

Multi-asset-class investments

Investment management capabilities

Multi-asset-class investments contain various asset classes, for example equities, bonds and cash.

Our multi-asset-class investments have proven track records. Over time we evolved our outcome-based investing philosophy and our multi-asset-class, multi-strategy and multi-mandate investments to match your investment needs. We set our sights beyond mere benchmarks and instead focused on the things that matter the most to you – making sure we maximise the likelihood of you achieving your investment goals.

Our multi-asset-class investments consist of the following portfolio ranges:

- **Enhanced Factor Portfolio Range** (a range that consists of traditional and new alternative asset classes)
- **Classic Factor Portfolio Range** (a range that consists of traditional active asset classes)
- **Target Factor Portfolio Range** (a range that consists of passive and smart beta)
- **Flexible Factor Portfolio Range** (a range that consists of multiple balanced mandates)



Portfolio outcomes

Range to suit different goals and needs.



Investment horizon

4 to 7+ years



Risk

Low to high

Rules and regulations

Our portfolios are managed in accordance with many acts and regulations controlled by the Financial Sector Conduct Authority (FSCA). The FSCA is the regulator for all financial institutions. In addition, our governing body, the Association for Savings and Investment South Africa (Asisa), provides best practice guidelines to make sure the investor is the focal point of everything we do. The above multi-asset-class portfolios are managed in accordance with Regulation 28 of the Pension Funds Act.

The role of a multi-asset-class investment in a client's portfolio

Each portfolio range has a life stage progression model, which allows you to switch seamlessly from a more aggressive investment portfolio, with longer-term investment horizons, to more conservative and, ultimately, defensive portfolios in the medium to shorter term.

If you have a long-term investment horizon, you should be invested in growth asset classes, which would include a significant allocation to higher-yielding growth asset classes and strategies characterised by a higher level of risk (such as local and global equity and property). Even though these asset classes are volatile, they are expected to provide returns above inflation in the long term. However, if you are investing for a medium-term investment horizon, the exposure to growth asset classes should be gradually reduced to protect your investment from being exposed to capital losses. Once the investment horizon becomes shorter, the main aim of your investment should be to preserve the purchasing power of the capital you accumulated.

Investment horizons for the different portfolios

The investment horizons for the different ranges vary from three to seven plus years. The naming convention for each portfolio highlights the minimum period you should be invested in that portfolio, for example Factor 4 would be an investment horizon of not less than four years. The table below shows how the term should be applied for the life stage you are in.

Factor 7	Accumulation phase	Long-term investment horizon
Factor 6	Accumulation phase	Medium- to long-term investment horizon
Factor 5	Consolidation phase	Medium-term investment horizon
Factor 4	Pre-retirement and consolidation phase	Short- to medium-term investment horizon

Understanding the risk profile

Our long-term portfolios have exposure to riskier asset classes compared to short-term portfolios, which are more conservative. The table below shows how the exposure to growth assets vary for each of the life stages.

Factor 7	Exposure of about 80% to growth asset classes.
Factor 6	Exposure of about 70% to growth asset classes with a small allocation to defensive asset classes.
Factor 5	Exposure of about 55% to growth asset classes. The remaining exposure is to asset classes that should preserve the purchasing power of the capital accumulated.
Factor 4	Exposure of about 40% to growth asset classes. The remaining exposure is to asset classes that should preserve the purchasing power of the capital accumulated.

Our investment philosophy and process

Our investment philosophy is about placing your goals at the centre of our day-to-day investment process. Central to our thinking is:

- Constructing portfolios around your goals and time horizon
- Making sure the portfolios are well diversified
- Making sure portfolios remain flexible and adaptable
- Making sure an attractive risk-adjusted return that provides a more consistent investment experience over time
- Limiting the risk and temptation of market timing

Our portfolio construction process comprises three steps:

Multi-asset-class	Multi-strategy	Multi-mandate
Blending the right asset classes for optimum risk management at a total portfolio level. We analyse asset classes to comprehend how best to create a well-diversified solution with the optimal asset allocation.	To enable consistent returns in dynamic market conditions. We identify the most beneficial investment strategies to use (including factors such as investment style, regional exposures, credit, real assets, currency, etc.).	Maximising the specialist expertise in different investment management styles. Investment mandate design and selection (whether active or passive) is the final step in our comprehensive outcome-based investment process.

In addition to establishing a robust investment process, we also recognise the importance of quick, timely and effective implementation of investment decisions.

How our multi-asset-class capability differs from competitors

We believe our approach is different to competitors in that, outcome-based investing is about constructing portfolios that will maximise the likelihood of achieving your goals, while managing these to your specific risk tolerance and investment horizon.

We have developed and over many years evolved a market-leading investment process to maximise the likelihood of you achieving your goals.

Responsible investing

Environmental, social, and governance (ESG) investing is integral in our day to day investment management process. We see ESG as part of our duty to protect your money. We actively engage investment management teams on ESG issues. We have and will in future decline investment opportunities where our criteria for ESG are not met.

Multi-asset-class capability team



Nina Saad
Head: Institutional Portfolio Solutions
BSc, CFA
Industry experience: 22 years



Mohammed Sibda
Senior Portfolio Manager
BCom
Industry experience: 20 years

Our multi-asset-class portfolio ranges

- **Enhanced Factor Portfolio Range** (a range that consists of traditional and new alternative asset classes)
- **Classic Factor Portfolio Range** (a range that consists of traditional active asset classes)
- **Target Factor Portfolio Range** (a range that consists of passive and smart beta)
- **Flexible Factor Portfolio Range** (a range that consists of multiple balanced mandates)

Name	Portfolio manager	Return objective	Time horizon	Risk
Enhanced Factor 4	Nina Saad, Mohammed Sibda	Inflation plus 2% to 3%	4 years	Low to medium
Enhanced Factor 5	Nina Saad, Mohammed Sibda	Inflation plus 3% to 4%	5 years	Medium
Enhanced Factor 6	Nina Saad, Mohammed Sibda	Inflation plus 4% to 5%	6 years	Medium to high
Enhanced Factor 7	Nina Saad, Mohammed Sibda	Inflation plus 5% to 6%	7 years	High

Classic Factor 4	Nina Saad, Mohammed Sibda	Inflation plus 2% to 3%	4 years	Low to medium
Classic Factor 5	Nina Saad, Mohammed Sibda	Inflation plus 3% to 4%	5 years	Medium
Classic Factor 6	Nina Saad, Mohammed Sibda	Inflation plus 4% to 5%	6 years	Medium to high
Classic Factor 7	Nina Saad, Mohammed Sibda	Inflation plus 5% to 6%	7 years	High

Our multi-asset-class portfolio ranges

Name	Portfolio manager	Return objective	Time horizon	Risk
Target Factor 4	Nina Saad, Mohammed Sibda	Inflation plus 2% to 3%	4 years	Low to medium
Target Factor 5	Nina Saad, Mohammed Sibda	Inflation plus 3% to 4%	5 years	Medium
Target Factor 6	Nina Saad, Mohammed Sibda	Inflation plus 4% to 5%	6 years	Medium to high
Target Factor 7	Nina Saad, Mohammed Sibda	Inflation plus 5% to 6%	7 years	High

Flexible Factor 4	Nina Saad, Mohammed Sibda	Inflation plus 2% to 3%	4 years	Low to medium
Flexible Factor 5	Nina Saad, Mohammed Sibda	Inflation plus 3% to 4%	5 years	Medium
Flexible Factor 6	Nina Saad, Mohammed Sibda	Inflation plus 4% to 5%	6 years	Medium to high
Flexible Factor 7	Nina Saad, Mohammed Sibda	Inflation plus 5% to 6%	7 years	High

momentum

investments

Disclaimer: The investment policy is underwritten by Momentum Metropolitan Life Limited, which is a registered insurer under the Long-Term Insurance Act 52 of 1998. This investment portfolios are administered and managed by Momentum Outcome-based Solutions (Pty) Ltd (FSP19840) or Momentum Asset Management (Pty) Ltd (FSP623), which are authorised financial services providers in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS Act), as may be amended and/or replaced from time to time and a part of Momentum Metropolitan Holdings Limited, rated B-BBEE level 1.

The information used to prepare this document includes information from third-party sources and is for information purposes only. This document does not constitute any form of advice and should not be used as a basis to make investment decisions or as an offer or a solicitation to purchase any specific product. Given that past returns may not be indicative of future returns and the value of investments will fluctuate over time, independent professional advice should always be sought before making an investment decision. Fluctuations in exchange rates may cause the value of international investments, if included in the mandate, to go up or down. Investors should be aware that investing in a financial product entails a level of risk that depends on the nature of the investment. The merits of any investment should be considered together with the investor's specific risk profile and investment objectives. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, Momentum Metropolitan Life Limited does not guarantee the accuracy, content, completeness, legality or reliability of the information contained in this document and no warranties and/or representations of any kind, expressed or implied, are given to the nature, standard, accuracy or otherwise of the information provided nor to the suitability or otherwise of the information to your particular circumstances. Under no circumstances shall Momentum Metropolitan Life Limited, its affiliates, directors, officers, employees, representatives or agents (the "Momentum Parties") have any liability to any persons or entities receiving the information made available in this document for any claim, damages, loss or expense, whether caused by Momentum Metropolitan Life Limited or the Momentum Parties' negligence or otherwise, including, without limitation, any direct, indirect, special, incidental, punitive or consequential cost, loss or damages, whether in contract or in delict, arising out of or in connection with information made available in this document, whether relating to any actions, transactions, omissions resulting from this information, or relating to any legal proceedings brought against you as a result of this information, and you agree to indemnify Momentum Metropolitan Life Limited and the Momentum Parties accordingly. Investment returns for periods exceeding one year are annualised. For investments in collective investments schemes (CIS), please refer to the minimum disclosure document (MDD), which is available from the respective CIS manager. The MDD contains important information relating to investments in the respective CIS. The information contained in this document may not be used, published or redistributed without the prior written consent of Momentum Metropolitan Life Limited. Under no circumstances will Momentum Metropolitan Life Limited be liable for any cost, loss or damages arising out of the unauthorised dissemination of this document or the information contained herein, and you agree to indemnify Momentum Metropolitan Life Limited and the Momentum Parties accordingly.

Sources: Momentum Outcome-based Solutions (Pty) Ltd