

Metropolitan Balanced Fund

TAXED

Risk profile - Moderate

June 2025

INVESTMENT STRATEGY

This fund is a medium equity, multi-asset-class portfolio with the objective of delivering a consistent total return above inflation of CPI + 3% to CPI + 4% over appropriate investment terms. It has a medium- to long-term investment horizon and is suitable for investors with an intended investment horizon of five years or longer.

MARKET INDEX RETURNS

	3 Months	6 Months	1 Year	3 Years	5 Years
FTSE/JSE Capped Swix All Share	9,70%	16,11%	24,56%	15,86%	16,24%
BEASSA ALBI	5,88%	6,62%	18,36%	13,37%	10,89%
IGOV	0,88%	1,51%	7,29%	5,74%	8,49%
STEFI Composite Index	1,86%	3,79%	8,07%	7,79%	6,30%
FTSE/JSE SA Listed Property	9,12%	5,29%	23,95%	19,85%	16,64%
MSCI World (ACWI) ZAR	7,89%	3,92%	13,60%	21,14%	14,71%
Citigroup World BIG	0,91%	1,15%	6,02%	5,72%	-0,93%
FTSE EPRA NAREIT ZAR	0,49%	-0,51%	8,28%	5,66%	5,43%

INVESTMENT RETURN

	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception
Balanced Fund	6,89%	7,22%	16,22%	13,86%	12,58%	10.80%
Strategic Benchmark	6,21%	7,52%	16,23%	14,17%	11,41%	N/A
Performance Benchmark (CPI +3%)	1,61%	3,65%	5,81%	7,76%	8,33%	N/A

QUARTERLY COMMENT

Markets were volatile in Q2 2025 as investors reacted to renewed global trade tensions. Tariff threats from U.S. President Trump caused an initial sell-off, but markets rebounded as negotiations progressed and new trade deals were signed. Economic data remained stable, supporting a strong recovery in global equities, especially U.S. tech. Emerging markets also performed well, helped by a weaker U.S. dollar and improved risk appetite. Locally, the rand strengthened due to political stability and global dollar weakness, limiting rand returns on offshore assets. However, RSA investments outperformed. Listed property delivered the highest returns, followed by equities and government bonds. Platinum stocks surged on strong commodity prices and shifting demand trends.

The Balanced Portfolio delivered a strong return of 6.89% over the three-month period, outperforming both its strategic benchmark (6.21%) and its CPI + 3% objective (1.61%). Over the 12-month period, the portfolio returned a robust 16.22%, exceeding inflation by 13.41%. In Q2 the portfolio benefited from tactical overweights in local equities, nominal bonds, and global equities which drove absolute returns. On a relative basis global equity funds outperformed across the board, driven by tech and emerging market strength.

Looking forward, we continue to prefer RSA assets for their attractive valuations and strong real yields. Local bonds, equities, and property remain well supported by a positive inflation outlook. Globally, we are selective-cautious on U.S. assets but positive on quality global equities and shorter dated fixed income assets. Our portfolios remain well positioned to deliver on long-term investment objectives.

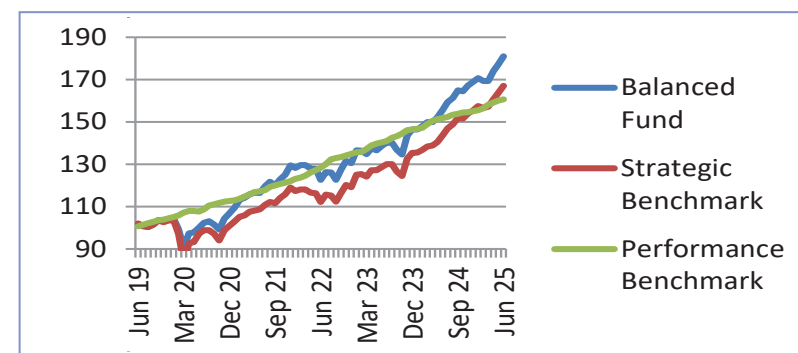
PORTFOLIO MANDATE

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 expected returns of the various asset classes are enhanced through the appropriate selection of factor-based investment strategies. 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)

SA Equity	30,00%	Global Equity	23,00%
SA Bonds	18,00%	Global Bonds	3,00%
SA Cash	10,00%	Global Property	2,50%
SA Listed Property	1,50%	Global Cash	2,00%
Direct Property	10,00%		

CUMULATIVE RETURNS SINCE JUNE 2019



DISCLAIMERS

Returns illustrated above apply to lump sum investments. 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.