



# METROPOLITAN

## Metropolitan Lesotho Portfolio Range

### Metropolitan Lesotho Cautious Growth Portfolio

Factsheet at 31 March 2021

Target return: CPI + 3% p.a.

Investment horizon: Three years

Investments managed by: Momentum Asset Management (Pty) Ltd

#### 📖 Momentum outcome-based investing philosophy

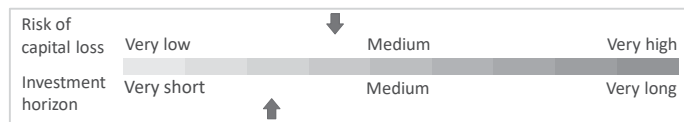
Investment success is about consistently maximising the probability of you achieving your investment goals - whether that is to preserve capital, generate an income stream in retirement or grow wealth within the parameters of a certain risk profile. In response to the ever-evolving investment landscape, we have constructed a leading range of outcome-based solutions that set their sights beyond mere benchmarks and instead focus on the things that matter the most to you - ensuring we maximise the probability of you achieving your investment goals. Outcome-based investing is about placing your goals at the centre of our investment process.

#### 📖 Investor profile and investment strategy

This portfolio is aimed at investors who are in the preservation phase of investing. It has a short- to medium-term investment horizon and, therefore, the aim is to maintain exposure of between 27.5% and 42.5% to asset classes that should preserve the purchasing power of the capital accumulated. A large emphasis is placed on capital preservation in the shorter term, which is achieved through diversification to defensive strategies and uncorrelated return profiles. The portfolio consists of the full universe of asset classes (including alternatives) with a minimum of 30% invested in Lesotho, and the rest in South Africa and globally. Through the optimum selection of asset classes, the probability of achieving the outcome is maximised within acceptable risk parameters.

#### ✍ Portfolio information

Launch date:	1 October 2019
Target:	Inflation plus 3% a year over three-year rolling periods
Investment medium:	Policy



#### 👤 Portfolio manager



Taruvona Mashamhanda  
BBusSci (Hons), FASSA

#### ✍ Long-term outcomes

Return over the investment horizon



**Portfolio**  
7.13%  
Target  
6.87%

The annualised return over the investment horizon.

Hit rate



**Portfolio**  
62.50%

The percentage of times the portfolio achieved or exceeded its target over rolling periods of the investment horizon.

Maximum drawdown



**Portfolio**  
-7.55%

The maximum loss from a peak to a trough over five years.

#### ✍ Short-term risk

Percentage positive one-year returns



**Portfolio**  
98.33%

The positive returns over any one-year rolling period in the last five years.

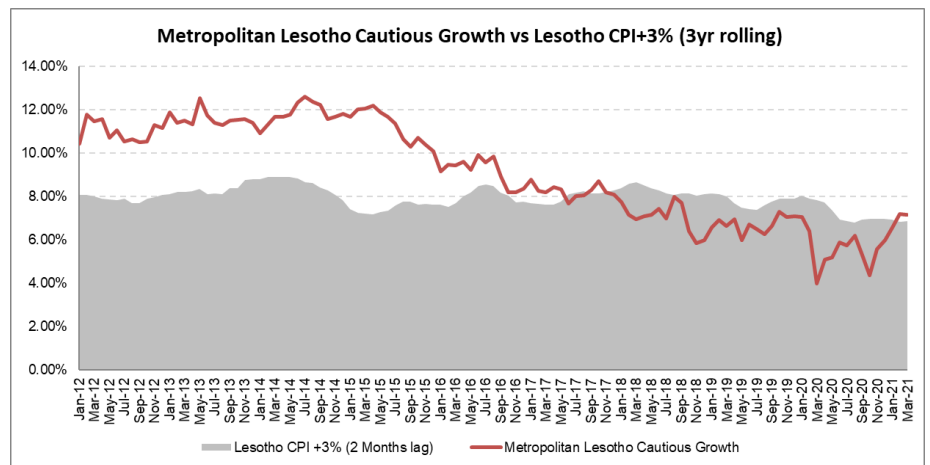
Minimum one-year return



**Portfolio**  
-2.00%

Minimum realised return over one-year rolling periods in the last five years.

#### 📊 Rolling returns



Portfolio returns relative to the target over rolling periods of the investment horizon.

## Investment returns

	One month	Three months	One year	Two years	Three years	Four years	Five years	Six years	Seven years	Since launch
<b>Portfolio</b>	0.07%	3.50%	17.58%	7.34%	7.13%	7.22%	6.91%	7.03%	7.64%	9.15%
Benchmark <sup>1</sup>	0.66%	3.82%	19.64%	6.77%	6.17%	6.26%	5.76%	5.90%	6.89%	8.69%
Target	0.45%	1.34%	5.27%	6.49%	6.87%	7.19%	7.39%	7.76%	7.38%	7.64%

<sup>1</sup>The benchmark is calculated using the strategic allocation weightings below

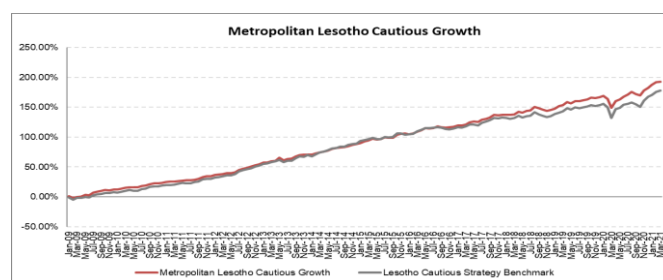
## Index returns

Asset class	Index	One month	One year	Two years	Three years	Four years	Five years	Six years	Seven years	Strategic allocation
Lesotho equity	FTSE/JSE Shareholder Weighted Capped Top 40 Index - 1%	3.66%	54.04%	6.90%	2.70%	4.12%	2.45%	2.30%		<b>10.5%</b>
SA equity	FTSE/JSE Shareholder Weighted Capped Index	3.71%	54.24%	7.90%	4.29%	5.22%	4.35%	4.07%		<b>6.0%</b>
Lesotho bonds	JSE ASSA All Bond Index	-2.54%	16.96%	6.52%	5.49%	8.08%	8.66%	7.06%		<b>10.0%</b>
SA bonds	JSE ASSA All Bond Index	-2.54%	16.96%	6.52%	5.49%	8.08%	8.66%	7.06%		<b>6.5%</b>
Lesotho cash	Central bank of Lesotho 91-day Treasury bill rate	0.27%	3.57%	4.98%	5.54%	5.74%	5.92%	6.00%		<b>12.5%</b>
SA cash	Short-term Fixed Interest Composite Index	0.31%	4.57%	5.88%	6.34%	6.62%	6.81%	6.77%		<b>13.0%</b>
Lesotho property	FTSE/JSE SA Listed Property Index (SAPY)	1.23%	34.44%	-16.32%	-12.91%	-11.49%	-9.04%	-6.90%		<b>3.0%</b>
SA property	FTSE/JSE SA Listed Property Index (SAPY)	1.23%	34.44%	-16.32%	-12.91%	-11.49%	-9.04%	-6.90%		<b>3.5%</b>
SA ILB	JSE ASSA Inflation-linked Government Bond Index	0.60%	16.79%	5.29%	2.28%	3.57%	3.51%	3.84%		<b>17.0%</b>
Global equity	MSCI All Countries World Index	4.21%	32.53%	20.81%	22.51%	17.03%	14.42%	14.85%		<b>11.0%</b>
Global bonds	Citigroup World Government Bond Index	-3.57%	-14.68%	4.78%	10.11%	6.08%	2.25%	6.06%		<b>7.0%</b>

## Investment manager allocation

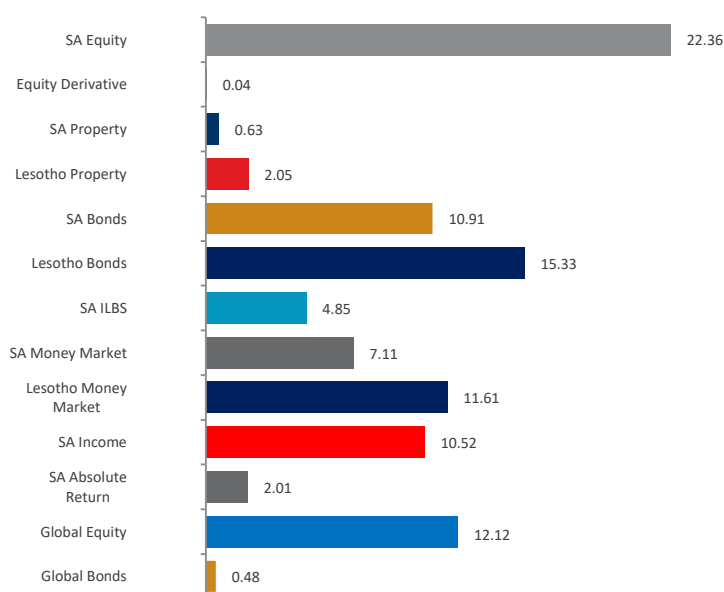
Asset class	Investment manager	Weighting
<b>SA equity manager</b>	Momentum AM	22.40%
<b>Lesotho direct property manager</b>	Eris	2.05%
<b>SA listed property manager</b>	Momentum AM	0.63%
<b>Lesotho bond manager</b>	Momentum AM	15.33%
<b>SA bond manager</b>	Momentum AM	10.91%
<b>SA ILB manager</b>	ALUWANI Capital Partners	4.85%
<b>Lesotho cash manager</b>	Momentum AM	11.61%
<b>SA cash manager</b>	Momentum AM	7.29%
<b>SA income managers</b>	Prescient	2.77%
	Fairtree	3.10%
	Prudential	2.09%
	Granate	2.38%
<b>SA absolute strategy managers</b>	Momentum AM	0.76%
	Prescient	0.74%
	Tantalum	0.52%
<b>Global manager</b>	Momentum Global IM	12.60%
<b>Total</b>		100.00%

## Cumulative returns



The cumulative growth of the portfolio since inception compared to its benchmark.

## Effective asset allocation



## Other information

Fees:	
	0.67% per year of the first M40 000 000
	0.62% per year between M40 000 000 and M100 000 000
	0.54% per year of the balance of market value
	In addition to the policy fee, the underlying investment manager fees on net-priced funds and performance-based fees, if applicable, are paid directly from the underlying investments of the portfolio.

## Notes

This portfolio was launched on 1 October 2019. Returns up to 30 September 2019 were calculated based on actual underlying investment manager returns as well as index returns, using the effective investment manager target weightings for the portfolio's long-term strategic asset allocation.

## Disclosures

The investment policy is underwritten by Metropolitan Lesotho Limited, which is a registered insurer under the Insurance Act No. 57 of 2014. This investment portfolio is administered and managed by Momentum Asset Management (Pty) Ltd, a South African authorised financial services provider in terms of the South African Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS Act).

The information used to prepare this factsheet includes information from third-party sources and is for information purposes only. This factsheet 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 investment solution. 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 solution 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 factsheet, Metropolitan Lesotho Limited does not guarantee the accuracy, content, completeness, legality or reliability of the information contained in this factsheet 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 Metropolitan Lesotho Limited, its affiliates, directors, officers, employees, representatives or agents (the "Metropolitan Parties") have any liability to any persons or entities receiving the information made available in this factsheet for any claim, damages, loss or expense, whether caused by Metropolitan Lesotho Limited or the Metropolitan 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 factsheet, 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 Metropolitan Lesotho Limited and the Metropolitan Parties accordingly. Investment returns for periods exceeding one year are annualised. All returns quoted are before deduction of fees, except where a portfolio includes underlying investments where fees are deducted from the return. All returns are daily time-weighted returns. The return for the global component of a portfolio is generated at month-end using the global component's last known price. The return for Lesotho Consumer Price Index (CPI) is to the end of the previous month. The information contained in this factsheet may not be used, published or redistributed without the prior written consent of Metropolitan Lesotho Limited. Under no circumstances will Metropolitan Lesotho Limited be liable for any cost, loss or damages arising out of the unauthorised dissemination of this factsheet or the information contained herein, and you agree to indemnify Metropolitan Lesotho Limited and the Metropolitan Parties accordingly. 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 investment in the respective CIS.

**Sources:** Momentum Investments, Morningstar, Iress, msci.com, yieldbook.com, ft.com

## Contact and other information

Metropolitan Life Limited  
Seenyane Nthejane,  
Head of Corporate Business  
Kingsway, Maseru Lesotho  
PO Box 645, Maseru,  
Lesotho T: +266 2222 2100  
E [Seenyane.Nthejane@metropolitan.co.ls](mailto:Seenyane.Nthejane@metropolitan.co.ls)  
Web [metropolitan.co.ls](http://metropolitan.co.ls)

Published: 29 April 2021

Metropolitan Lesotho Portfolio Range