

# Metropolitan Aggressive Fund

TAXED

March 2021



## INVESTMENT STRATEGY

The investment portfolio is aimed at clients who are in the accumulation phase of investing. These clients would have a long-term investment horizon and should be invested in growth asset classes. The long-term return objective of this investment portfolio is inflation plus 7% a year over seven-year rolling periods.

## MARKET INDEX RETURNS

	3 Months	6 Months	1 Year	3 Years	7 Years
FTSE/JSE Capped Swix All Share	12,60%	25,53%	54,24%	4,29%	5,89%
BEASSA ALBI	-1,74%	4,86%	16,96%	5,49%	7,81%
IGOV	4,66%	10,38%	16,79%	2,28%	4,65%
STEFI Composite Index	0,90%	1,88%	4,57%	6,34%	6,68%
FTSE/JSE SA Listed Property	6,40%	30,01%	34,44%	-12,91%	-1,17%
MSCI World All Countries Gross	5,67%	6,31%	28,41%	21,22%	15,31%
Citigroup World BIG	-3,94%	-13,24%	-14,01%	10,64%	6,93%
FTSE EPRA NAREIT ZAR	8,42%	7,78%	14,24%	14,41%	11,25%

## INVESTMENT RETURN

	1 Month	YTD	1 Year	3 Years	7 Years	Since Inception
Aggressive Fund	1,44%	8,11%	29,67%	7,20%	7,48%	10,77%
Strategic Benchmark	0,00%	6,28%	31,56%	4,19%	6,12%	11,27%
Performance Benchmark (CPI + 7%)	1,21%	5,27%	9,88%	10,86%	9,86%	13,00%

## QUARTERLY COMMENT

Quarter one saw yet a further fiscal stimulus package being pushed through by Biden-led administration. Together with the ongoing roll out of vaccines in predominantly developed markets this led to higher anticipation of an earlier global economic recovery. Nervous about the inflation implications of a return to normality investors continued to sell out of bonds in particularly the US but the effect soon spilled over into other markets including emerging markets and South Africa. Equity markets on the other hand remained up-beat. Global equity markets returned 5.6% (MSCI All Country Index - ZAR) for the quarter while the local equity market steamed ahead with 12.6% (FTSE/JSE Capped SWIX All Share Index) over the same period. This is the 5th consecutive positive month for local equities and brings the 12-month return to 54.2%. Local bonds on the other hand ended the quarter in negative territory, down 1.7% (ALBI) but up nearly 17% for the 12 months. Local listed property was up 6.4% (SAPY) for the quarter. The fund benefitted from the combination of its aggressive positioning and the continued rally in risky assets to advance by 8.11% for the quarter and a healthy 29.67% for the one year to end of March. The fund remains well positioned to continue participating in the recovery, with overweight positions to local and global equities with a more neutral stance fixed income, property and cash exposures.

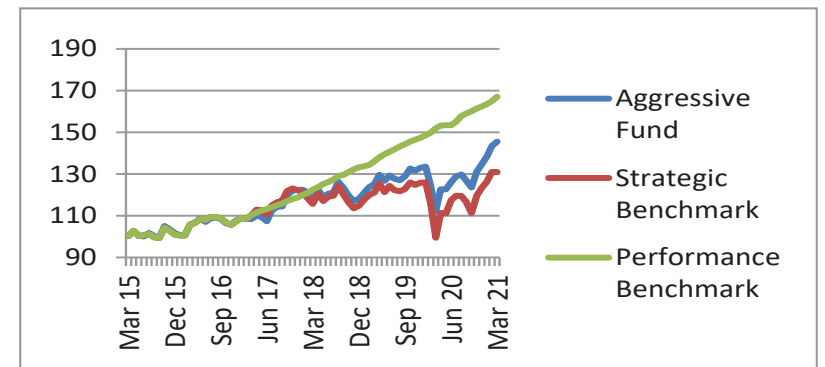
## PORTFOLIO MANDATE

To achieve the desired investment outcome, all combinations of asset classes are considered and an optimum allocation is selected to achieve this objective with a high degree of certainty. The risk of exposure to losses in the short term is continually managed by maximising diversification to asset classes, strategies and investment managers.

## ASSET ALLOCATION (Strategic benchmark)

Local Equity	46,50%	Direct Property	10,00%
Local Bonds	4,00%	Global Equity ZAR	25,00%
Local Index Listed Bonds	3,00%	Global Bonds ZAR	1,50%
Local Cash	1,50%	Global Property ZAR	3,50%
Local Listed Property	5,00%		

## CUMULATIVE RETURNS SINCE MARCH 2015



## DISCLAIMERS

Returns illustrated above apply to lump sum investments and are gross of fees. Past performance is not necessarily a reliable indicator of future performance. Although reasonable steps have been taken to ensure the validity and accuracy of the information provided, Metropolitan does not accept any responsibility for any losses or damages arising from any reliance or actions taken on the basis of the information provided. An investment in the fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment.