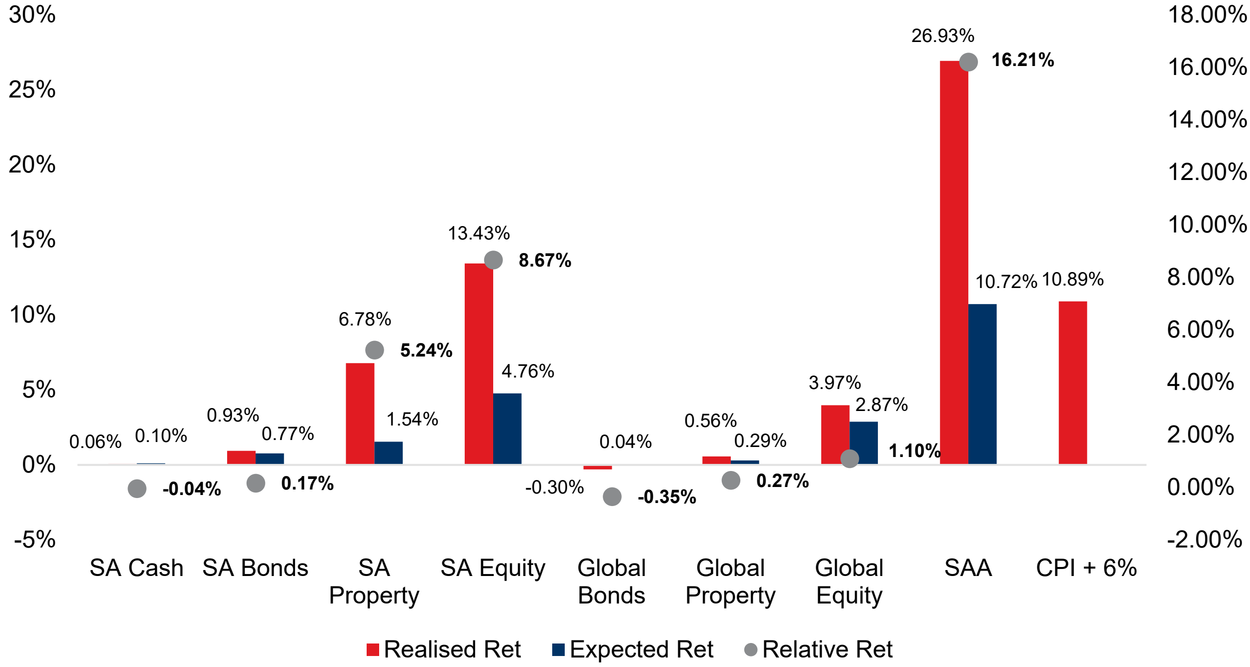
3.6.3. Performance attribution

Figure 6.6: Total return attribution: 12 months to 30 September 2021



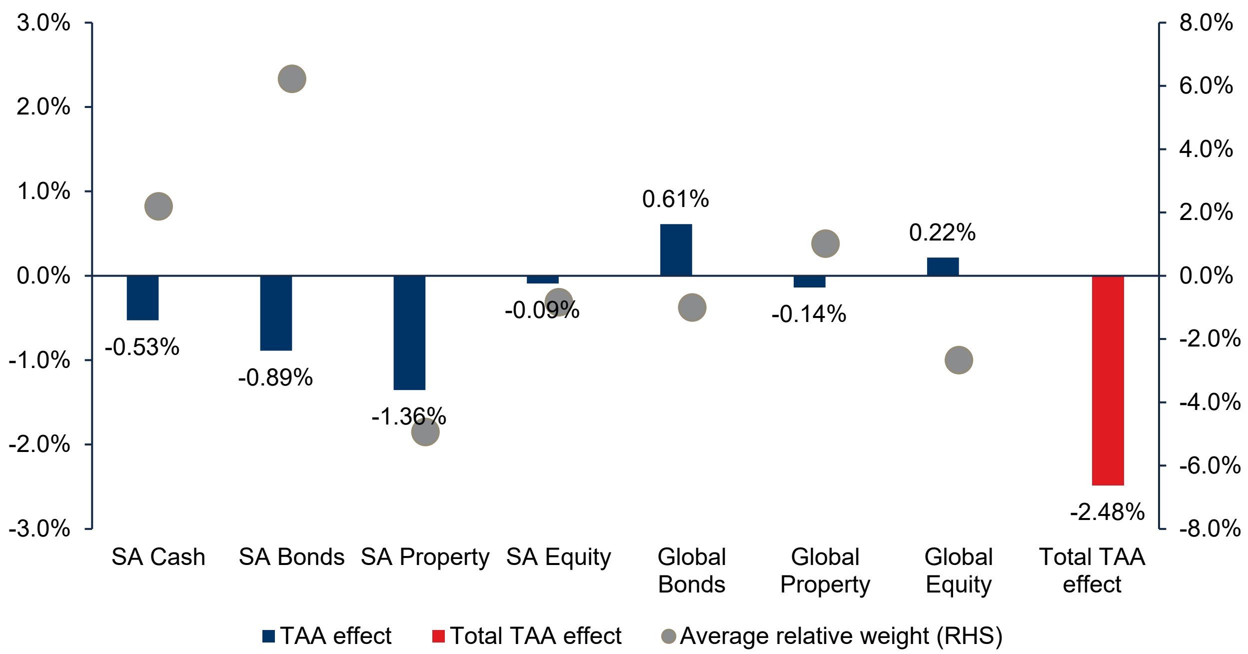
- SAA and manager selection contributed to performance while tactical asset allocation detracted from performance over the 12 months ending 30 September 2021.

Figure 6.7: Strategic asset allocation effects: 12 months to 30 September 2021



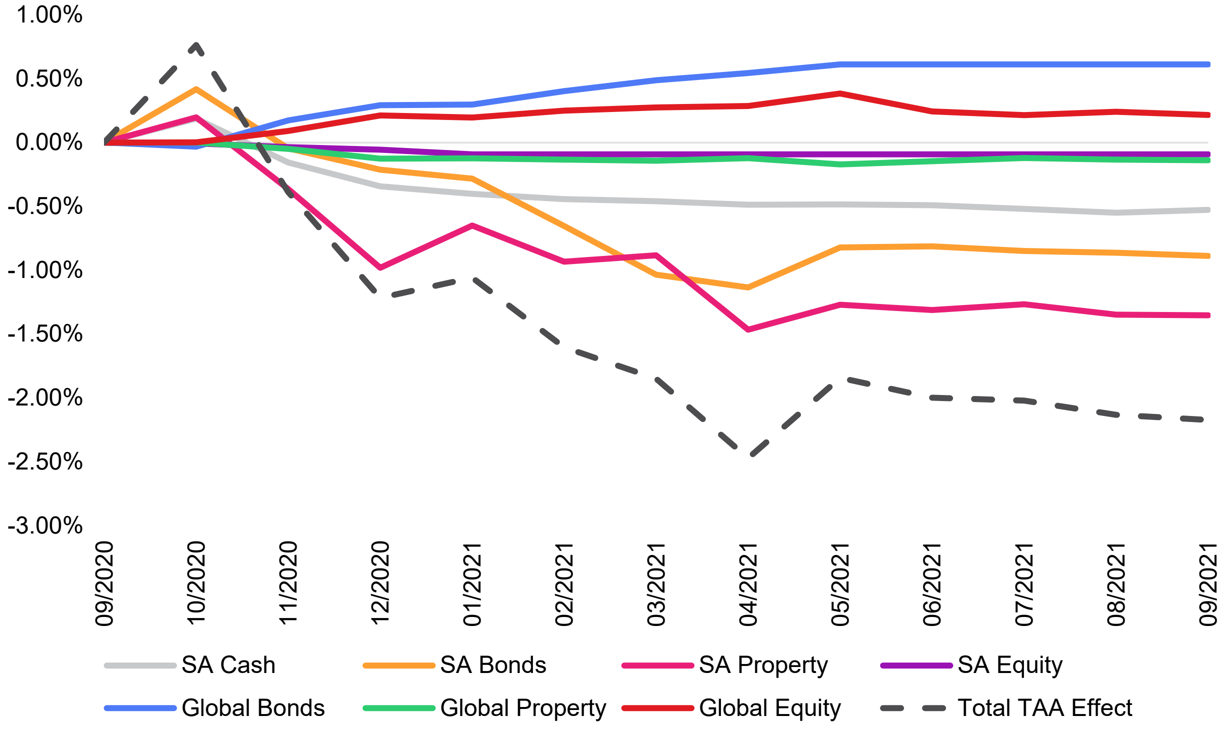
- Given the large absolute returns in asset classes over the last 12 months as the global economy reopened, most asset classes outperformed our long-term assumptions, resulting in the SAA returns being well ahead of expectations and the CPI + 6% benchmark.

Figure 6.8: Tactical asset allocation effects: 12 months to 30 September 2021



- Our underweight position in SA Property and overweight positions in SA Cash and SA Bonds were the largest detractors over the period from a tactical asset allocation perspective. This was partly offset by underweight position in Global Bonds.

Figure 6.9: Cumulative tactical asset allocation effects: 12 months to 30 September 2021



- The underweight position in Global Bonds contributed consistently over the last 12 months as global bond yields rose in line with inflation expectations and the rand strengthened as the global economy reopened. SA Property on the other hand detracted from performance given the strong recovery, driven by the cyclical recovery narrative, post October 2020. Similarly, given the strong performance of growth assets post October 2020, the overweight positions in SA Bonds and SA Cash detracted from performance, despite double-digit absolute returns from SA Bonds.

Figure 6.10: Manager selection effects: 12 months to 30 September 2021

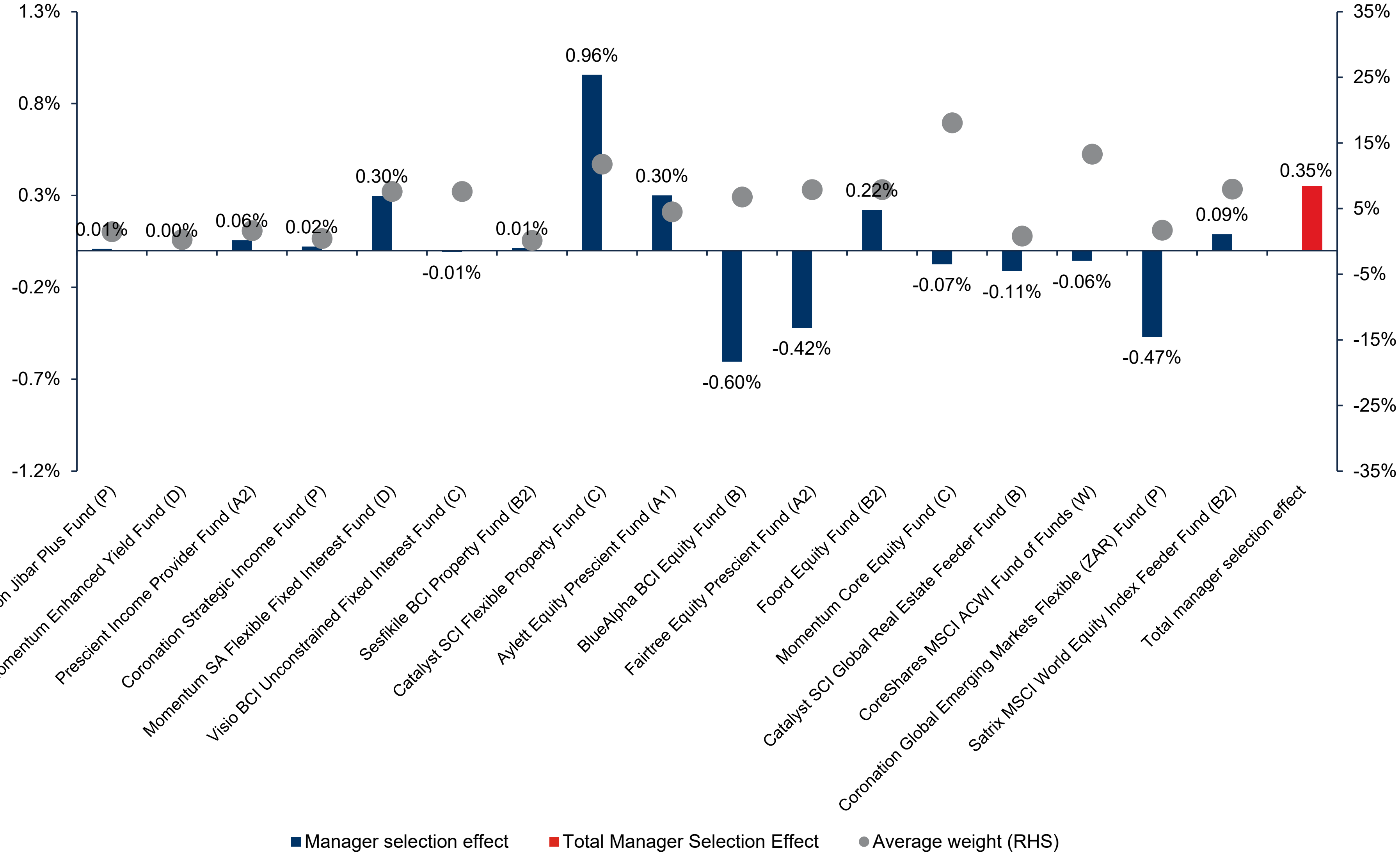
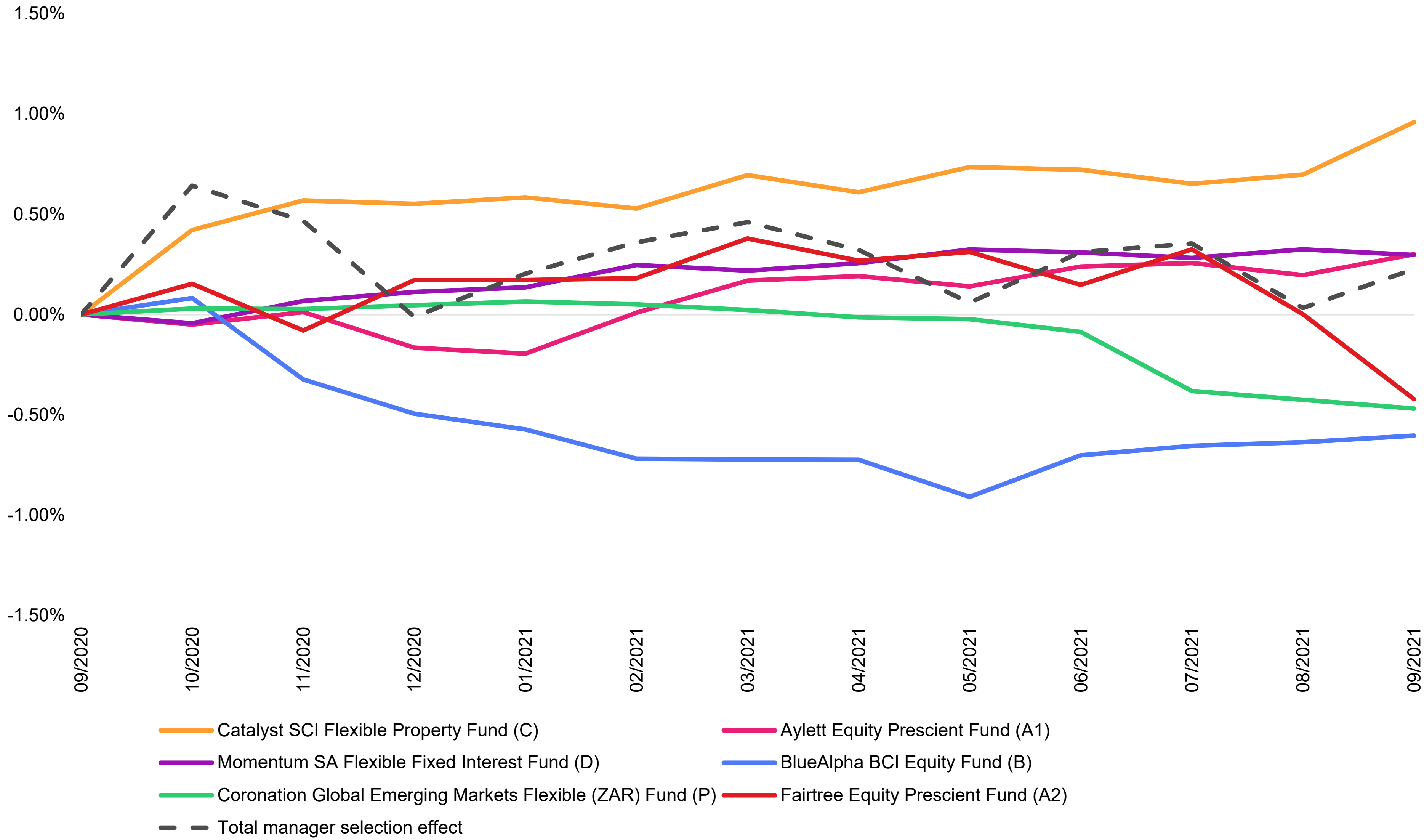


Figure 6.11: Cumulative manager selection effects: 12 months to 30 September 2021



3.7. MIC Unconstrained Portfolio

Investment goal: **CPI + 6%**
Time horizon: **7-years**

3.7.1. Returns

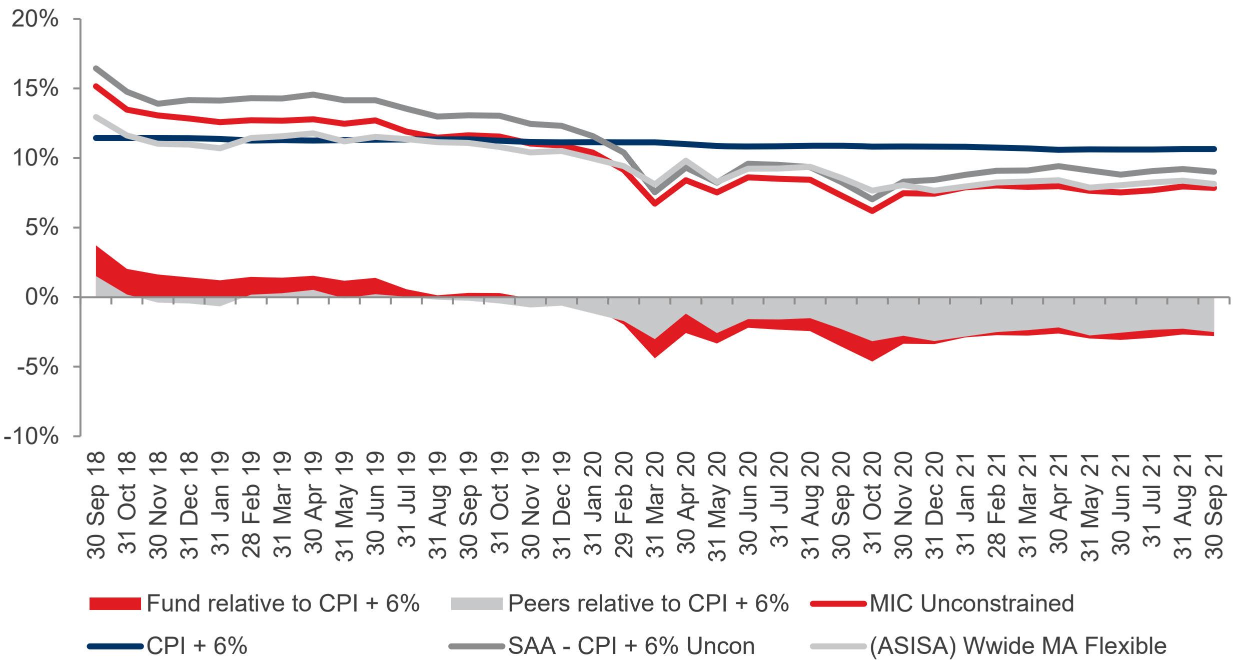
Figure 7.1: Trailing returns as at 30 September 2021*:

	3m	6m	1y	3y (ann.)	5y (ann.)	7y (ann.)	SI* (ann.)	Mths SI*
MIC Unconstrained	**3.4%**	**6.8%**	**23.2%**	**7.9%**	**6.5%**	**7.8%**	**7.7%**	**51**
Benchmark: CPI + 6%	3.1%	6.1%	10.9%	10.1%	10.4%	10.6%	10.2%	
SAA	3.5%	7.5%	26.2%	8.2%	7.9%	9.0%	8.5%	
(ASISA) Wwide MA Flexible	*2.6%*	*5.2%*	*12.2%*	*8.6%*	*7.8%*	*8.1%*	*8.8%*	

**SI. = "Since inception". This is the inception date of the tracker investment. Returns prior to inception are calculated on a back tested basis.*

- The portfolio underperformed its CPI + 6% benchmark by 2.8% p.a. over the 7-year period to 30 September 2021. It underperformed the peer group over the same period.
- The portfolio underperformed its strategic asset allocation by 3.0% over the last 12 months, net of all investment related fees.

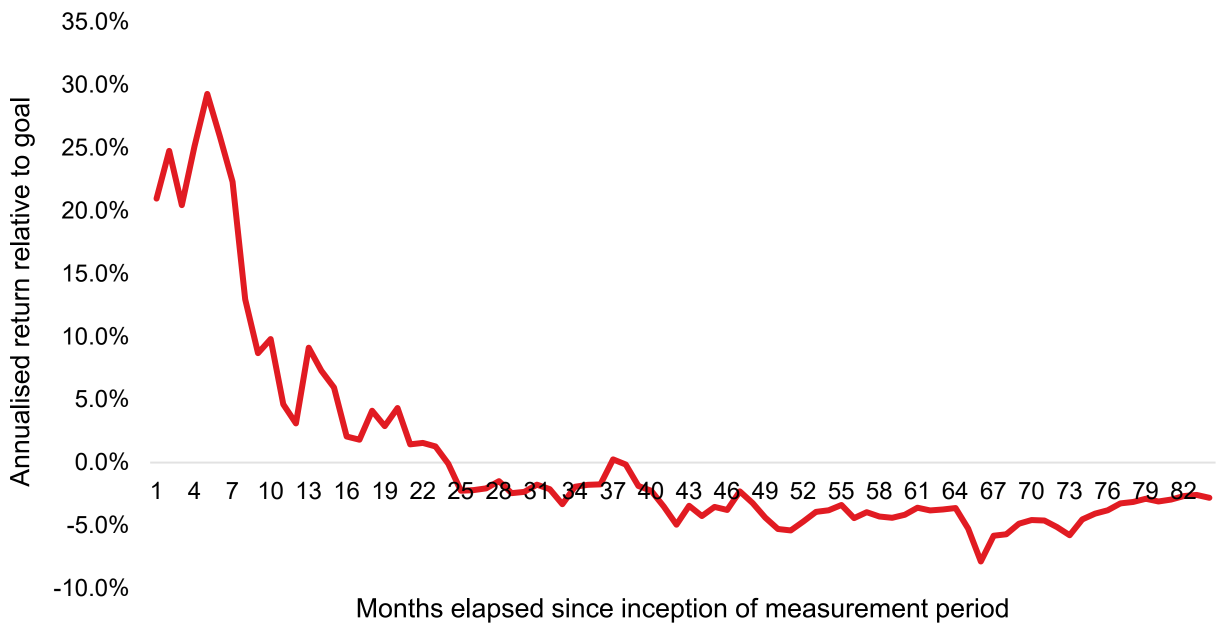
Figure 7.2: Rolling 7-year returns ann.: 10 years to 30 September 2021 *



	MIC Unconstrained	(ASISA) Wwide MA Flexible
Number of observations	37	
Period outperforming	14	7
Realised probability of outperforming	**38%**	19%
Max outperformance p.a.	**3.7%**	1.5%
Max underperformance p.a.	**-4.6%**	-3.2%

- Over the last 10 years, the portfolio outperformed its benchmark on 38% of the total rolling 7-year periods. This compares favourably with the peer group which only managed to outperform on 19% of the rolling 7-year periods.

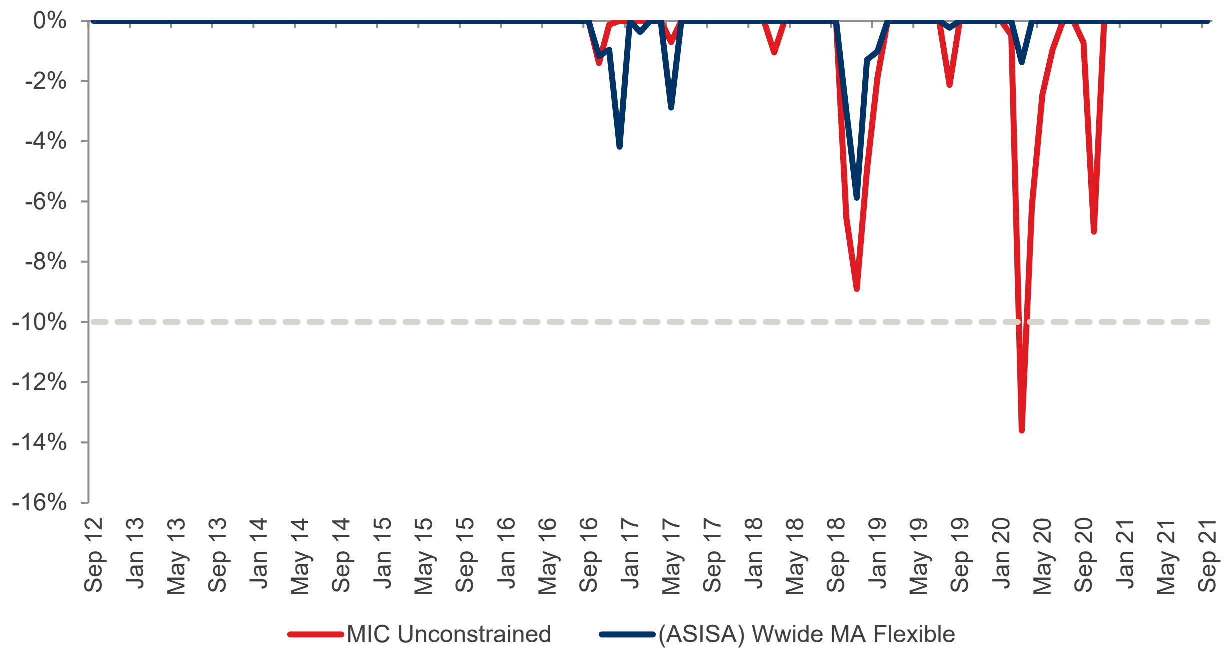
Figure 7.3: Portfolio performance relative to goal*



- Over the measurement period up to 30 September 2021 the portfolio's annualised returns relative to its goal were mostly below its target due to weak returns from the growth asset classes. After the COVID-19 crisis, the portfolio has shown a strong recovery relative to its benchmark.

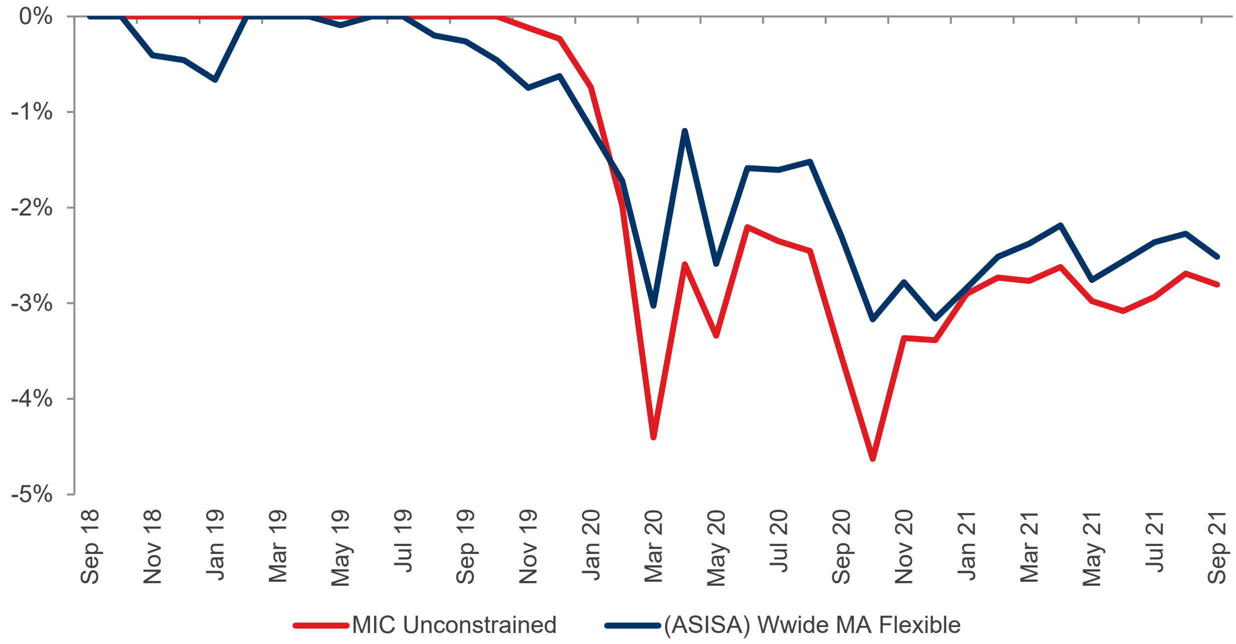
3.7.2. Risk

Figure 7.4: Rolling 1-year absolute drawdown: 10 years to 30 September 2021*



- The portfolio breached the acceptable drawdown level of 10% once. This was before the implementation of explicit drawdown limits. However, given the severity of drawdowns in markets during the COVID-19 crisis, it is likely that these limits would have, in any event, been breached.

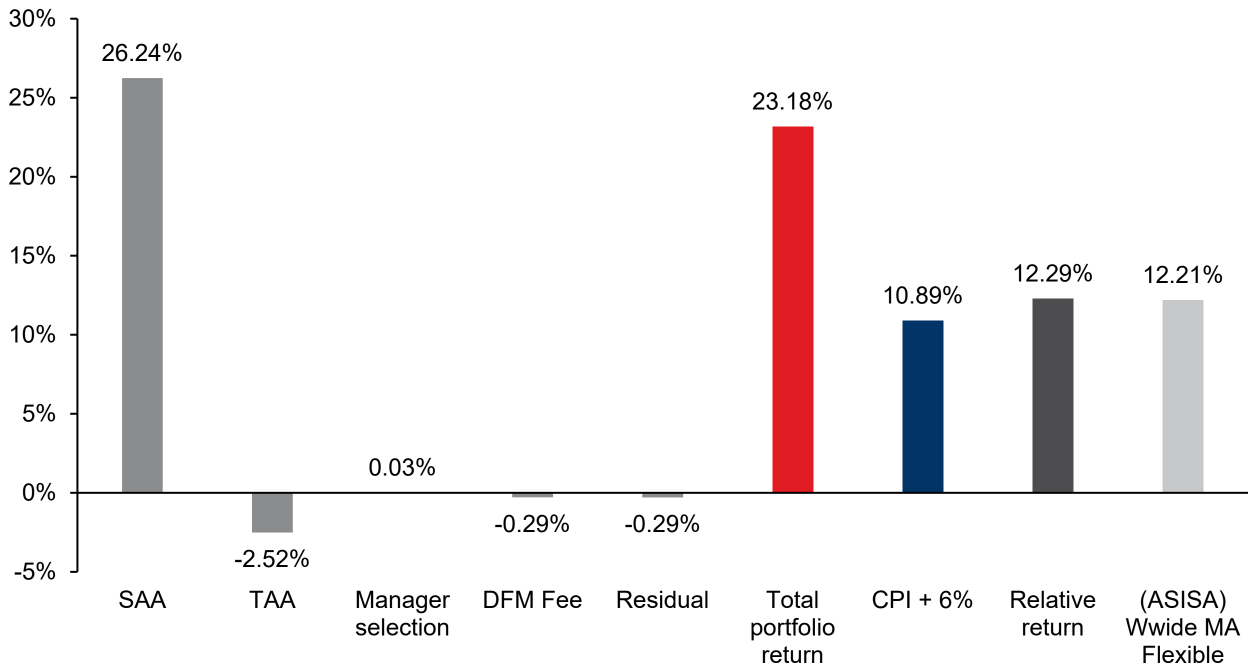
Figure 7.5: Rolling 7-year drawdown ann. relative to goal: 10 years to 30 September 2021*



- Even though the portfolio recently underperformed its benchmark over rolling 7 years, and recently greater than the peer group, it managed to outperform CPI+6% more consistently than the peer group.

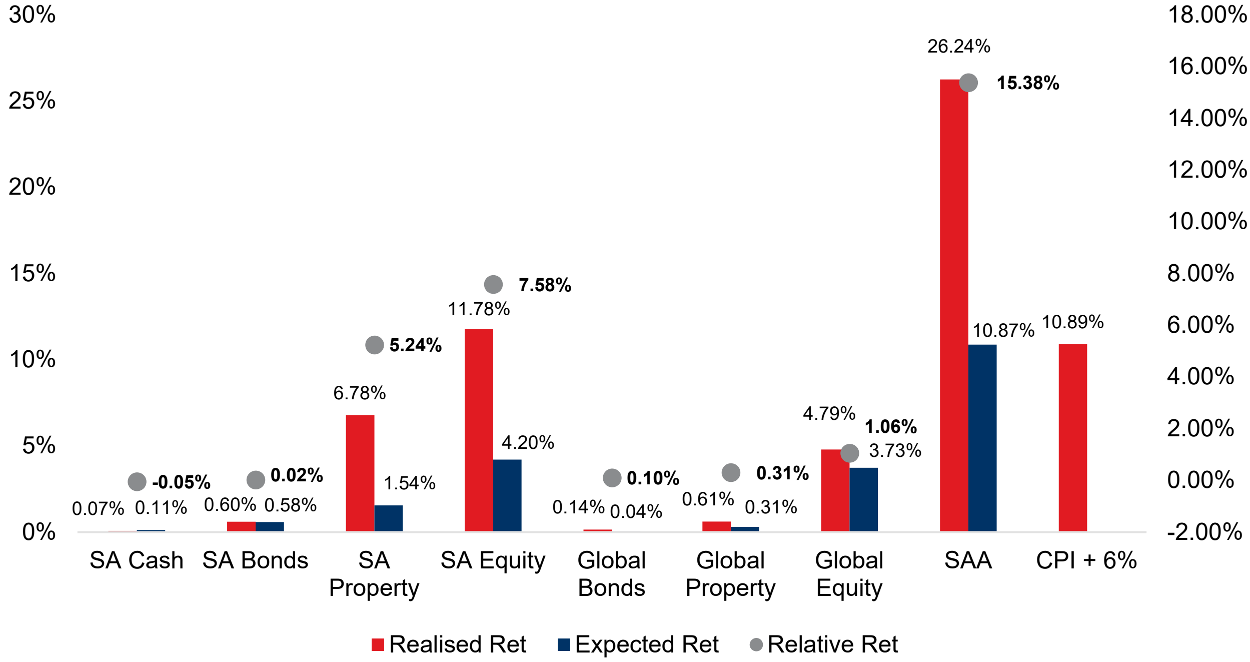
3.7.3. Performance attribution

Figure 7.6: Total return attribution: 12 months to 30 September 2021



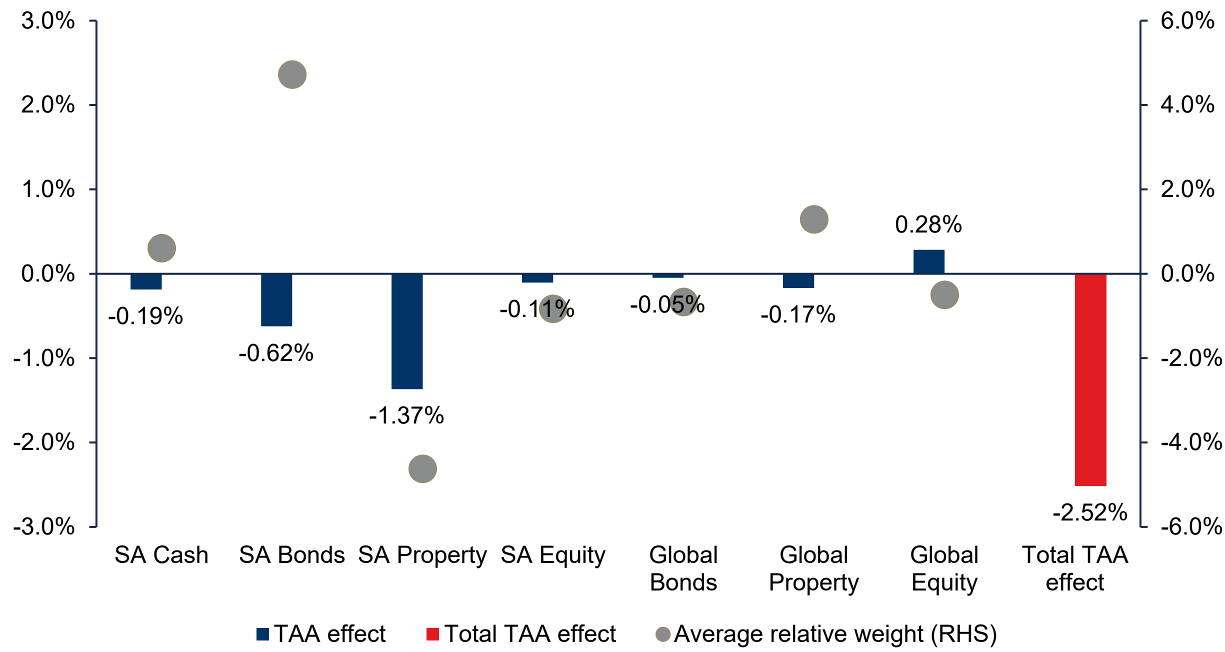
- SAA and manager selection contributed to performance while tactical asset allocation detracted from performance over the 12 months ending 30 September 2021.

Figure 7.7: Strategic asset allocation effects: 12 months to 30 September 2021



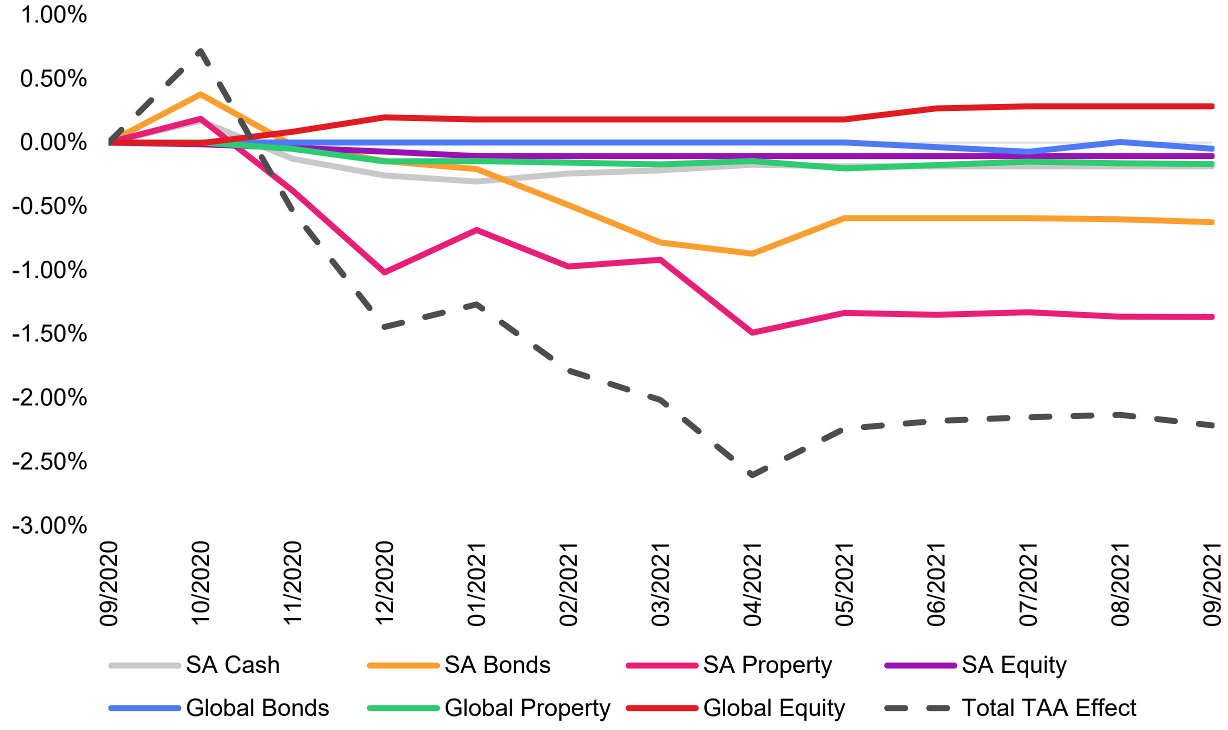
- Given the large absolute returns in asset classes over the last 12 months as the global economy reopened, most asset classes outperformed our long-term assumptions, resulting in the SAA returns being well ahead of expectations and the CPI + 6% benchmark.

Figure 7.8: Tactical asset allocation effects: 12 months to 30 September 2021



- Our underweight position in SA Property and overweight positions in SA Cash and SA Bonds were the largest detractors over the period from a tactical asset allocation perspective.

Figure 7.9: Cumulative tactical asset allocation effects: 12 months to 30 September 2021



- The underweight position in SA property detracted from performance given the strong recovery, driven by the cyclical recovery narrative, post October 2020. Similarly, given the strong performance of growth assets post October 2020, the overweight positions in SA Bonds and SA Cash detracted from performance, despite double-digit absolute returns from SA Bonds.

Figure 7.10: Manager selection effects: 12 months to 30 September 2021

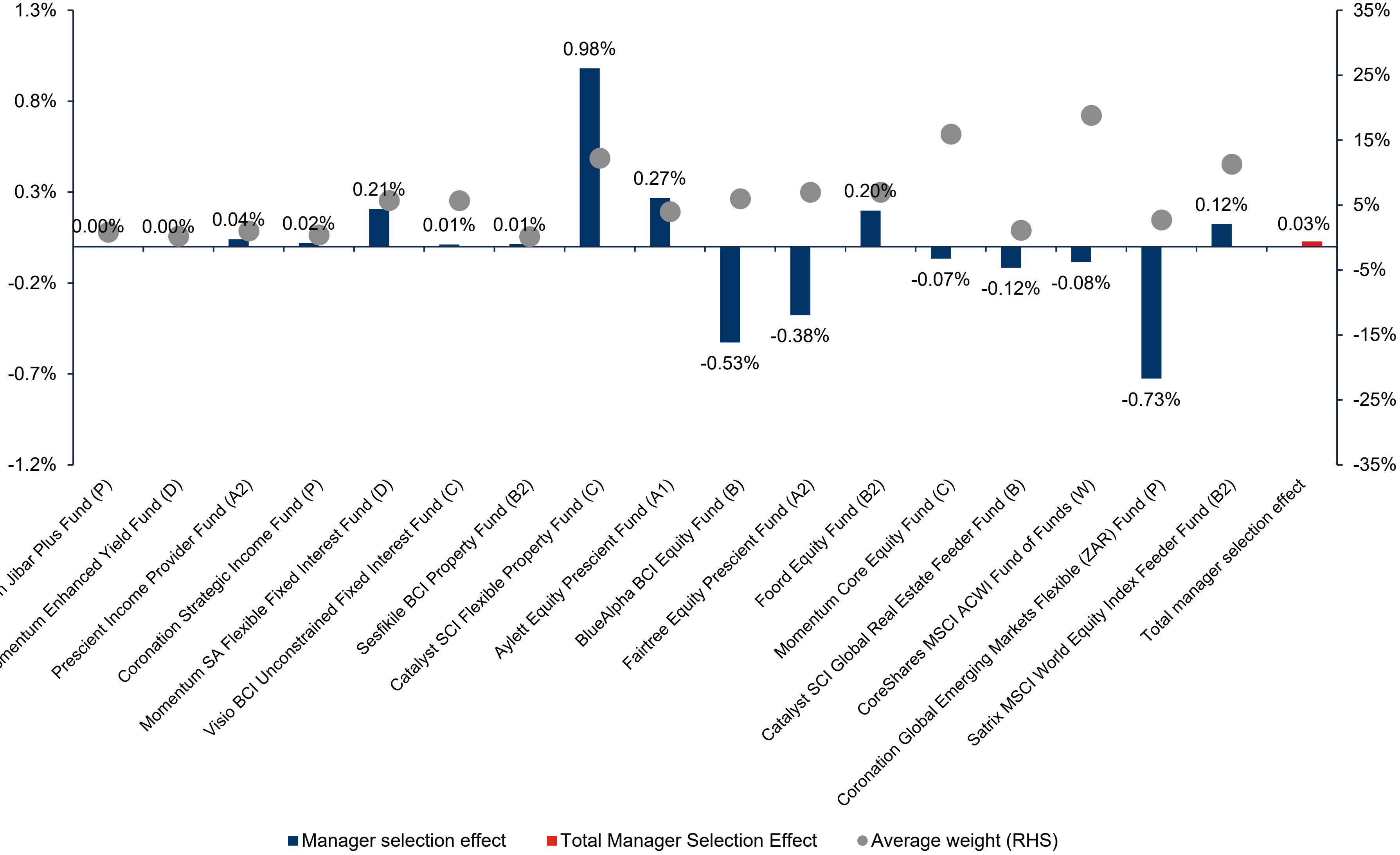
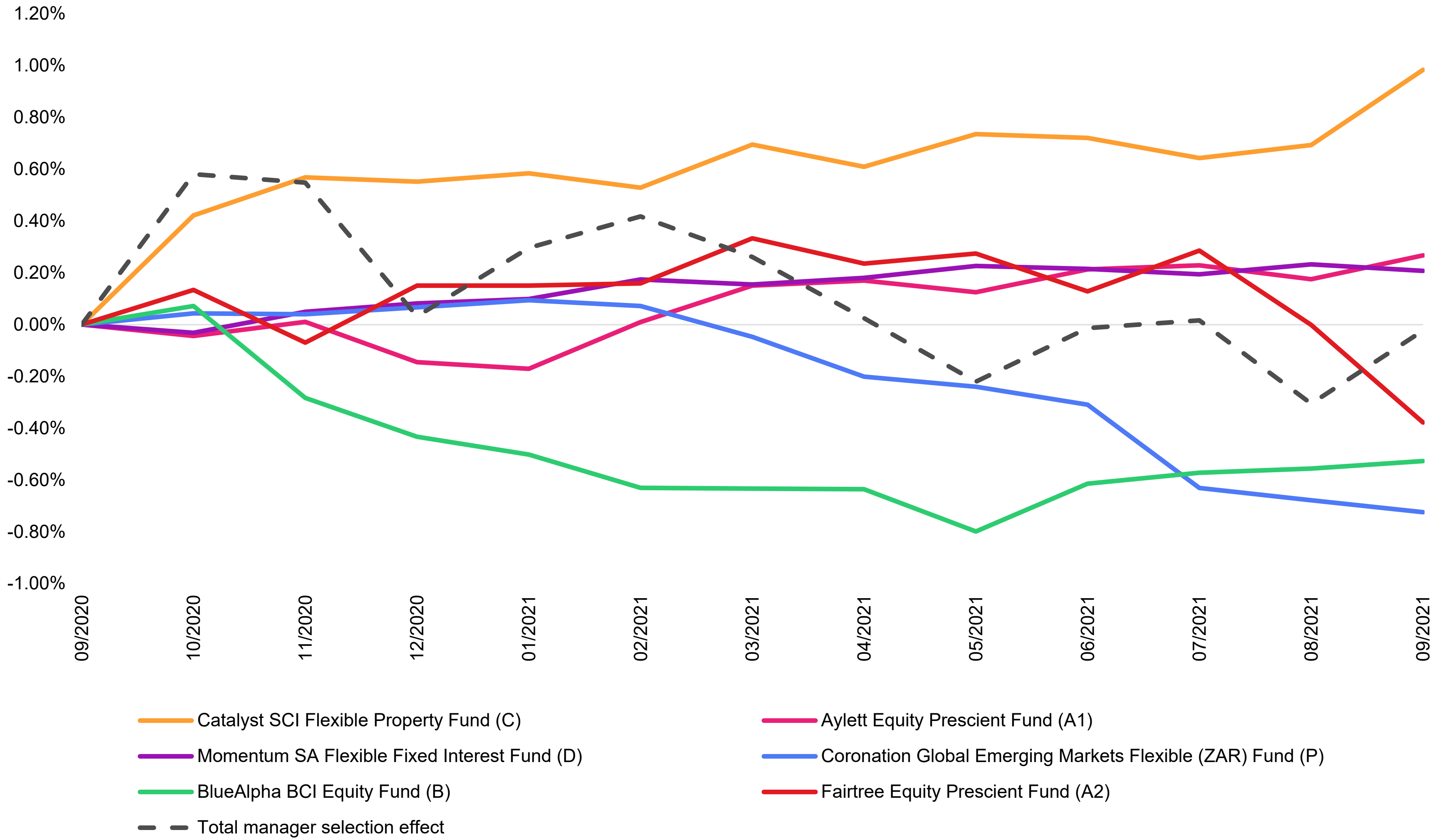


Figure 7.11: Cumulative manager selection effects: 12 months to 30 September 2021



4. Risk and return expectations

4.1. Value at Risk and realistic expected real returns

Portfolio	Value at Risk over 12m with 95% likelihood	Expected real return over investment horizon with 70% likelihood
MIC Conservative	-0.60%	1.31%
MIC Stable	-3.90%	1.74%
MIC Moderate	-6.10%	2.60%
MIC Balanced	-7.88%	3.13%
MIC Growth	-10.05%	4.15%
MIC Unconstrained Growth	-10.12%	4.09%

4.2. Forward-looking probabilities of achieving stated benchmarks

Portfolio	Current
MIC Conservative	63.48%
MIC Stable	64.05%
MIC Moderate	62.72%
MIC Growth	58.89%
MIC Balanced	52.25%
MIC Unconstrained Growth	52.08%

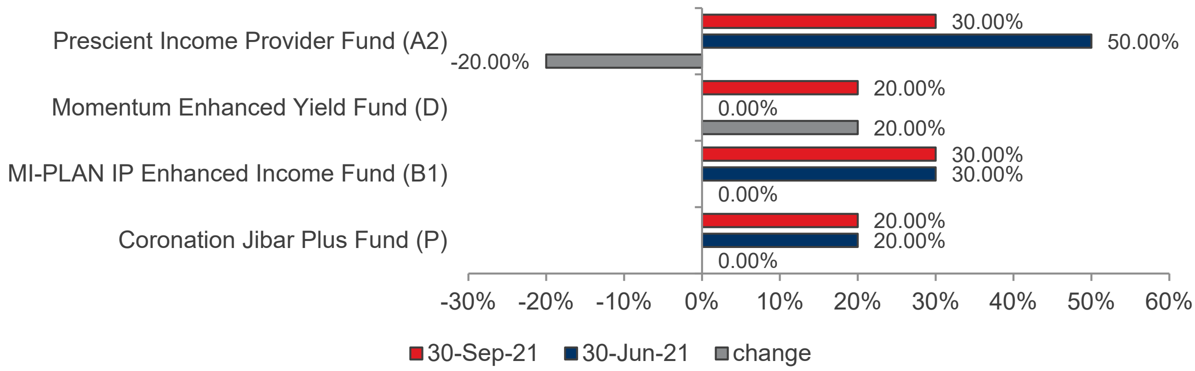
5. Current positioning & portfolio changes

5.1. Asset class house views

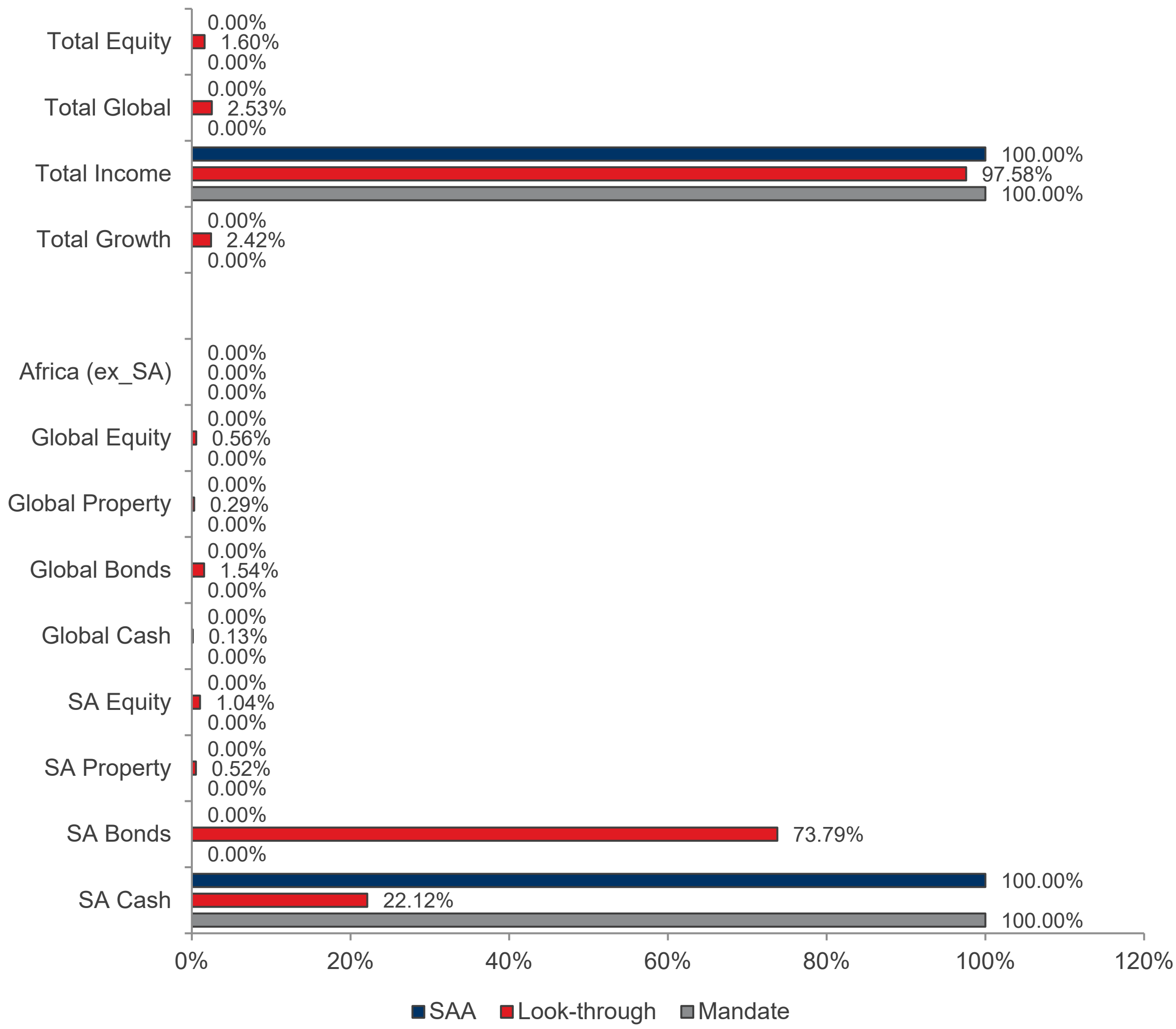
Asset Class	Q2 - 2021	Q3 - 2021
Local		
SA Bonds	Neutral to Overweight	Neutral to Overweight
SA Property	Underweight	Underweight to Neutral
SA Equity	Neutral	Neutral to Overweight
Offshore		
Developed Market Government Bonds	Underweight	Underweight to Neutral
Global Equity	Neutral	Neutral
Global Property	Neutral	Neutral

5.2. MIC Income Portfolio

5.2.1. Building block allocation



5.2.2. Look-through asset allocation (as at 30 September 2021)

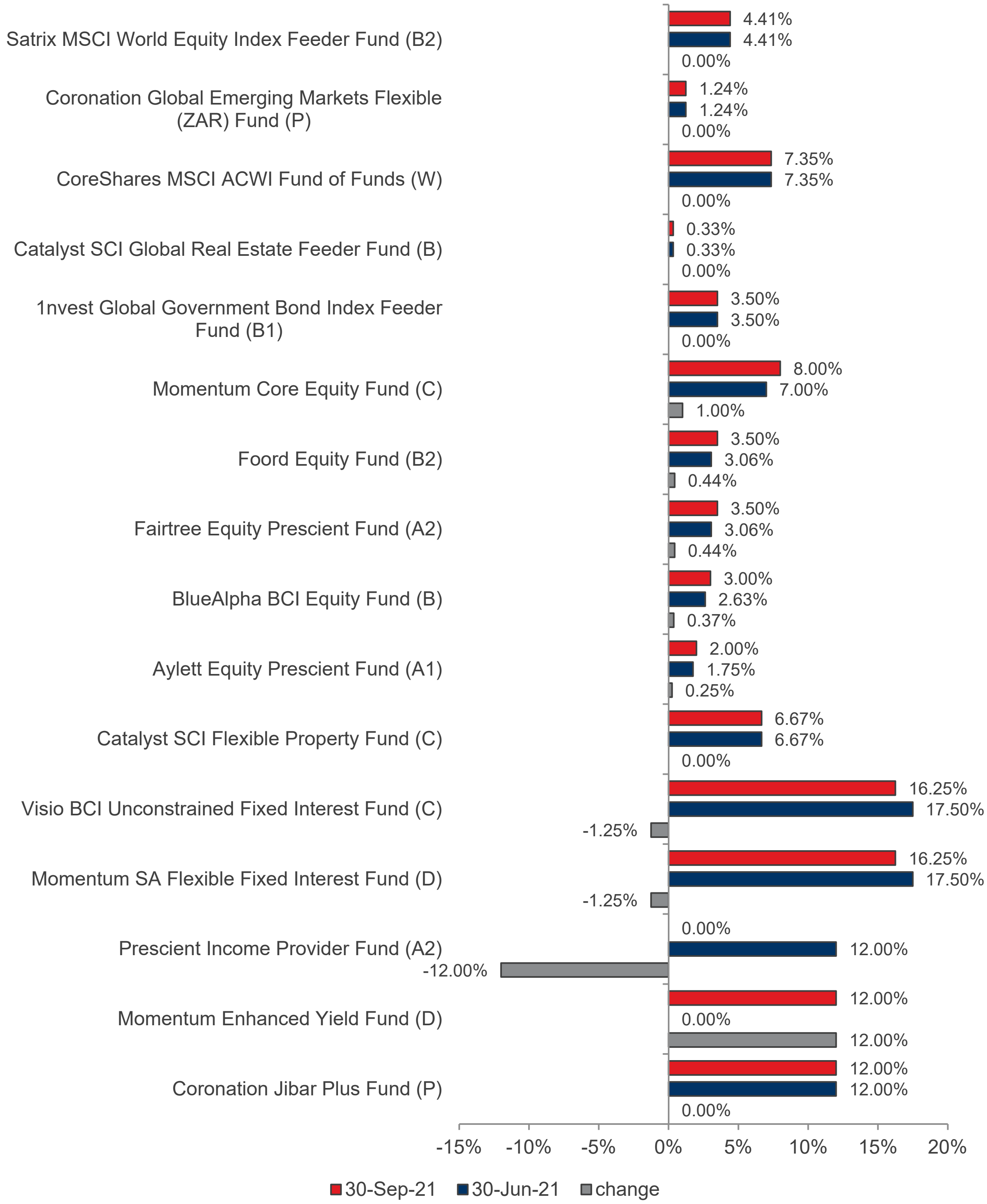


5.2.3. Portfolio changes

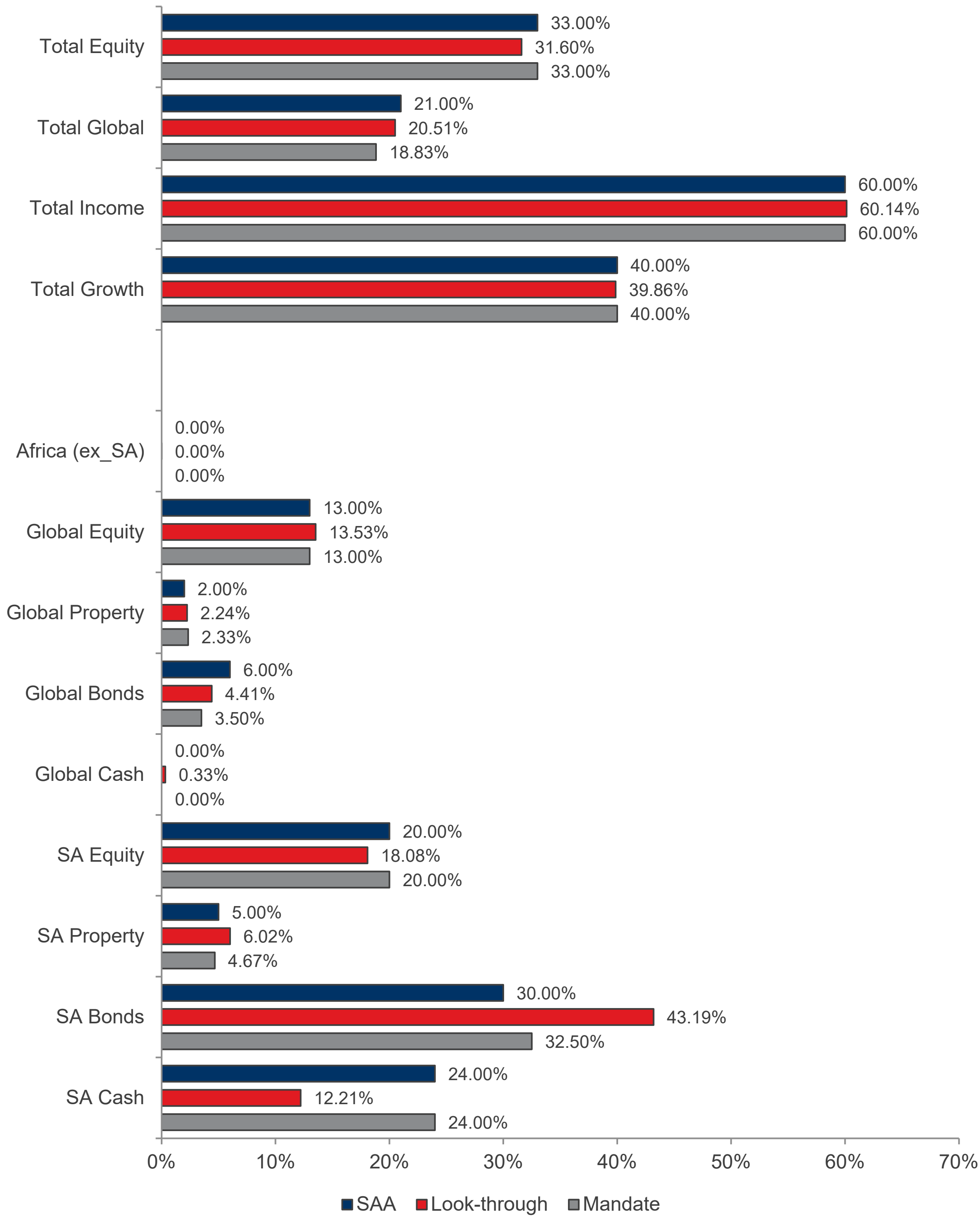
- No changes. Rebalanced the portfolio back to ideal allocations.

5.3. MIC Conservative Portfolio

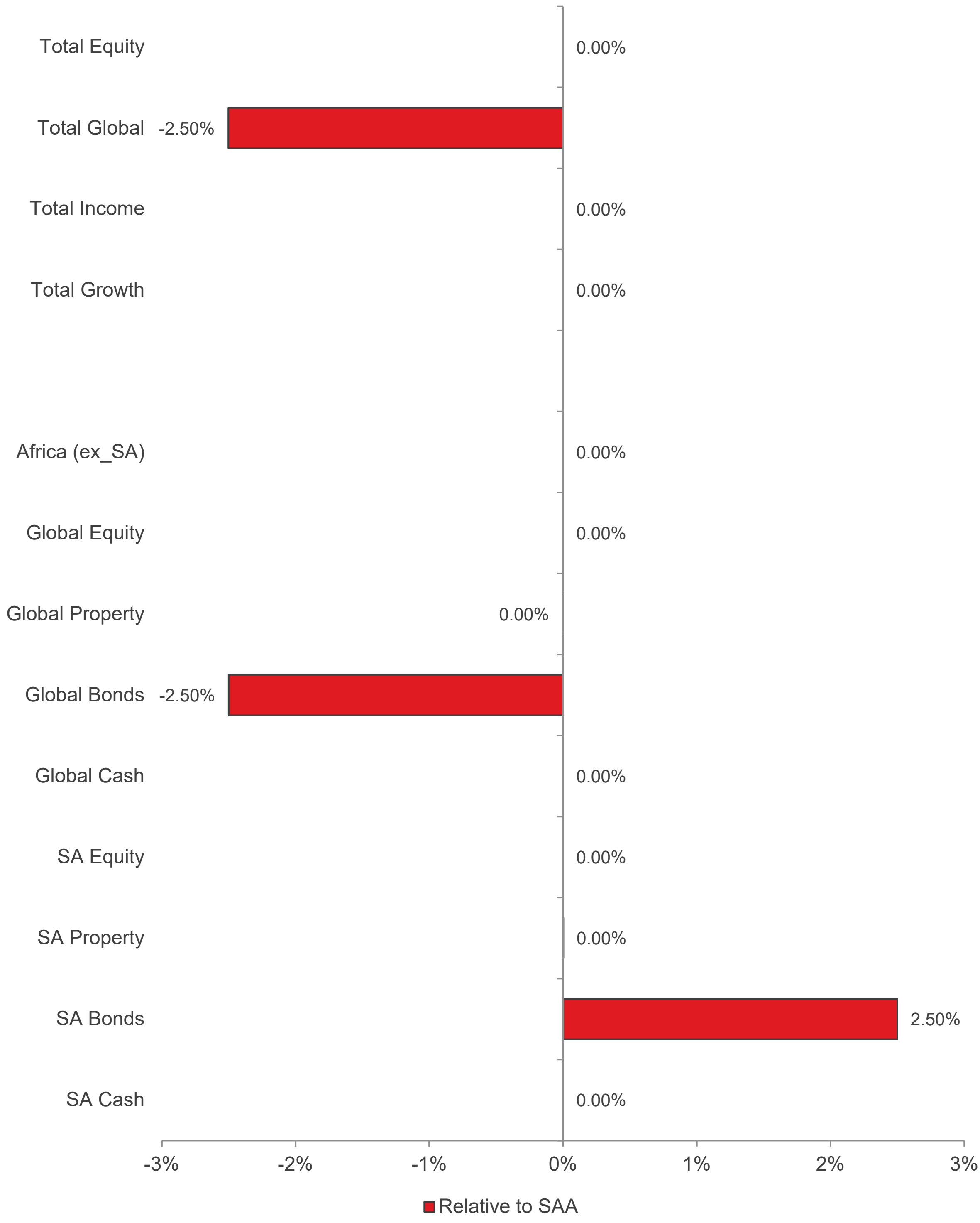
5.3.1. Building block allocation



5.3.2. Asset allocation as at 30 September 2021



5.3.3. Asset allocation: Relative to SAA



5.3.4. Portfolio changes

Considering our asset class views and the current positioning of the portfolio, we made the following changes:

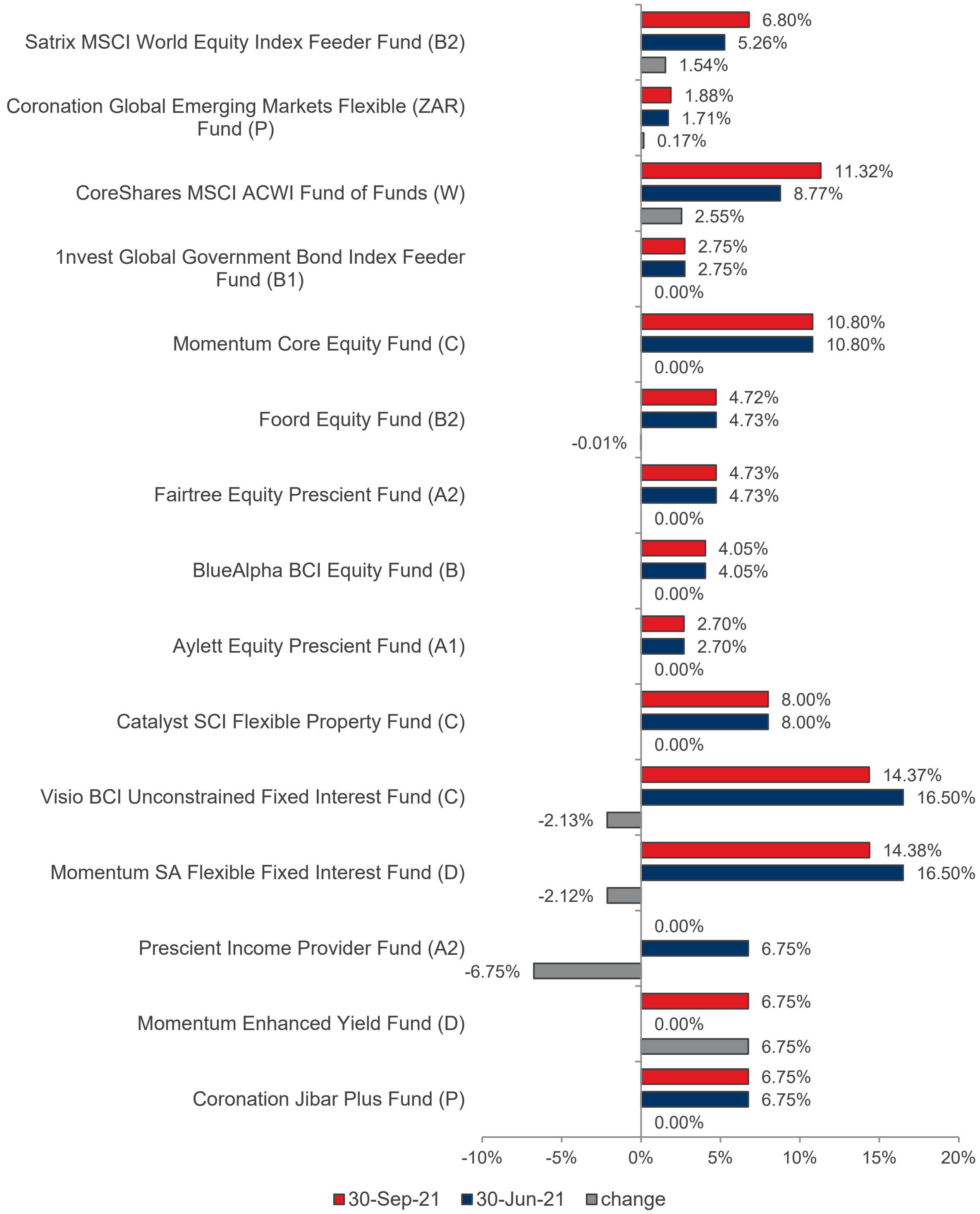
- Increased local equities by 0.75%
- Reduced local bonds by 1.75%
- Increased global bonds by 1.25% by introducing Coronation Global Strategic USD Income FF

The table below summarises the changes at a building block level:

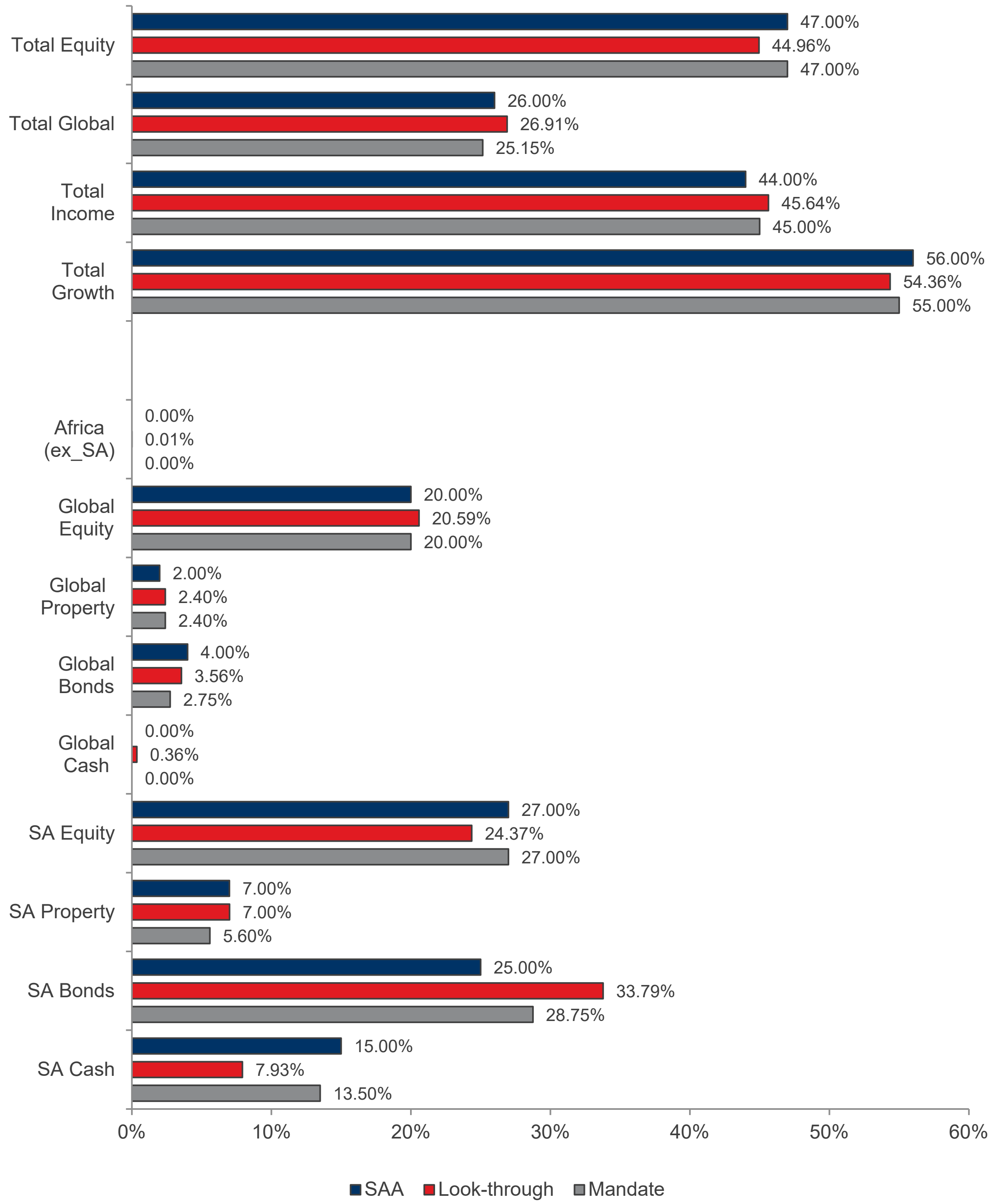
Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	2.00%	**2.08%**	0.08%
CoreShares MSCI ACWI Fund of Funds (W)	7.35%	**7.35%**	0.00%
1NVEST Global Government Bond Index Feeder Fund (B1)	3.50%	**3.50%**	0.00%
Fairtree Equity Prescient Fund (A2)	3.50%	**3.63%**	0.13%
Foord Equity Fund (B2)	3.50%	**3.63%**	0.13%
Visio BCI Unconstrained Fixed Interest Fund (C)	16.25%	**15.37%**	-0.88%
Momentum Core Equity Fund (C)	8.00%	**8.30%**	0.30%
Momentum SA Flexible Fixed Interest Fund (D)	16.25%	**15.38%**	-0.87%
BlueAlpha BCI Equity Fund (B)	3.00%	**3.11%**	0.11%
Catalyst SCI Flexible Property Fund (C)	6.67%	**6.67%**	0.00%
Satrix MSCI World Equity Index Feeder Fund (B2)	4.41%	**4.41%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	1.24%	**1.24%**	0.00%
Catalyst SCI Global Real Estate Prescient Feeder Fund (B)	0.33%	**0.33%**	0.00%
Coronation Jibar Plus Fund (P)	12.00%	**11.87%**	-0.13%
Momentum Enhanced Yield Fund (D)	12.00%	**11.88%**	-0.12%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	0.00%	**1.25%**	1.25%
	100.00%	100.00%	0.00%

5.4. MIC Stable Portfolio

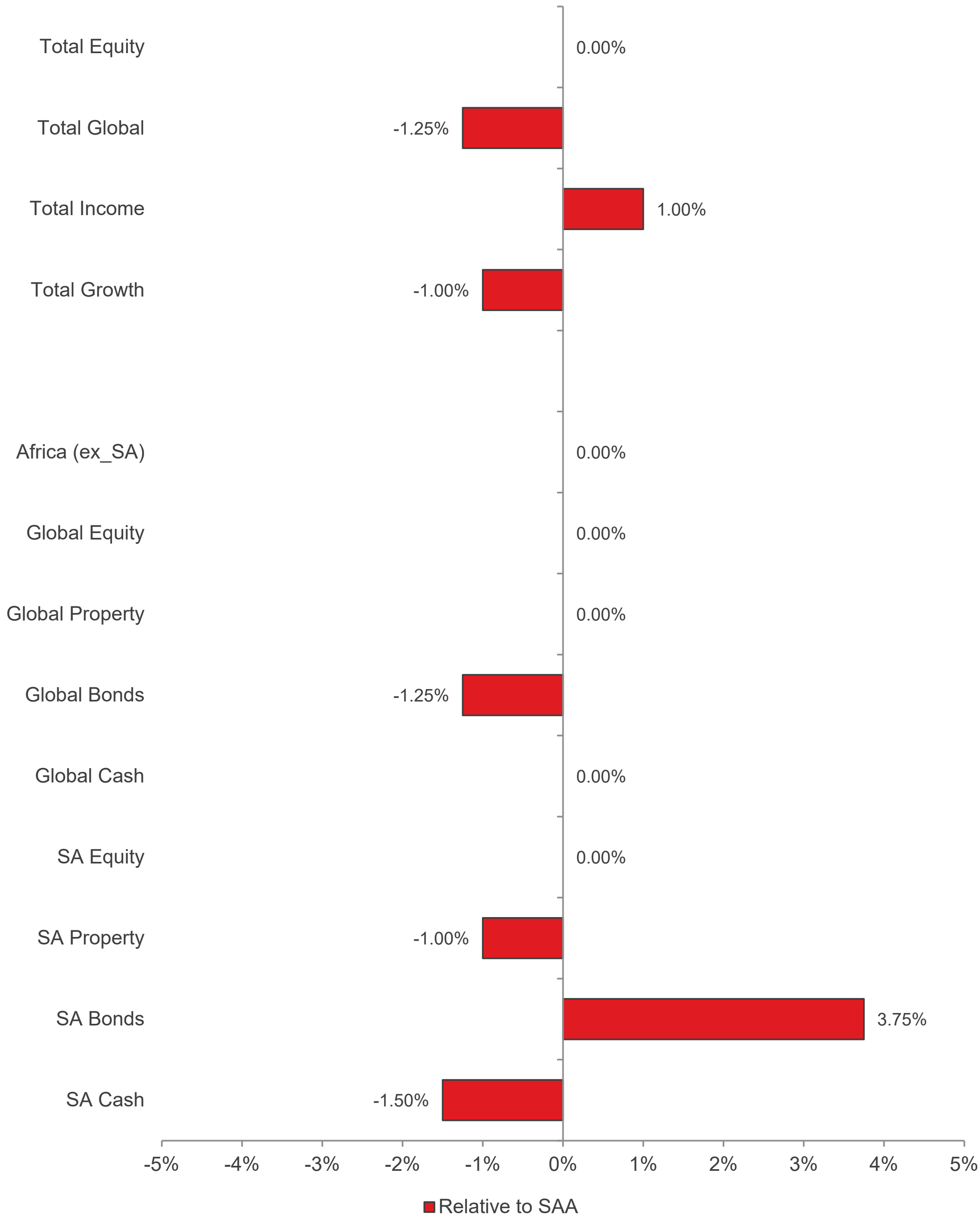
5.4.1. Building block allocation



5.4.2. Asset allocation as at 30 September 2021



5.4.3. Asset allocation: Relative to SAA



5.4.4. Portfolio changes

Considering our asset class views and the current positioning of the portfolio, we made the following changes:

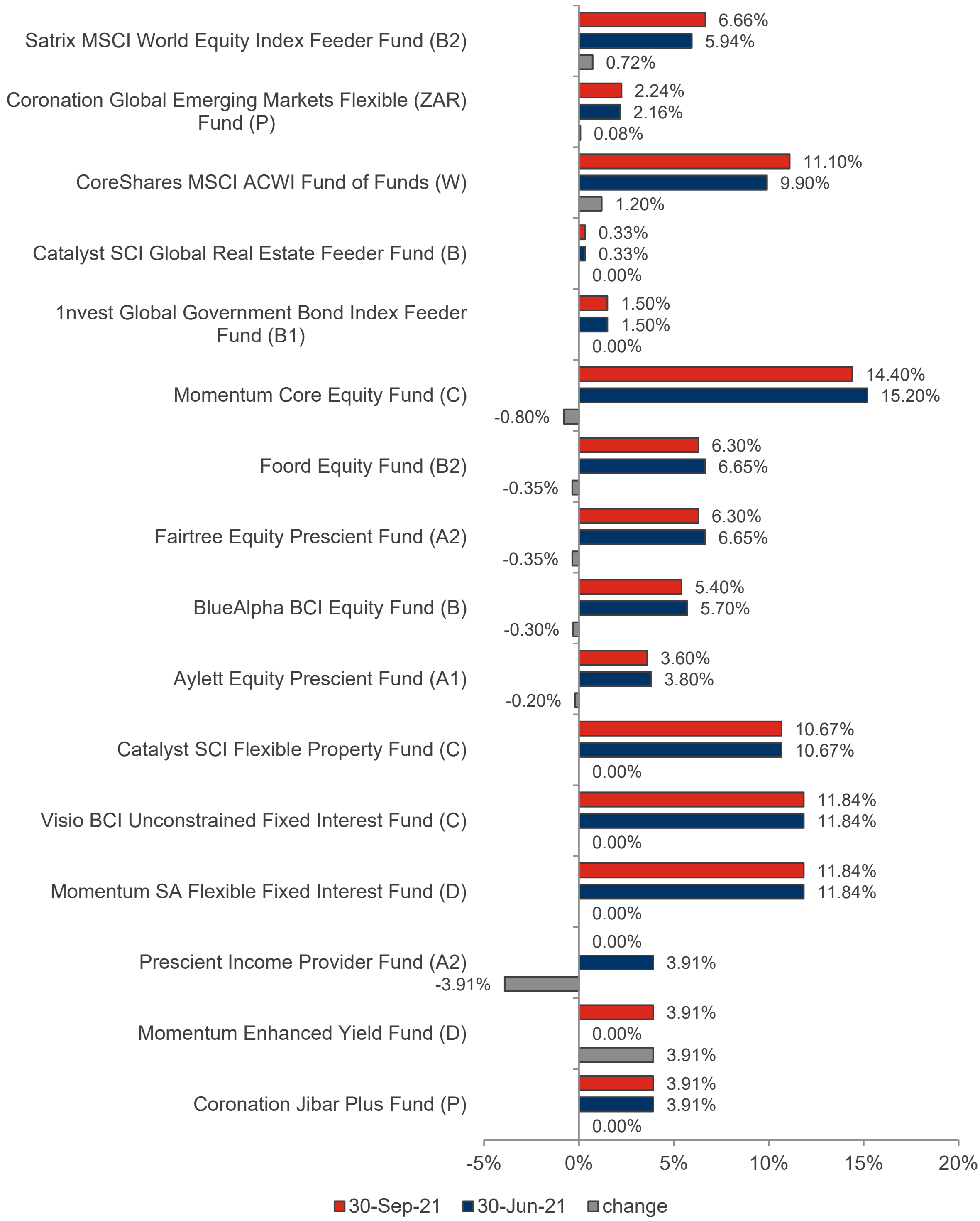
- Increased local equities by 1.13%
- Reduced local bonds by 2.62%
- Increased global bonds by 1.00% by introducing Coronation Global Strategic USD Income FF

The table below summarises the changes at a building block level:

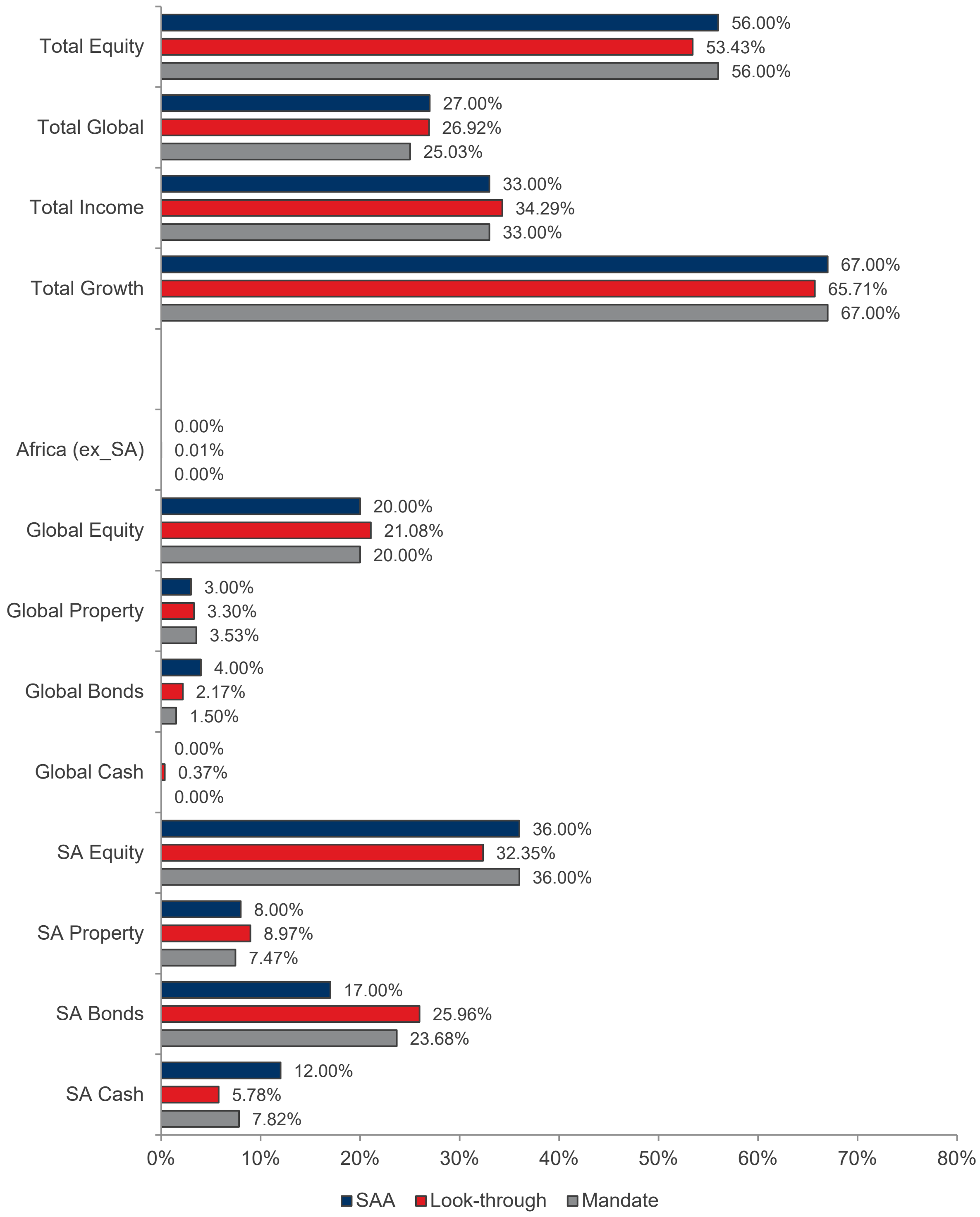
Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	2.70%	**2.81%**	0.11%
Satrix MSCI World Equity Index Feeder Fund (B2)	6.80%	**6.80%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	1.88%	**1.88%**	0.00%
CoreShares MSCI ACWI Fund of Funds (W)	11.32%	**11.32%**	0.00%
1NVEST Global Government Bond Index Feeder Fund (B1)	2.75%	**1.87%**	-0.88%
Fairtree Equity Prescient Fund (A2)	4.73%	**4.92%**	0.19%
Foord Equity Fund (B2)	4.72%	**4.92%**	0.20%
Visio BCI Unconstrained Fixed Interest Fund (C)	14.37%	**13.06%**	-1.31%
Momentum Core Equity Fund (C)	10.80%	**11.25%**	0.45%
Momentum SA Flexible Fixed Interest Fund (D)	14.38%	**13.07%**	-1.31%
BlueAlpha BCI Equity Fund (B)	4.05%	**4.23%**	0.18%
Catalyst SCI Flexible Property Fund (C)	8.00%	**8.00%**	0.00%
Coronation Jibar Plus Fund (P)	6.75%	**7.43%**	0.68%
Momentum Enhanced Yield Fund (D)	6.75%	**7.44%**	0.69%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	0.00%	**1.00%**	1.00%
	100.00%	100.00%	0.00%

5.5. MIC Moderate Portfolio

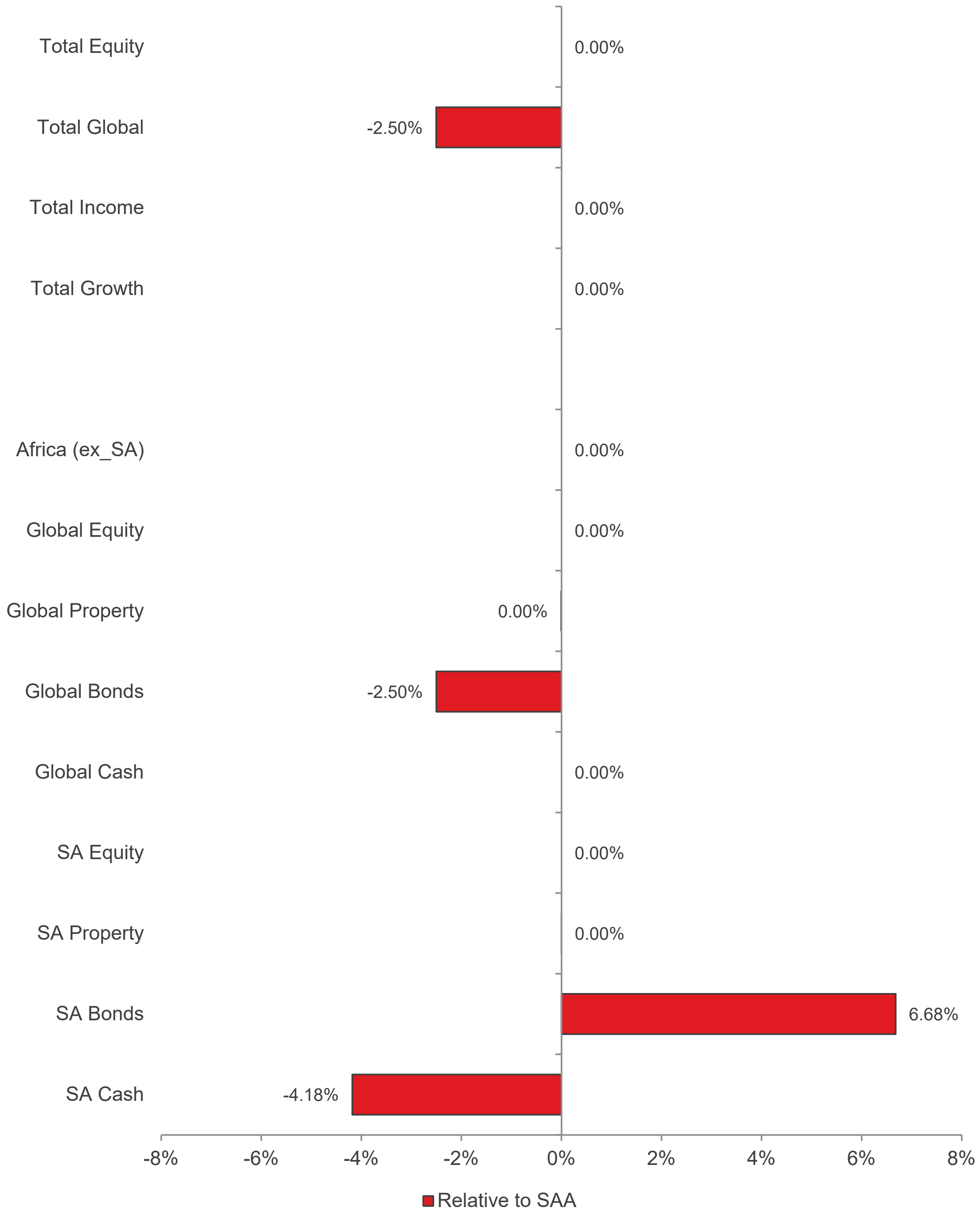
5.5.1. Building block allocation



5.5.2. Look-through asset allocation (as at 30 September 2021)



5.5.3. Look-through asset allocation: Relative to SAA



5.5.4. Portfolio changes

Considering our asset class views and the current positioning of the portfolio, we made the following changes:

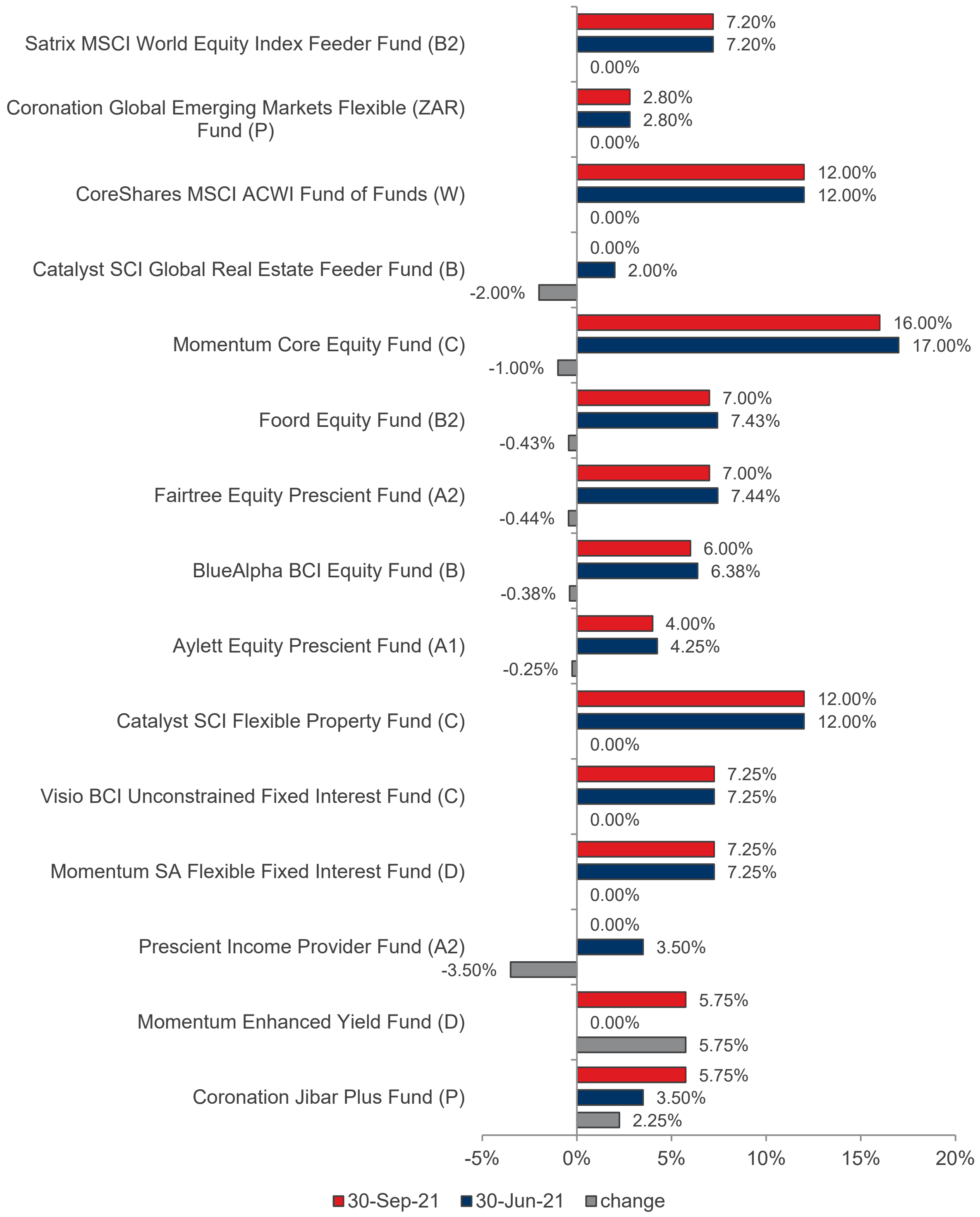
- Increased local equities by 1.50%
- Reduced local bonds by 5.18%
- Increased global bonds by 1.00% by introducing Coronation Global Strategic USD Income FF

The table below summarises the changes at a building block level:

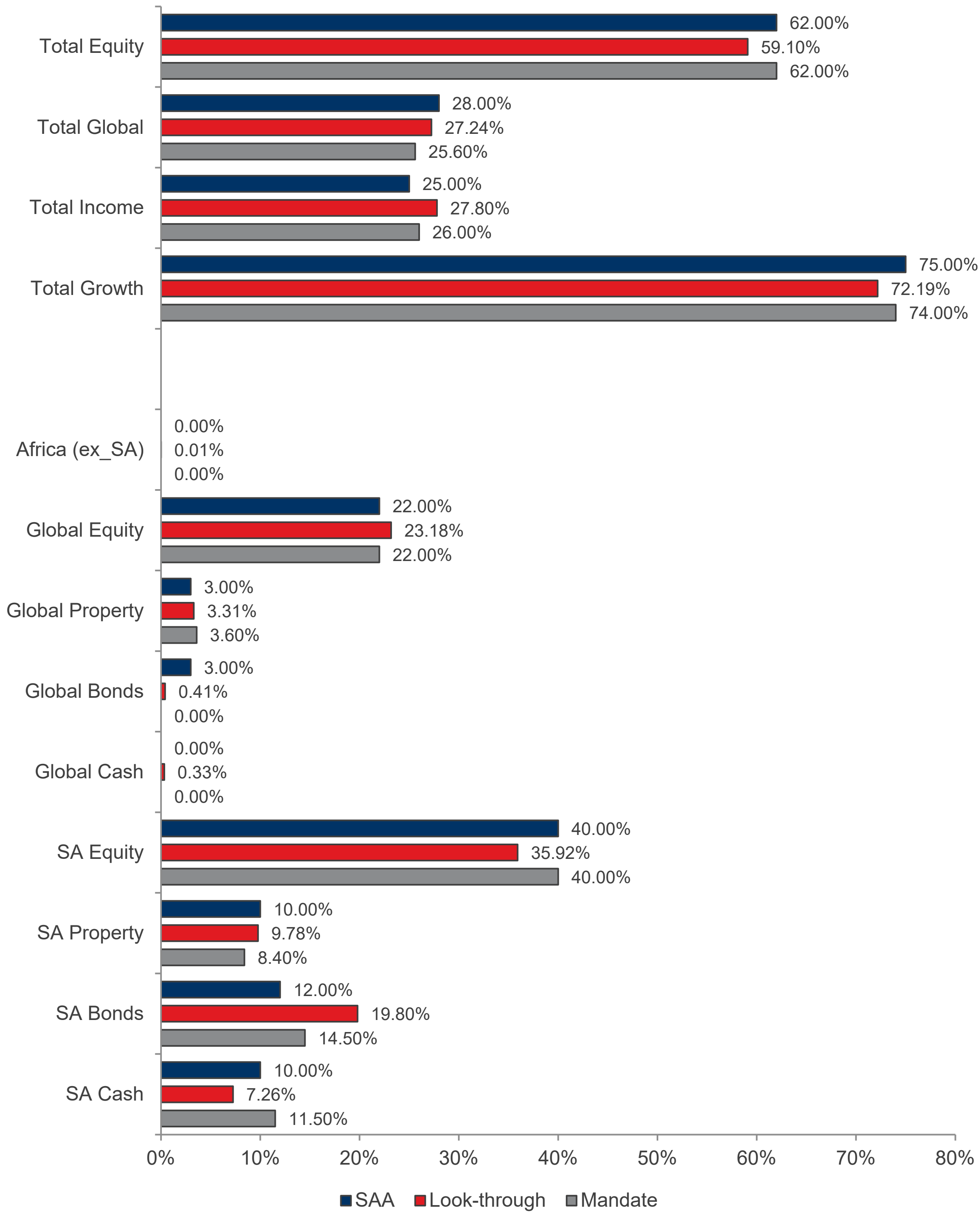
Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	3.60%	**3.75%**	0.15%
Satrix MSCI World Equity Index Feeder Fund (B2)	6.66%	**6.66%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.24%	**2.24%**	0.00%
CoreShares MSCI ACWI Fund of Funds (W)	11.10%	**11.10%**	0.00%
Fairtree Equity Prescient Fund (A2)	6.30%	**6.56%**	0.26%
Foord Equity Fund (B2)	6.30%	**6.56%**	0.26%
Visio BCI Unconstrained Fixed Interest Fund (C)	11.84%	**9.25%**	-2.59%
Momentum Core Equity Fund (C)	14.40%	**15.00%**	0.60%
Momentum SA Flexible Fixed Interest Fund (D)	11.84%	**9.25%**	-2.59%
BlueAlpha BCI Equity Fund (B)	5.40%	**5.63%**	0.23%
Catalyst SCI Flexible Property Fund (C)	10.67%	**10.67%**	0.00%
Catalyst SCI Global Real Estate Prescient Feeder Fund (B)	0.33%	**0.33%**	0.00%
1NVEST Global Government Bond Index Feeder Fund (B1)	1.50%	**1.50%**	0.00%
Coronation Jibar Plus Fund (P)	3.91%	**5.25%**	1.34%
Momentum Enhanced Yield Fund (D)	3.91%	**5.25%**	1.34%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	0.00%	**1.00%**	1.00%
	100.00%	100.00%	0.00%

5.6. MIC Balanced Portfolio

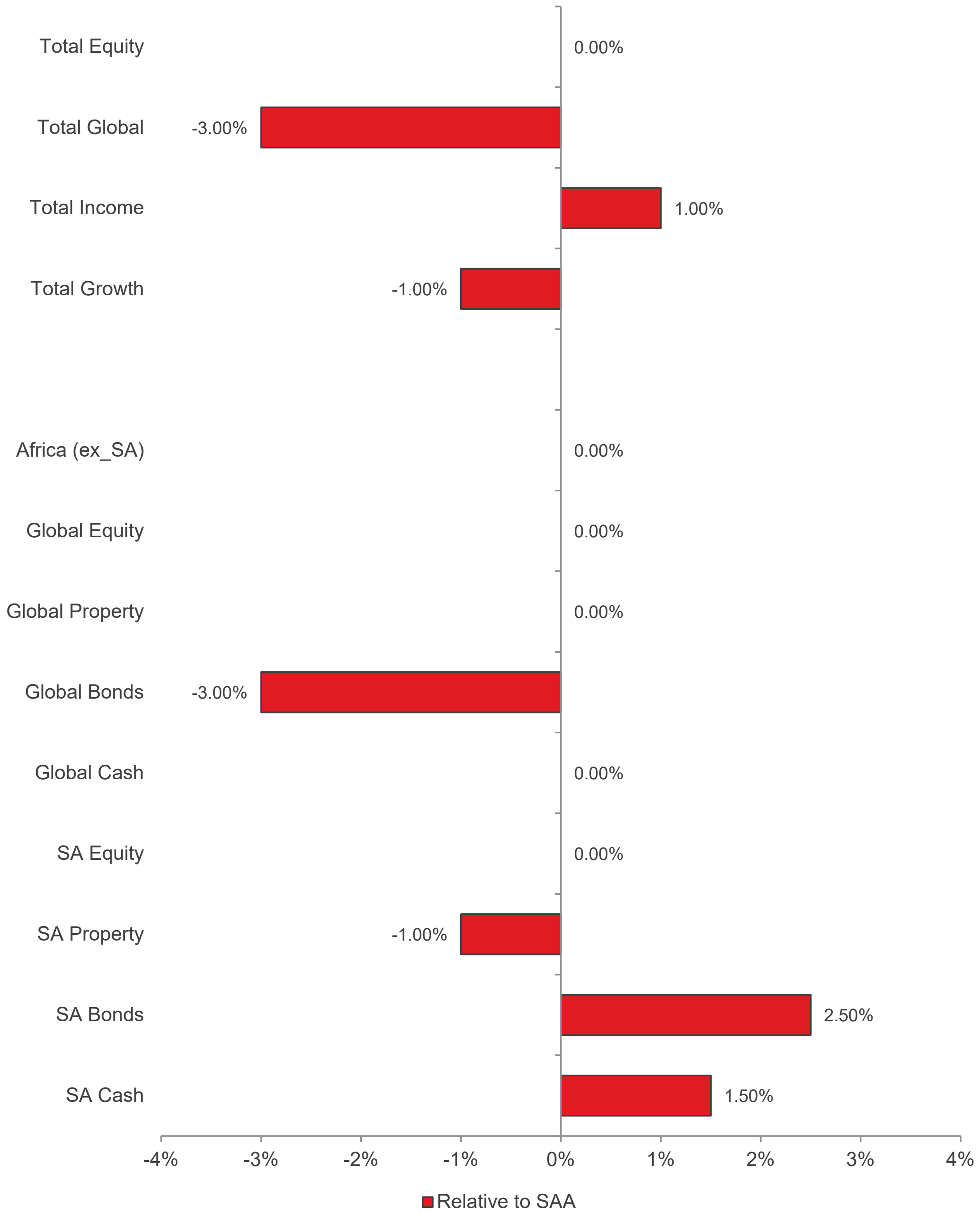
5.6.1. Building block allocation



5.6.2. Look-through asset allocation (as at 30 September 2021)



5.6.3. Look-through asset allocation: Relative to SAA



5.6.4. Portfolio changes

Considering our asset class views and the current positioning of the portfolio, we made the following changes:

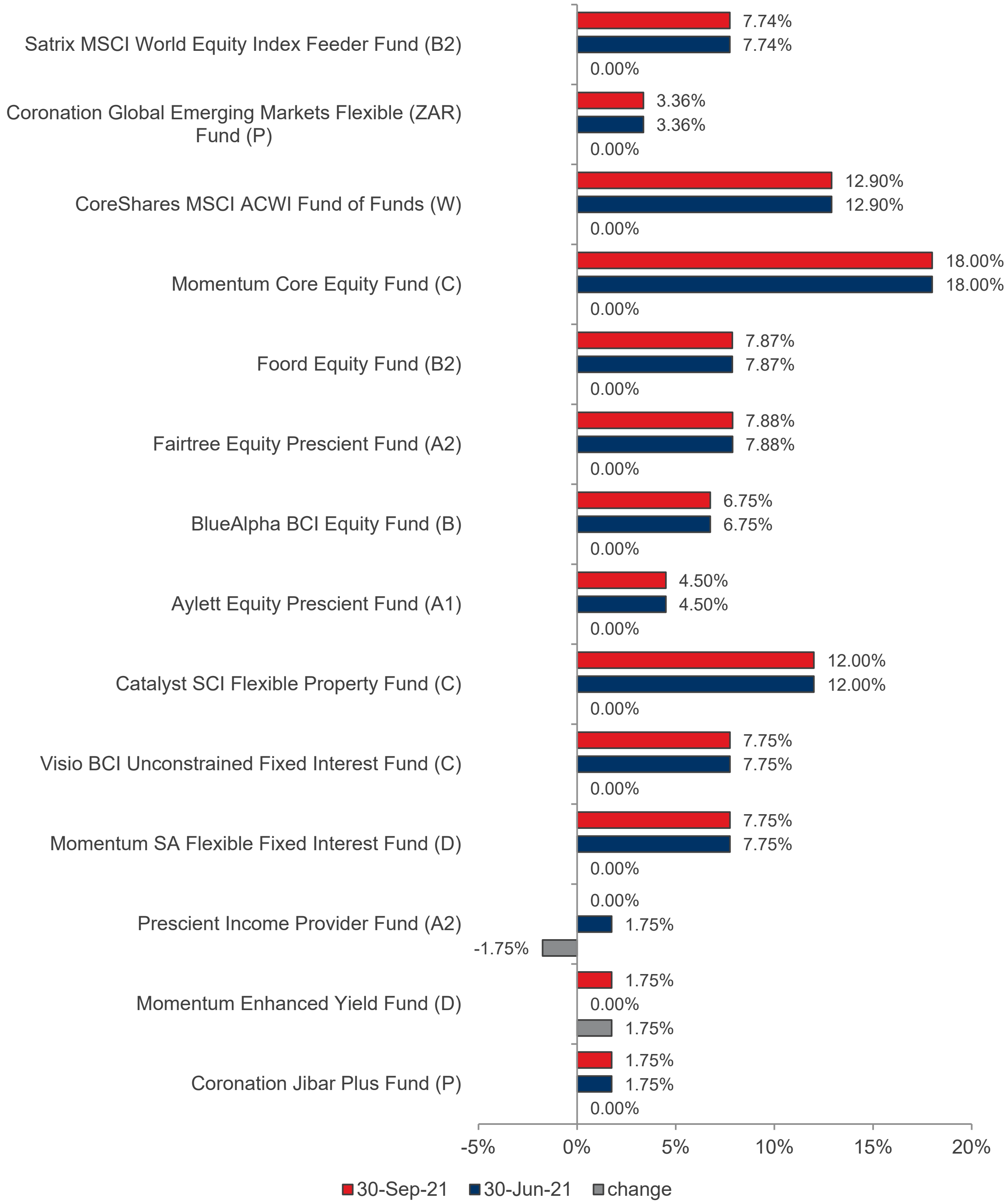
- Increased local equities by 2.25%
- Reduced local bonds by 0.25%
- Increased global bonds by 0.75% by introducing Coronation Global Strategic USD Income FF

The table below summarises the changes at a building block level:

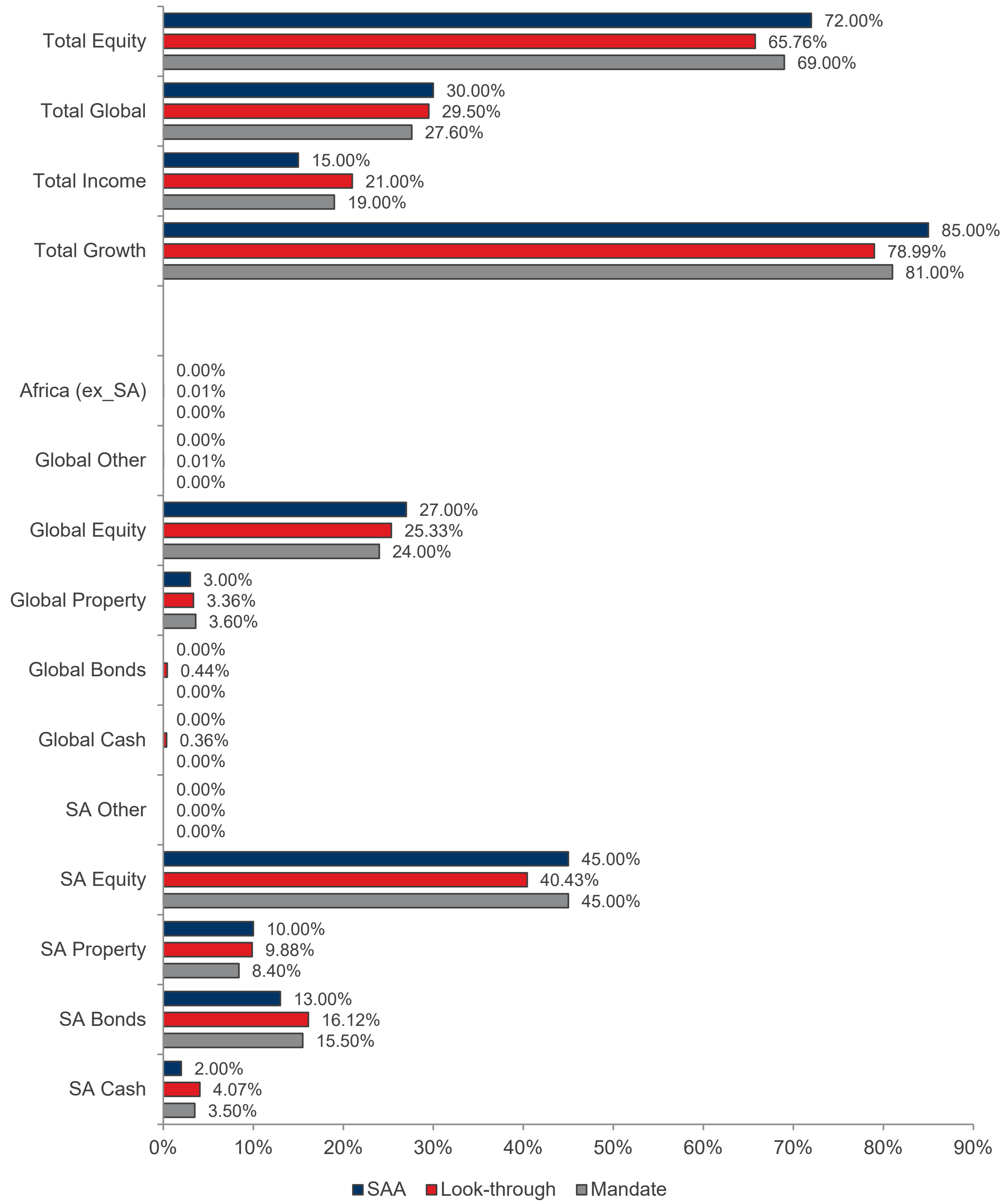
Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.00%	**4.23%**	0.23%
Satrix MSCI World Equity Index Feeder Fund (B2)	7.20%	**7.20%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	2.80%	**2.80%**	0.00%
CoreShares MSCI ACWI Fund of Funds (W)	12.00%	**12.00%**	0.00%
Fairtree Equity Prescient Fund (A2)	7.00%	**7.39%**	0.39%
Foord Equity Fund (B2)	7.00%	**7.39%**	0.39%
Visio BCI Unconstrained Fixed Interest Fund (C)	7.25%	**7.12%**	-0.13%
Momentum Core Equity Fund (C)	16.00%	**16.90%**	0.90%
Momentum SA Flexible Fixed Interest Fund (D)	7.25%	**7.13%**	-0.12%
BlueAlpha BCI Equity Fund (B)	6.00%	**6.34%**	0.34%
Catalyst SCI Flexible Property Fund (C)	12.00%	**12.00%**	0.00%
Coronation Jibar Plus Fund (P)	5.75%	**4.37%**	-1.38%
Momentum Enhanced Yield Fund (D)	5.75%	**4.38%**	-1.37%
Coronation Global Strategic USD Income (ZAR) Feeder Fund (P)	0.00%	**0.75%**	0.75%
	100.00%	100.00%	0.00%

5.7. MIC Growth Portfolio

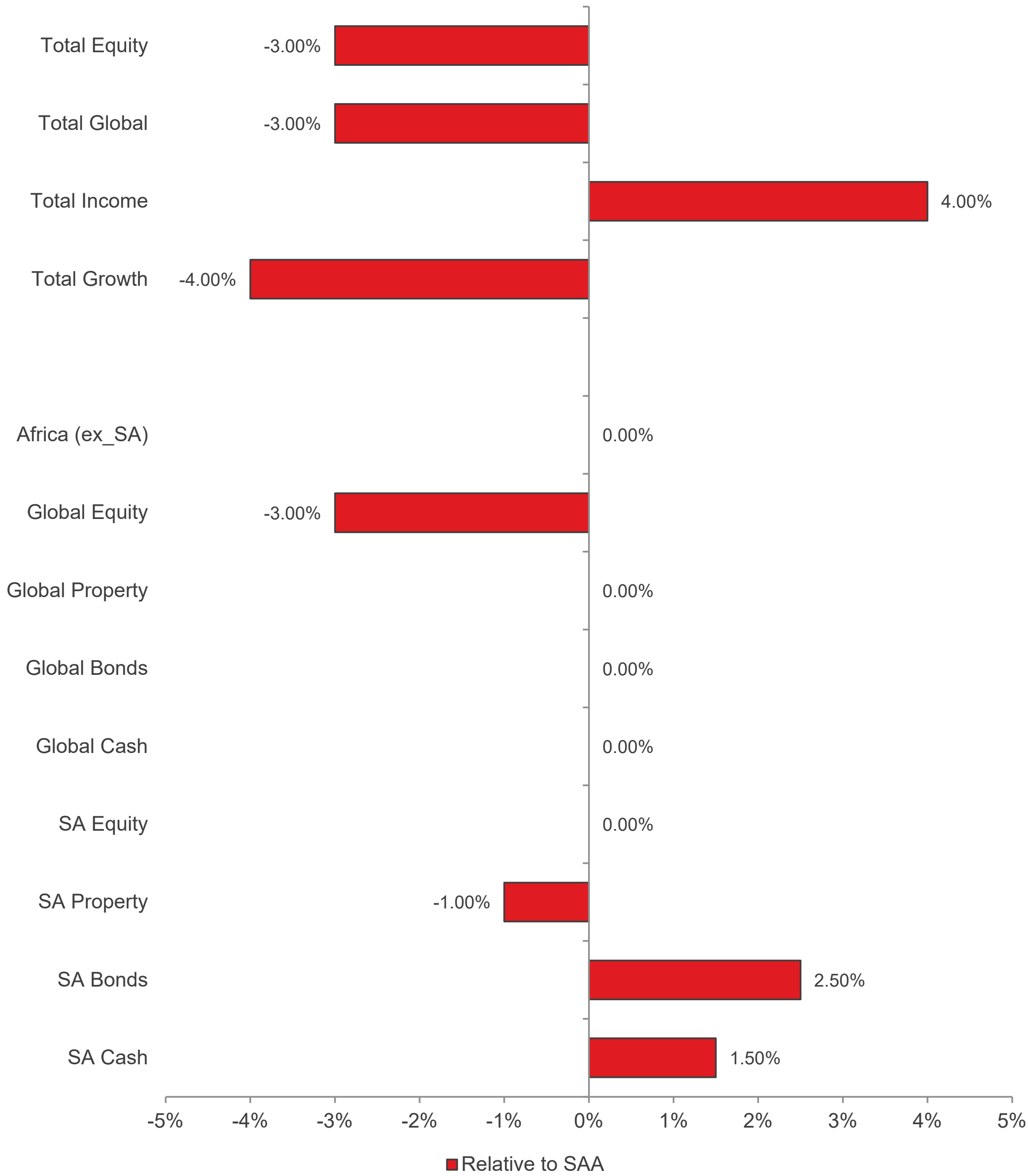
5.7.1. Building block allocation



5.7.2. Asset allocation (as at 30 September 2021)



5.7.3. Asset allocation: Relative to SAA



5.7.4. Portfolio changes

Considering our asset class views and the current positioning of the portfolio, we made the following changes:

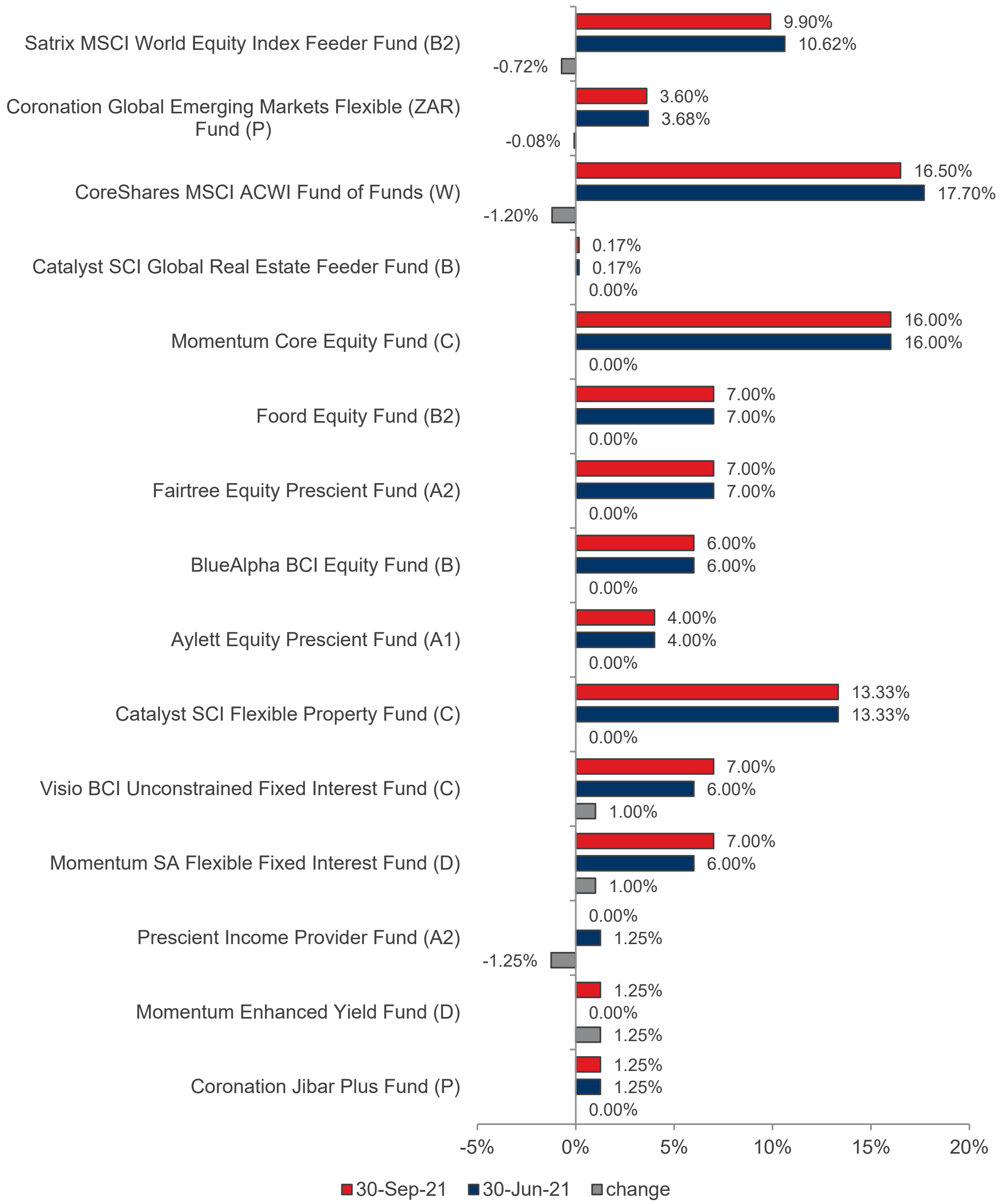
- Increased local equities by 3.00%
- Increased local bonds by 0.50%

The table below summarises the changes at a building block level:

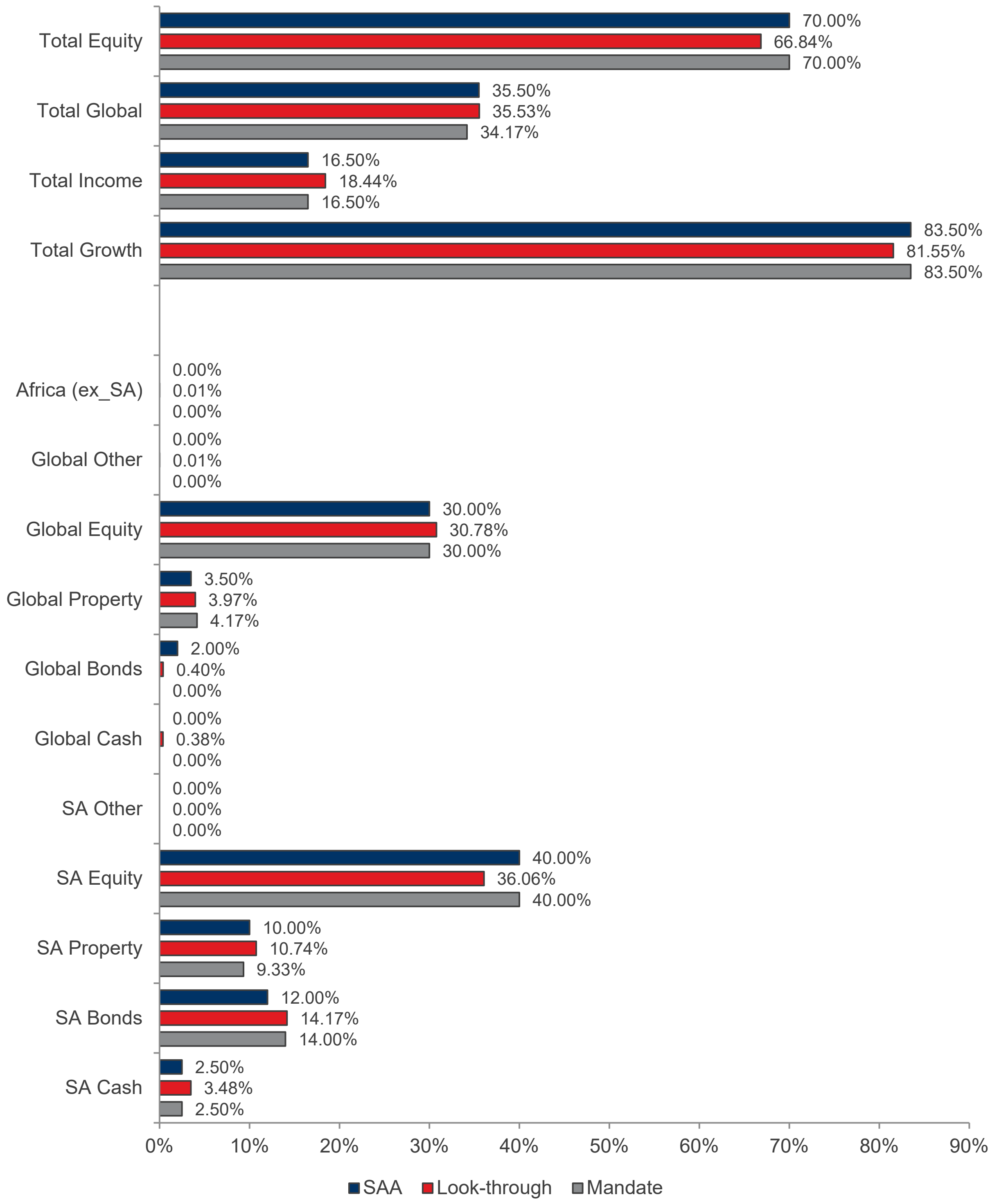
Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.50%	**4.80%**	0.30%
Satrix MSCI World Equity Index Feeder Fund (B2)	7.74%	**7.74%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	3.36%	**3.36%**	0.00%
CoreShares MSCI ACWI Fund of Funds (W)	12.90%	**12.90%**	0.00%
Fairtree Equity Prescient Fund (A2)	7.88%	**8.40%**	0.52%
Foord Equity Fund (B2)	7.87%	**8.40%**	0.53%
Visio BCI Unconstrained Fixed Interest Fund (C)	7.75%	**8.00%**	0.25%
Momentum Core Equity Fund (C)	18.00%	**19.20%**	1.20%
Momentum SA Flexible Fixed Interest Fund (D)	7.75%	**8.00%**	0.25%
BlueAlpha BCI Equity Fund (B)	6.75%	**7.20%**	0.45%
Catalyst SCI Flexible Property Fund (C)	12.00%	**12.00%**	0.00%
Coronation Jibar Plus Fund (P)	1.75%	**0.00%**	-1.75%
Momentum Enhanced Yield Fund (D)	1.75%	**0.00%**	-1.75%
	100.00%	100.00%	0.00%

5.8. MIC Unconstrained Portfolio

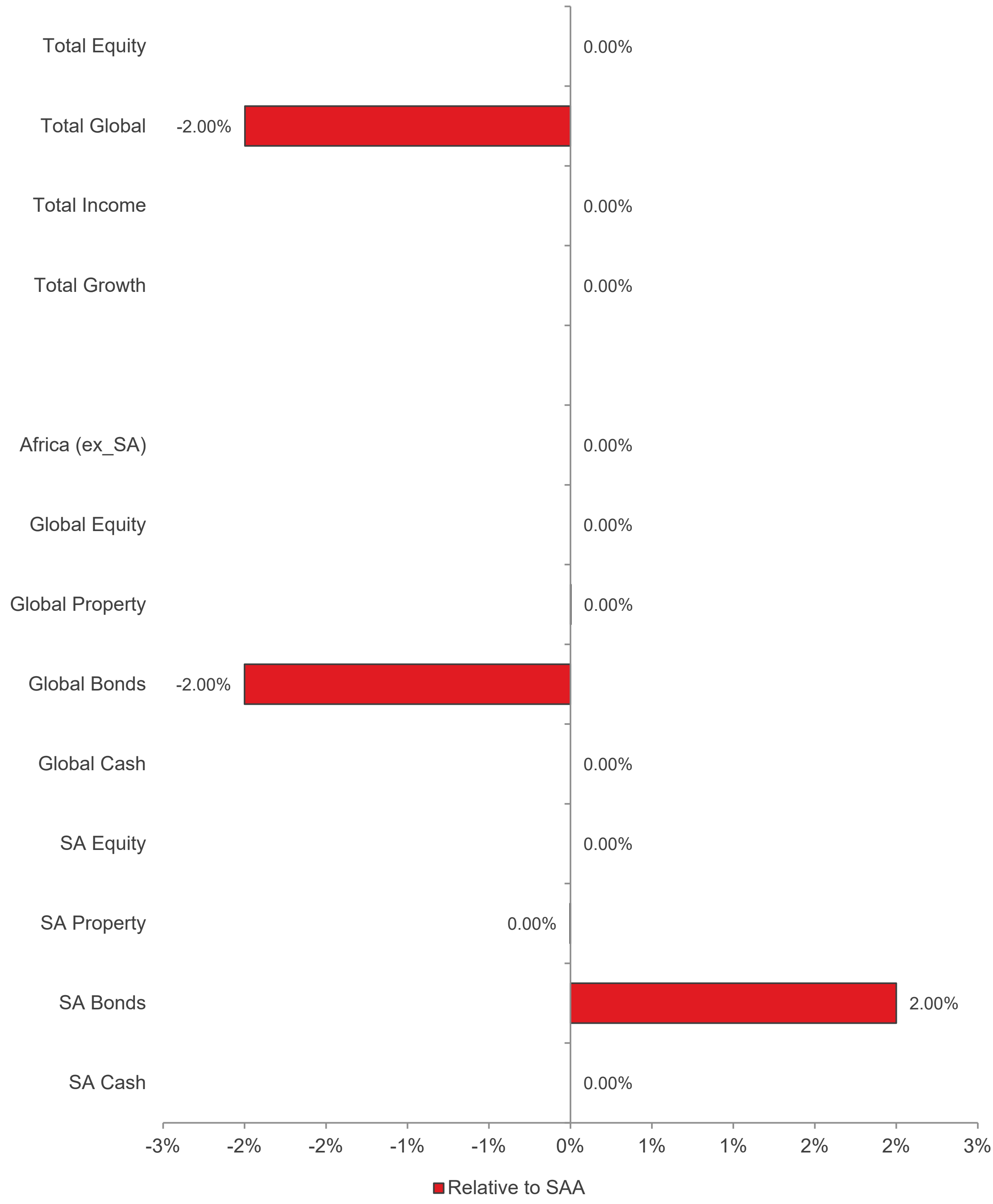
5.8.1. Building block allocation



5.8.2. Look-through asset allocation (as at 30 September 2021)



5.8.3. Look-through asset allocation: Relative to SAA



5.8.4. Portfolio changes

Considering our asset class views and the current positioning of the portfolio, we made the following changes:

- Increased local equities by 3.00%
- Reduced local bonds by 0.50%

The table below summarises the changes at a building block level:

Fund	Current	New	Change
Aylett Equity Prescient Fund (A1)	4.00%	**4.30%**	0.30%
Satrix MSCI World Equity Index Feeder Fund (B2)	9.90%	**9.90%**	0.00%
Coronation Global Emerging Markets Flexible (ZAR) Fund (P)	3.60%	**3.60%**	0.00%
CoreShares MSCI ACWI Fund of Funds (W)	16.50%	**16.50%**	0.00%
Fairtree Equity Prescient Fund (A2)	7.00%	**7.53%**	0.53%
Foord Equity Fund (B2)	7.00%	**7.52%**	0.52%
Visio BCI Unconstrained Fixed Interest Fund (C)	7.00%	**6.75%**	-0.25%
Momentum Core Equity Fund (C)	16.00%	**17.20%**	1.20%
Momentum SA Flexible Fixed Interest Fund (D)	7.00%	**6.75%**	-0.25%
BlueAlpha BCI Equity Fund (B)	6.00%	**6.45%**	0.45%
Catalyst SCI Flexible Property Fund (C)	13.33%	**13.33%**	0.00%
Coronation Jibar Plus Fund (P)	1.25%	**0.00%**	-1.25%
Catalyst SCI Global Real Estate Prescient Feeder Fund (B)	0.17%	**0.17%**	0.00%
Momentum Enhanced Yield Fund (D)	1.25%	**0.00%**	-1.25%
	100.00%	100.00%	0.00%

6. Appendices

6.1. Glossary

- **Asset allocation as at 30 September 2021**

Total growth	Total allocation to local and global property and equity
Total income	Total allocation to local and global cash and bonds

- **Rolling x-year 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 12m absolute drawdown**
  The portfolio/benchmark'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 drawdown (ann.) relative to goal**
  The historic average annualised return of the portfolio relative to its return objective over an x-year time period. The rolling drawdowns show the extent to which the portfolio has underperformed its return objective over the relevant investment horizon.

- **SAA – Strategic asset allocation**
  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 VAR targets measured over 12-month periods with a 95% likelihood. As the risk profile of portfolios increase, so will the VAR targets.

- **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%.

6.2. Disclaimers

These portfolios are administered and managed by Momentum Investment Consulting (Pty) Ltd (MIC), an authorised financial services provider (FSP32726) in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS), as may be amended and/or replaced from time to time and a part of Momentum Metropolitan Holdings Limited, rated B-BBEE level 1.

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The launch date is the date of MIC’s appointment to administer and manage the portfolios. Returns before this date may be based on the portfolio’s pre-existing returns history, if any, or on a combination of calculation methodologies. Return calculation methodologies include: simulated returns before the launch date of the portfolio based on the portfolio's holdings at the launch date, which would not reflect MIC’s historic asset allocation views, or any changes, which would have been made to the portfolio holdings over time, money-weighted returns calculated on the total value of the portfolio with the size and timing of cash flows taken into account, or returns based on an investment in a tracker or index portfolio, which is a time-weighted return and the effect of cash flows is not taken into account. For simulated return calculations, the underlying fund’s retail share classes with the longest return histories have been used. For funds with limited return history, the applicable index returns have been used. For the tracker or index portfolios, returns are after the deduction of the portfolio management fee and either before or after the deduction of any platform administration fees (depending on the linked investment service platform on which the tracker or index portfolio is invested) and before financial adviser fees. Returns for periods exceeding one year are annualised. The return for the Consumer Price Index (CPI) is at the end of the previous month. Total investment charges (TIC) are the sum of a fund’s total expense ratio (TER) and the transaction cost (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. 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 may contain exposure to assets that are invested globally, which may present additional risks. Individual investor returns may differ as a result of platform and adviser fees, the actual investment date, cash flows and other transactions.

MIC does not provide a guarantee on the value of the portfolio nor does it guarantee the returns of the underlying funds in the portfolio. The investor acknowledges the inherent risk associated with the portfolio (currency, investment, market and credit risks) and that capital is not guaranteed. A switch transaction between underlying funds within the portfolio will incur capital gains tax (CGT) for the investor, should the product through which the investor buys the portfolio not be CGT exempt. For details on the underlying funds in the portfolio, please refer to the minimum disclosure documents, which are obtainable from the relevant investment manager. The information contained in this document is confidential, privileged and only for the use and benefit of the intended recipient and may not be used, published or redistributed without the prior written consent of Momentum Metropolitan Holdings Limited or the Momentum Parties. Under no circumstances will Momentum Metropolitan Holdings Limited or the Momentum Parties be liable for any cost, loss or damages arising out of the unauthorised dissemination of this document or the information contain herein.

Sources: Momentum Investments, Morningstar and Finswitch.