

UNIVERSITY OF THE WITWATERSRAND RETIREMENT FUND

Monthly Report as at 31 March 2021

Table of Contents

Page

Economic Commentary

Total Fund

- a) Total Fund Information
- b) Manager and Product Information

Growth Product

- a) Portfolio Summary
- b) Risk Metrics
- c) Asset Allocation

Conservative Product

- a) Portfolio Summary
- b) Risk Metrics
- c) Asset Allocation

Capital Protection

- a) Portfolio Summary
- b) Risk Metrics
- c) Asset Allocation

Shariah Portfolio

- a) Portfolio Summary
- b) Risk Metrics
- c) Asset Allocation

Annexure



Economic Commentary

Global markets continued their strong run as investors rotated into economically sensitive stocks that are expected to benefit from the expected surge in global growth as vaccines are more widely administered. This despite heightened fears of inflation in the US and new lockdowns being imposed in many parts of Europe.

In the US, Americans started receiving their \$600 stimulus checks even as the US added 379000 jobs in February and the unemployment rate is expected to drop to just 4.5% by year end. The Federal Reserve reiterated its commitment to loose monetary policy saying that they are looking for an actual, sustained improvement in the economy (not forecasts) before considering tighter monetary policy. Many commentators were relieved that the Fed finally gave up on the notion of pre-empting inflation (i.e. raising rates before inflation rises) and has instead committed to allowing the economy to run hot if it helps achieve full employment. Fed Chairman, Jerome Powell, did however suggest that the Fed would cut back on support – through lower purchases of Treasuries and mortgage-backed securities – when the economy “has all but fully recovered”. President Biden meanwhile shared further details of the \$2 trillion infrastructure spending plan that his administration will execute as they shift focus to bolstering the post-pandemic economy. The plan, which will be partly funded by gradually increasing the corporate tax rate from 21% to 28%, includes \$621bn for transportation infrastructure; \$400bn for direct care for the elderly and disabled; \$300bn for improving drinking-water, internet and electricity infrastructure; \$300bn for affordable housing and schools; and \$580bn for investments into manufacturing, research and development in an effort to reverse the trend of outsourcing that has cost many American jobs.

China’s Premier Li Keqiang announced a target of above 6% for China’s GDP growth in 2021, well below the 8.1% forecast by the IMF, but analysts say that the lower target gives the government some room for structural reforms which may not yield immediate results. The administration is also focusing on higher quality growth that will help the nation transition to a more mature economy. The resurgence of COVID-19 cases in the European Union has meanwhile quashed hopes of an economic recovery in that region as many countries institute new lockdowns in an effort to save lives. Vaccine programs in the 27-nation bloc are seven weeks behind schedule with only 15% of the population having received a vaccine by month end.

Developed markets outperformed emerging markets in March as rising interest rates in the US put pressure on emerging market flows. The 3.4% gain in global developed markets was driven by gains in financials, materials and consumer staples as oil- and commodity prices remained high and consumption was expected to soon return to pre-COVID levels, particularly in the US. The MSCI EM Index fell 1.5% as higher US yields made emerging market assets less attractive to investors. Chinese stocks in particular were sold off amidst fears that their US-listed stocks could be delisted after the US government passed legislation requiring increased disclosure. At the same time, the Chinese government is looking to reign in the power of technology giants like Alibaba and Baidu by establishing new anti-competitive rules. Government bond yields rose across much of the developing world with the US 10-year government bond yield edging up to 1.75% at month end as investors priced in higher inflation expectations. As a result of rising yields, the Barclays Global Bond Aggregate lost 1.9% for the month. Global property stocks meanwhile rose 3% on the back of the re-opening narrative.

In South Africa, mining companies have been the biggest beneficiaries of higher commodity prices and the weaker rand with many rewarding shareholders with bumper dividends. The consumer however has not been as lucky as, despite lower interest rates and a low official inflation rate of 2.9%, prices of key goods and services continue to rise. As unemployment remains elevated, consumer spending remains constrained, with private sector credit growing at a meagre 2.6% year on year. Acknowledging the low official inflation rate, the SARB voted unanimously to keep interest rates unchanged at 3.5% while at the same time revising Q1 economic growth down to -0.2% (from 1% at the previous meeting). The SARB has indicated that two rate hikes are likely for the remainder of the year as inflation ticks up due partly to higher expected fuel- and electricity prices.

Local markets followed global developed markets higher as strong gains from retailers and telecommunications shares offset weakness in Naspers. The All Share Index added 1.6% for the month while the Capped SWIX index gained 3.7%. At a sector level, Resources gained 1.2% while industrials rose 1.9%. Financials meanwhile gained 1.1% as news of renewed dividend payments was met with subdued post-recovery prospects. The All Bond Index fell 2.5% as yields on the SA 10 year bond rose from 9.1% to 9.5% at month end as foreign investors continued offloading local bonds on fears relating to the nation’s deteriorating fiscal situation. Listed property followed equities higher posting gains of 1.2% as investors gained some comfort from recent results announcements. The oil price meanwhile neared \$70 per barrel in the month as supply was disrupted after a large container ship blocked the Suez Canal. Prices however settled just below \$64 per barrel at month end as normal shipping operations resumed. The rand meanwhile strengthened to R14.73 at month end as South Africa recorded another trade surplus in February and global risk appetite improved.



Total Fund Information

R 4,090,674,357.16

Total Fund Market Value at 31 December 2020	3,945,973,643.62
Cash flow for current financial year	-95,992,319.64
Total Return current financial year net of fees	240,693,033.18
Total Current Portfolio Market Value	4,090,674,357.16

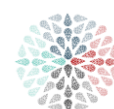
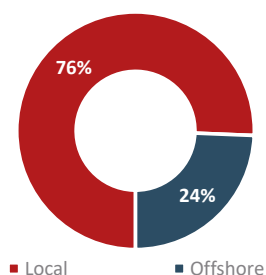
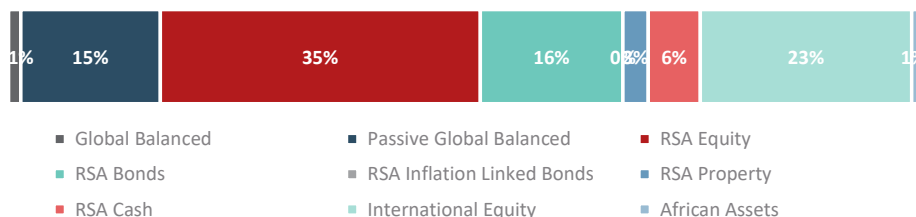
	UWRF Shariah Product	UWRF Capital Protection	UWRF Conservative Product	UWRF Growth Product	Total
Global Balanced	54,417,591	-	-	-	54,417,591
Oasis Crescent Balanced Progressive FOF	54,417,591	-	-	-	54,417,591
Passive Global Balanced	-	-	16,007,448	608,011,138	624,018,586
Sygnia Passive Global Balanced Conservative	-	-	11,186,883	-	11,186,883
Sygnia Passive Global Balanced Growth	-	-	-	419,506,044	419,506,044
ETFSA Passive Global Balanced Conservative	-	-	4,820,565	-	4,820,565
ETFSA Passive Global Balanced Growth	-	-	-	188,505,095	188,505,095
RSA Equity	-	-	20,477,127	1,410,823,018	1,431,300,146
Abax Equity	-	-	4,696,946	295,831,342	300,528,288
Allan Gray Equity	-	-	5,640,011	428,673,637	434,313,647
Coronation Equity	-	-	5,397,802	416,368,393	421,766,195
ABSA ETF	-	-	4,742,369	269,949,647	274,692,015
RSA Bonds	-	-	40,884,392	597,415,790	638,300,182
Futuregrowth Yield Enhanced Special Bond Fund	-	-	17,865,032	292,747,513	310,612,545
Stanlib Bonds	-	-	23,019,360	304,668,277	327,687,637
RSA Inflation Linked Bonds	-	-	-	-	-
RSA Property	-	-	3,447,711	108,903,700	112,351,411
Sesfikile Property	-	-	2,361,628	97,686,364	100,047,992
Futuregrowth Community Property Fund	-	-	1,086,083	11,217,336	12,303,419
RSA Cash	-	94,817,141	19,184,454	119,549,094	233,550,689
SIM Cash Fund	-	94,817,141	19,184,454	119,549,094	233,550,689
Stanlib Money Market	-	-	-	-	-
International Equity	-	-	19,667,611	925,357,862	945,025,473
Baillie Gifford Worldwide Global Alpha Fund	-	-	9,512,196	575,473,078	584,985,274
Vulcan Value Equity Fund	-	-	3,136,798	189,771,420	192,908,218
Ninety One Global Franchise Fund	-	-	7,018,617	160,113,365	167,131,982
African Assets	-	-	-	51,710,279	51,710,279
All Seasons Africa Fund	-	-	-	47,924,845	47,924,845
Ninety One Africa Equity	-	-	-	3,785,434	3,785,434
Total	54,417,591	94,817,141	119,668,743	3,821,770,882	4,090,674,357



Manager and Product Information

R 4,090,674,357.16

Manager / Product	Market Value R'm	% of Portfolio	Since Inception	Product BM	Last 36 months	Product BM	Last 12 months	Product BM
Global Balanced			R 54,417,591			1.3%		
Oasis Crescent Balanced Progressive FOF	54.42	1.3%	7.8%	9.3%	n/a	n/a	15.9%	30.5%
Passive Global Balanced			R 624,018,586			15.3%		
Sygnia Passive Global Balanced Conservative	11.19	0.3%	8.8%	9.2%	n/a	n/a	27.9%	29.2%
Sygnia Passive Global Balanced Growth	419.51	10.3%	11.0%	10.8%	n/a	n/a	32.9%	33.4%
ETFSA Passive Global Balanced Conservative	4.82	0.1%	9.8%	9.2%	n/a	n/a	26.5%	29.2%
ETFSA Passive Global Balanced Growth	188.51	4.6%	11.7%	10.8%	n/a	n/a	30.9%	33.4%
RSA Equity			R 1,431,300,146			35.0%		
Abax Equity	300.53	7.3%	8.2%	12.8%	n/a	n/a	45.7%	51.5%
Allan Gray Equity	434.31	10.6%	6.7%	12.8%	n/a	n/a	54.1%	51.5%
Coronation Equity	421.77	10.3%	20.4%	12.8%	n/a	n/a	58.4%	51.5%
ABSA ETF	274.69	6.7%	-0.5%	12.8%	n/a	n/a	40.0%	51.5%
RSA Bonds			R 638,300,182			15.6%		
Futuregrowth Yield Enhanced Special Bond Func	310.61	7.6%	6.3%	6.3%	n/a	n/a	17.8%	17.0%
Stanlib Bonds	327.69	8.0%	4.2%	4.1%	n/a	n/a	16.2%	17.0%
RSA Inflation Linked Bonds			R 0			0.0%		
RSA Property			R 112,351,411			2.7%		
Sesfikile Property	100.05	2.4%	-19.1%	-23.2%	n/a	n/a	29.3%	34.4%
Futuregrowth Community Property Fund	12.30	0.3%	6.7%	-23.2%	n/a	n/a	6.2%	34.4%
RSA Cash			R 233,550,689			5.7%		
SIM Cash Fund	233.55	5.7%	5.8%	5.3%	n/a	n/a	4.7%	4.6%
Stanlib Money Market	-	0.0%	3.5%	5.3%	n/a	n/a	1.3%	4.6%
International Equity			R 945,025,473			23.1%		
Baillie Gifford Worldwide Global Alpha Fund	584.99	14.3%	32.4%	15.9%	n/a	n/a	42.0%	25.6%
Vulcan Value Equity Fund	192.91	4.7%	16.6%	4.7%	n/a	n/a	n/a	n/a
Ninety One Global Franchise Fund	167.13	4.1%	7.7%	11.6%	n/a	n/a	n/a	n/a
African Assets			R 51,710,279			1.3%		
All Seasons Africa Fund	47.92	1.2%	-2.1%	0.1%	n/a	n/a	4.1%	10.3%
Ninety One Africa Equity	3.79	0.1%	-4.9%	0.1%	n/a	n/a	-26.9%	10.3%



Growth Product - Summary

R

3,821,770,881.54

Investment Objective

To achieve inflation beating returns over the medium to long term, however an overly cautious approach would result in lowered returns over the long term

	R'm
Total Portfolio Market Value at 31 December 2020	3,678.4
Cash flow for current financial year	-88.6
Total Return current financial year net of fees	231.9
Total Current Portfolio Market Value	3,821.8

Return Objective

To achieve a return of Inflation + 4.5% p.a. (gross of fees and taxes) over 3-year to 5-year periods.

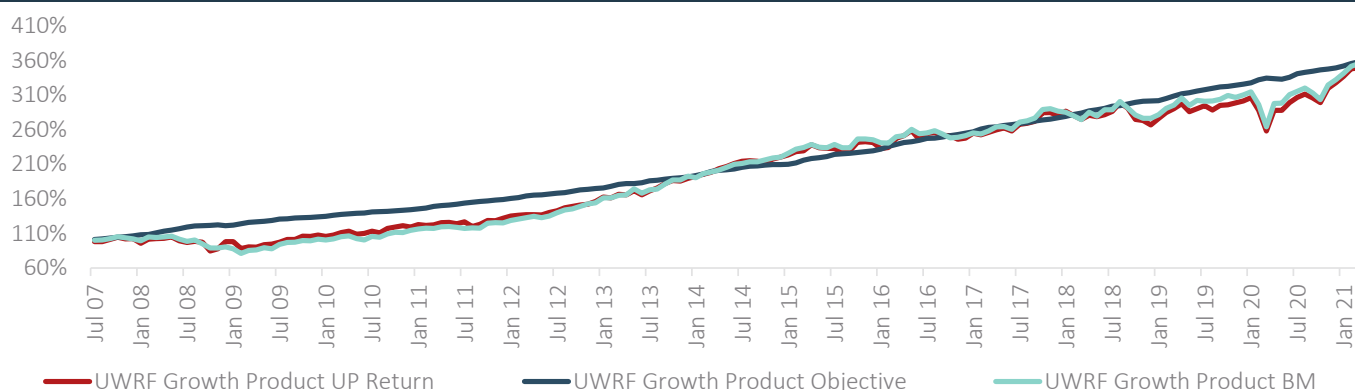
	Return %
Financial year return - net of asset management fees	6.51%
CPI + 4.5%	2.48%

Risk Objective

	Return %
Percentage positive monthly returns since inception*	tbc
Percentage positive monthly returns last 5 years	tbc

*July 2007

Performance (net of fees)

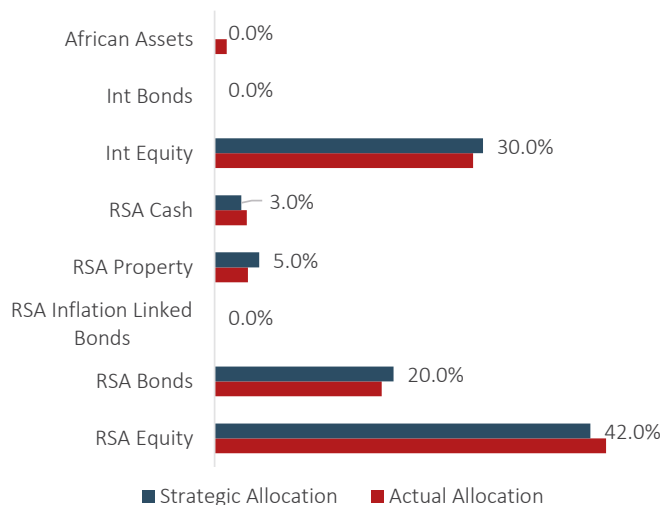


Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	9.52%	9.72%	9.66%
Last 10 years	11.07%	9.17%	11.74%
Last 5 years	7.15%	8.47%	7.33%
Last 3 years	8.28%	8.02%	9.00%
1 year	35.34%	7.09%	34.54%
Ytd	6.51%	2.48%	7.02%
Last 3 months	6.51%	2.48%	7.02%
Last month	0.25%	0.71%	1.10%

*July 2007

Look-through Asset Allocation



Conservative Product - Summary

R

119,668,743.08

Investment Objective

To target stable returns over a medium-term investment horizon with low volatility and a low probability of negative returns.

Total Portfolio Market Value at 31 December 2020	R'm	124.2
Cash flow for current financial year		-8.6
Total Return current financial year net of fees		4.0
Total Current Portfolio Market Value		119.7

Return Objective

To achieve a return of CPI + 3.0% pa (gross of fees and taxes) over 3-year to 5-year periods.

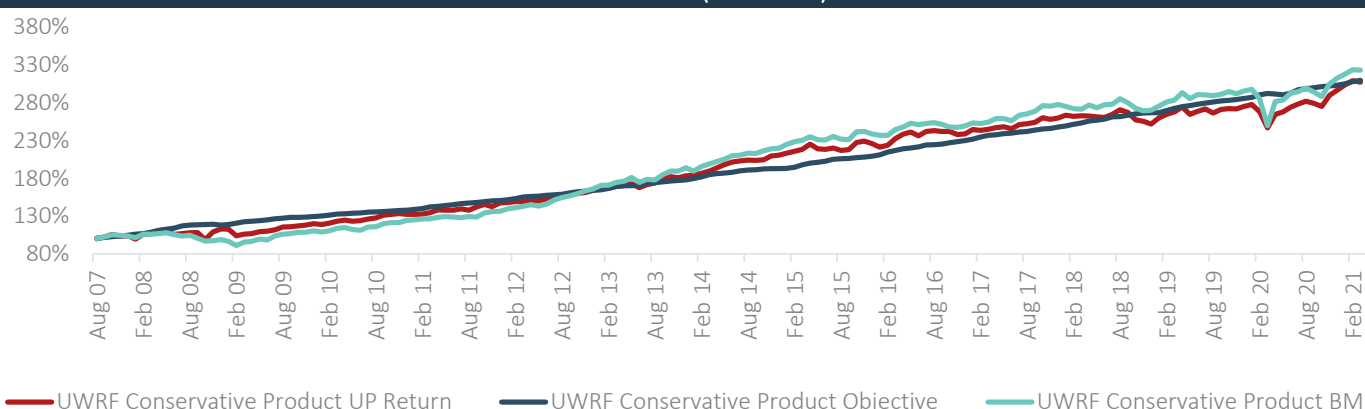
Financial year return - net of asset management fees	Return %	3.54%
CPI + 3.0%		2.11%

Risk Objective

Percentage positive monthly returns since inception*	Return %	tbc
Percentage positive monthly returns last 5 years		tbc

*August 2007

Performance (net of fees)

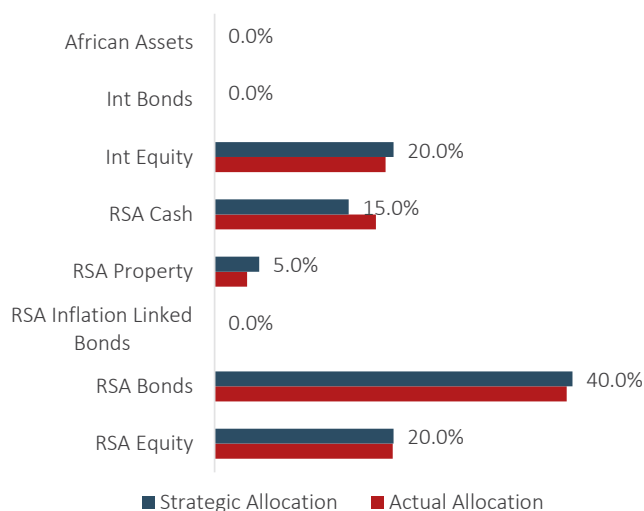


Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	8.56%	8.62%	8.96%
Last 10 years	8.60%	8.11%	9.85%
Last 5 years	5.70%	7.40%	5.74%
Last 3 years	5.35%	6.94%	5.97%
1 year	24.45%	5.93%	29.55%
YtD	3.54%	2.11%	3.36%
Last 3 months	3.54%	2.11%	3.36%
Last month	-0.69%	0.58%	-0.13%

*August 2007

Look-through Asset Allocation



Capital Protection - Summary R 94,817,141.29

Investment Objective

To provide members with a Cash Option designed to protect the capital value of their investment with zero volatility.

Total Portfolio Market Value at 31 December 2020	R'm 94.1
Cash flow for current financial year	-0.3
Total Return current financial year net of fees	1.0
Total Current Portfolio Market Value	94.8

Return Objective

To achieve a return of Inflation + 1.0% p.a. (gross of fees and taxes) over 3-year to 5-year periods.

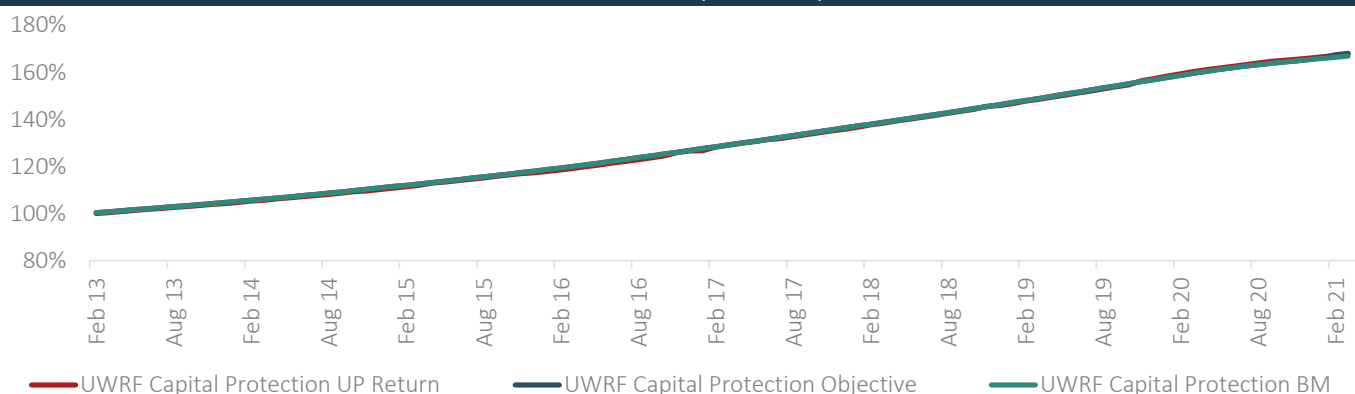
Financial year return - net of asset management fees	Return % 1.04%
CPI + 1.0%	1.62%

Risk Objective

Percentage positive monthly returns since inception*	Return % tbc
Percentage positive monthly returns last 5 years	tbc

*February 2013

Performance (net of fees)

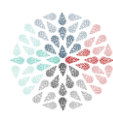
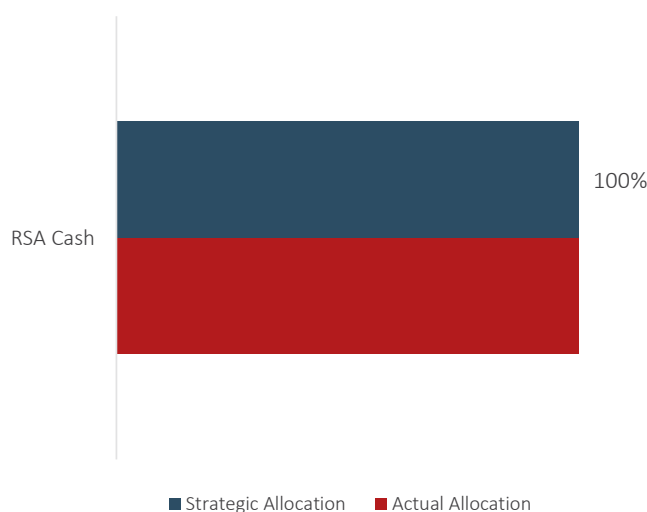


Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	6.54%	6.56%	6.47%
Last 10 years	n/a	n/a	n/a
Last 5 years	7.07%	6.96%	6.81%
Last 3 years	6.60%	6.59%	6.34%
1 year	4.65%	5.31%	4.57%
YtD	1.04%	1.62%	0.90%
Last 3 months	1.04%	1.62%	0.90%
Last month	0.35%	0.42%	0.31%

*February 2013

Asset Allocation



Shari'ah Product - Summary

R

54,417,591.25

Investment Objective

This portfolio is suitable for Muslim investors requiring a Sharia-compliant investment portfolio. The portfolio will be invested in a variety of domestic and international asset classes. The underlying investments will comply with Shari'ah requirements as prescribed by the Auditing Organisation for Islamic Financial Institutions. The portfolio targets capital growth over the long-term.

	R'm
Total Portfolio Market Value at 31 December 2020	49.3
Cash flow for current financial year	1.4
Total Return current financial year net of fees	3.8
Total Current Portfolio Market Value	54.4

Return Objective

To achieve a return of Inflation + 3.0% p.a. (gross of fees and taxes) over 3-year to 5-year periods.

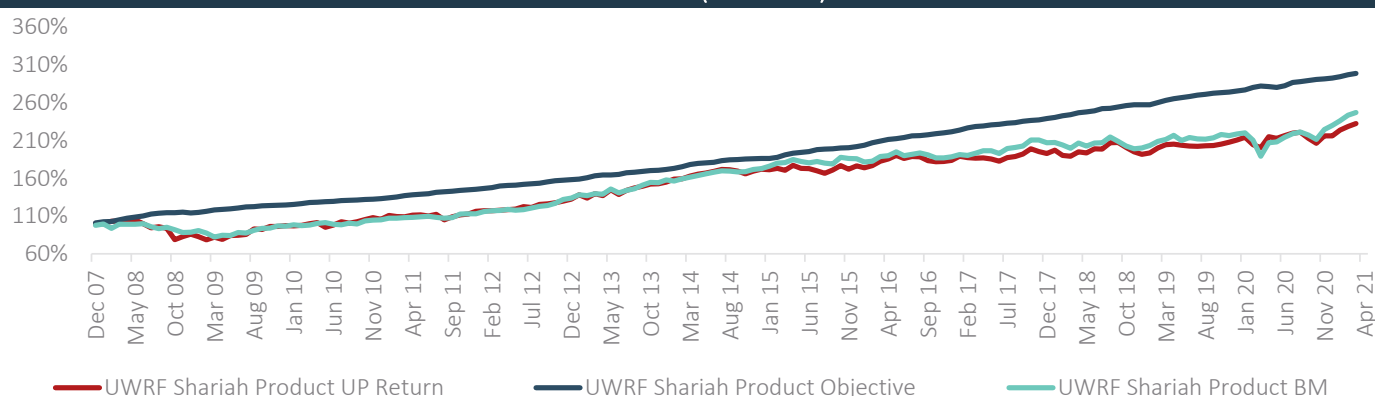
	Return %
Financial year return - net of asset management fees	7.53%
CPI + 3.0%	2.11%

Risk Objective

	Return %
Percentage positive monthly returns since inception*	tbc
Percentage positive monthly returns last 5 years	tbc

*December 2007

Performance (net of fees)



Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	6.53%	8.56%	7.02%
Last 10 years	7.89%	9.17%	8.63%
Last 5 years	4.93%	7.40%	5.52%
Last 3 years	7.12%	6.94%	7.36%
1 year	15.94%	5.93%	30.54%
YtD	7.53%	2.11%	7.42%
Last 3 months	7.53%	2.11%	7.42%
Last month	1.72%	0.58%	1.41%

*December 2007

Asset Allocation

