

### INVESTMENT POLICY SUMMARY

The Satrix Momentum Index Fund is an equity only portfolio. To capture this investment style and its effect, Satrix has developed the proprietary Satrix Momentum Index. It aims to capture the return of the equity market enhanced by the momentum risk premium. This is achieved by constructing a portfolio tilted toward stocks (or equities) that display positive momentum characteristics and away from stocks showing negative momentum characteristics. Momentum is defined for the index in terms of a composite of price momentum and earnings momentum as measured by analyst revisions. The index is reviewed and rebalanced 8 times a year (approximately every 6 weeks) where parameters are recalculated with cognizance given to the liquidity of individual counters and the turnover of the benchmark as a whole. The benchmark is also moderated in terms of sector and stock specific risks. The universe for selection of stocks to be included in the Satrix Momentum Index is all stocks on the JSE that meet the applicable liquidity screening requirements referred to in the calculation methodology, excluding listed property stocks. The fund is rebalanced every 6 weeks.

### WHY CHOOSE THIS FUND?

\*Because it is negatively correlated to value investing, momentum investing can be a valuable diversification component.

\*The momentum product is designed to be: Risk Controlled; Consistent; True-to-label; and a robust blend of price and earnings momentum styles.

\*This is pure equity fund is therefore not Regulation 28 compliant.

\*This fund is aggressively risk profiled and thus investors should be willing to tolerate potential volatility in the short-term.

### FUND INFORMATION

<b>ASISA Fund Classification</b>	SA - Equity - General
<b>Risk profile</b>	Aggressive
<b>Benchmark</b>	Proprietary Satrix Momentum Index
<b>Portfolio launch date</b>	Oct 2013
<b>Fee class launch date</b>	Oct 2013
<b>Minimum investment</b>	Manual: Lump sum: R10 000   Monthly: R500 SatrixNOW.co.za: No minimum
<b>Portfolio size</b>	R112.5 million
<b>Last two distributions</b>	30 Jun 2024: 30.28 cps 31 Dec 2024: 22.85 cps
<b>Income decl. dates</b>	30 June   31 Dec
<b>Income price dates</b>	1st working day in July and January
<b>Valuation time of fund</b>	17:00
<b>Transaction cut off time</b>	Manual: 15:00 SatrixNOW.co.za: 13:30
<b>Daily Price Information</b>	www.satrix.co.za
<b>Repurchase period</b>	T+3

### TOP 10 HOLDINGS

Securities	% of Portfolio
Naspers Ltd	11.16
Capitec Bank Holdings Ltd	7.11
Standard Bank Group Ltd	6.27
Gold Fields Ltd	5.89
Anglogold Ashanti Plc	5.39
Sanlam Ltd	5.16
Firstrand Ltd	4.25
Harmony Gold Mining Company Ltd	4.06
Prosus Nv	3.88
Tiger Brands Ltd	3.61

as at 28 Feb 2025

### PERFORMANCE (ANNUALISED)

A1-Class	Fund (%)	Benchmark (%)
1 year	20.52	21.70
3 year	5.79	6.72
5 year	10.55	11.61
10 year	6.41	7.51

Annualized return is the weighted average compound growth rate over the period measured.

### ACTUAL HIGHEST AND LOWEST ANNUAL RETURNS\*

Highest Annual %	25.71
Lowest Annual %	(8.63)

### FEES (INCL. VAT)

	A1-Class (%)
<b>Advice initial fee (max.)</b>	N/A
<b>Manager initial fee</b>	N/A
<b>Advice annual fee (max.)</b>	1.15
<b>Manager annual fee</b>	0.52
<b>Total Expense Ratio (TER)</b>	0.61
<b>Transaction Cost (TC)</b>	0.31

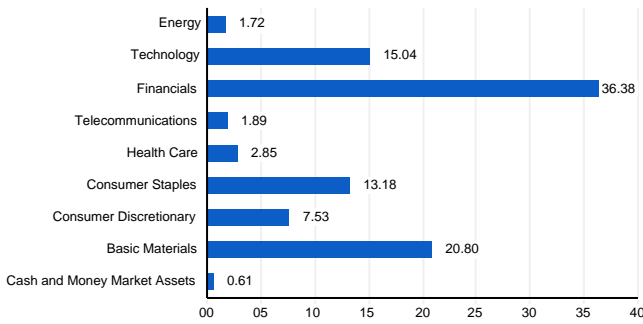
Advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor. The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is also available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

Total Expense Ratio (TER) | The Management Fee is expressed as an annual percentage of the daily NAV of the CIS. This Fee is net of any scrip lending income and Management Fee waiver, where applicable.

The Total Expense Ratio (TER) is the charges incurred by the portfolio, for the payment of services rendered in the administration of the CIS. The TER is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 3 years on an annualised basis. The Transaction Cost (TC) is the cost incurred by the portfolio in the buying and selling of underlying assets. This is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 3 years on an annualised basis.

The current TER/TC cannot be regarded as an indication of future TER and TC. A higher TER and TC does not imply a poor return nor does a low TER and TC imply a good return. Obtain the costs of an investment prior to investing by using the EAC calculator provided at satrix.co.za.

**ASSET ALLOCATION**



**PORTFOLIO QUARTERLY COMMENTARY - 31 DEC 2024**

2024 was a very rewarding year for growth assets as US mega-cap stocks in the tech industry dominated the markets for the second year in a row. Donald Trump was elected as US president in November, which strengthened the dollar and saw yields rise, negatively affecting foreign investment-grade bonds. Many central banks, including the South African Reserve Bank, continued normalising rates. However, inflation remained stubborn, changing the market's expectations of how quickly central banks would cut interest rates going into 2025.

The MSCI World Index was up 9.3% in rand terms in the fourth quarter, while the MSCI USA and the S&P 500 indices were up 12.4% and 12% respectively. The Nasdaq 100 Index ended the period up 14.8%. The MSCI China Index was up 1.1% for the quarter, while the MSCI India Index was down 2.9%. This dragged the MSCI Emerging Markets Index lower, closing the quarter up a mere 0.7%. Global bonds were up 3.9% for the quarter. The MSCI Europe Index was down 1.2% and the MSCI United Kingdom Index was up 2%.

Oil prices rose earlier in the quarter, driven by concerns over the Middle East conflict and potential supply disruptions. However, later in the quarter the prices declined as the demand from China slowed. Brent crude oil ended the quarter at US\$74.64 a barrel, a 4.1% increase from the start of the quarter. It was a very good year for gold as the price continued its run, breaching a stream of all-time highs throughout the year. However, gold ended the quarter flat (-0.4%), closing at US\$2 624.40.

In November, Trump won 312 electoral votes, beating Kamala Harris's 226 electoral votes. His pro-business policies, corporate tax cut plans, along with the rising US bond yields translated into a strengthening US dollar environment. The US 20-year Government Bond yield closed the quarter at 4.86% from 4.18% at the beginning of the quarter.

In local markets, the FTSE/JSE All Share Index (ALSI) was down 2.1% for the fourth quarter and the FTSE/JSE Top 40 Index (Top 40) was down 3.4%. The underperformance in the local market was largely driven by Resources, which were down 10.1% for the quarter, and Financials, which were down 1.8%. Industrials were flat for the quarter, ending 0.5% down. The South African 10-year Government Bond yield closed the quarter at 9%, while the All Bond Index (ALBI) ended the quarter positive, by 0.4%. The cash benchmark, the Alexander Forbes Short-Term Fixed-Interest (STeFI) Composite Index, delivered positive money market returns of 2%, while the FTSE/JSE SA Listed Property Index (SAPY) was down 0.8% for the quarter.

The rand depreciated by 9.5% to the US dollar over the quarter, closing at R18.87 to the greenback, R23.63 to the pound and at R19.53 to the euro.

**Portfolio performance, attribution and strategy**

During the fourth quarter of 2024, global bonds sold off on the back of higher projected inflation and better-than-expected growth in the US. The rise in yield translated to the Bloomberg Global Aggregate Bond Index being down 5.1% for the quarter in dollar terms. The world equity markets were rather pedestrian, as the MSCI World Index was down 0.16%. China and India were among the hardest hit during the quarter, with the MSCI China Index down 7.7% and the MSCI India down 11.3%. This translated to the MSCI Emerging Markets Index being down 8% for the quarter.

Looking at offshore factor performance, Low Volatility, High Dividend Yield, Quality, Enhanced Value, Growth, and Equal Weight underperformed the MSCI All Country World Index (ACWI) Index over the quarter, while the Momentum factor strategy was the only factor that outperformed the global equity markets. For the 12 months to December 2024, the Momentum factor was the only one that outperformed the index, with Enhanced Value being the worst performing.

In Emerging Markets, the High Dividend Yield and Momentum factors outperformed the MSCI Emerging Markets Index, while the Growth strategy was tied with the index. The worst performing factor was Enhanced Value.

Locally, the Momentum factor outperformed the FTSE/JSE Capped Shareholder Weighted All Share Index (Capped SWIX) followed by the Value strategy flat against the index. The FTSE/JSE Equally Weighted Top 40 Index was the worst performer again this past quarter when compared to the Capped SWIX, followed by Quality

and Low Volatility.

Over the quarter, the Momentum factor outperformed the Capped SWIX benchmark. From an attribution perspective, overweight positions in Tiger Brands (TBS), OUTsurance (OUT) and Quilter (QLT) added value to the strategy over the quarter. Counters that detracted value from the strategy were underweight positions in Absa Group (ABG) and British American Tobacco (BTI) and an overweight position in Harmony Gold (HAR).

At the last rebalance in December 2024, we transitioned the portfolio based on the evaluation of new factor signals and the risk levels in the portfolio. Based on these signals, British American Tobacco (BTI) and Thungela Resources (TGA) were added as new positions while Bytes (BYI), MTN Group (MTN) and Reinet Investments (RNI) were deleted.

We remain convinced of the factor's medium to long-term significance and the premium it offers in the South African capital market and remain disciplined in our implementation and extraction of the factor.

**RISK PROFILE (AGGRESSIVE)**

This is an aggressively managed, high-risk portfolio that aims to deliver capital growth over the long term. It is designed to track the benchmark and is a pure equity fund. There will be capital volatility in the short- to medium-term, although higher returns should be expected over longer-term periods.

**CONTACT DETAILS**

**Manager**

Satrix Managers (RF) Pty Ltd (Reg. No. 2004/009205/07). 4th Floor, Building 2, 11 Alice Lane, Sandown, 2146.

**Investment Manager**

The management of investments are outsourced to Satrix, a division of Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

**Trustee**

Standard Chartered Bank, Tel No.: 011 217 6600, E-mail: southafrica.securities-services@sc.com

**DISCLAIMER**

Although all reasonable steps have been taken to ensure the information on this website/advertisement/brochure is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision.

\*The highest and lowest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not yet exist for 10 years.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Satrix Managers (RF) (Pty) Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The fund may from time to time invest in foreign instruments which could be accompanied by additional risks as well as potential limitations on the availability of market information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002. Standard Chartered Bank is the appointed trustee of the Satrix Managers Scheme.

This Fund qualifies as a tax free investment according to section 12T of the Income Tax Act, with effect from 1 March 2015. South African individuals qualify for the associated tax benefits namely no tax on dividends, income or capital gains whilst still enjoying all the benefits of a unit trust. Note contributions to tax free investments are limited to R36 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are subject to tax penalties.