UNIVERSITY OF THE WITWATERSRAND RETIREMENT FUND

Monthly Report as at 30 November 2022

mosaic
INVESTMENT CONSULTING

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Economic Commentary

Global equity markets rallied in November as expectations of a less aggressive Federal Reserve grew with each new data release, while an expected softening in China's zero-COVID policy reignited positive sentiment towards emerging markets.

Inflation in the U.S dipped to 7.7% in October with core inflation – the measure that strips out volatile energy and food prices – dipping to 6.3% as the increases in housing, food and new vehicle costs remained high. Housing accounts for close to 40% of the inflation basket and the lagged measure is expected to moderate in the coming months as new home sales and mortgage volumes have declined sharply. With oil prices down sharply from peak levels, gasoline prices are also expected to moderate which will help bring inflation sharply down. Separate reports showed private payroll growth far lower than expected while job openings declined from 2 available workers per job opening to 1.7 in the most recent survey. The Federal Reserve appears to have noted these dynamics and suggested that the pace of interest rate hikes could slow as early as December as supply chain issues have eased and growth has slowed to below trend. Chairman Powell also expects housing inflation to ease into next year. Household debt meanwhile surged 8.3% year-on-year as a combination of higher prices and robust consumer demand drives increases in credit card, mortgage and auto loan debt.

Global equity markets compounded October's gains as market participants saw each new data point as evidence that the US Federal Reserve would slow the pace of interest rate hikes. This sentiment was further boosted by comments from Fed Chairman Jerome Powell that smaller rate increases could start as early as December. The MSCI World Index ended the month up 7% (-14% year-to-date) driven by gains in materials stocks (+14%), industrials (+9%) and financials (+9%). Energy stocks fell as oil and gas prices declined on higher stockpiles and expectations for lower demand through the month. The US lagged global markets with the S&P500 gaining 5.6% as consumer discretionary and communication services stocks lagged. Emerging markets surged 14.9%, driven by gains of 27% in the Hang Seng as investors piled into beaten down Chinese technology and retail stocks with the expectation that "peak regulation" has passed and the nation's strict and economically damaging stance on COVID will be relaxed in response to protests and lacklustre economic growth. Global bonds gained 4.7% as yields declined in the month on expectations of slower economic growth and lower inflation. The yield on the US 10-year dipped to 3.6% at month end. Global property stocks gained 6.4% in the month as real estate investors bet on lower interest rates and improving demand in 2023.

In South Africa, inflation edged up to 7.6% in October with price rises in food and transportation continuing to drive the headline numbers despite lower fuel prices. Core inflation – which excludes food and fuel prices – rose to 5% as goods inflation remained high. Sticky producer prices, up 16% year-on-year in October, remain a concern for the Reserve Bank, prompting the Monetary Policy Committee to increase interest rates by a further 0.75% in November despite a slowdown in retail sales. Manufacturing production surprised on the upside with growth of 2.9% year-on-year in September despite continued loadshedding. This increase in production was partly responsible for the slight decline in the official unemployment rate from 33.9% in Q2 to 32.9% in Q3.

Local equity indices benefitted from the high resources weighting and the surge in Naspers and Prosus. The All Share Index gained 12.3% in November to pull year-to-date returns into the green (+6%) as gains in resources stocks (+16%) were compounded by gains of 14% from industrials thanks partly to a 39% gain in Naspers and Prosus. Financials shares rose 5.6% as banks released strong earnings growth driven by improvements in net interest income thanks to higher interest rates. The rand strengthened 6% against the dollar to settle at R17.16 at month end as sentiment towards emerging markets improved and the dollar weakened. The All Bond Index gained 3.9% as yields on longer dated bonds dipped to 10.2% at month end despite inflation remaining high. Listed property stocks gained 6.3% as the retail and industrial environment remained robust.

University of the Witwatersrand Retirement Fund — 30 November 2022

Total Fund Information — R 4,638,047,475.59

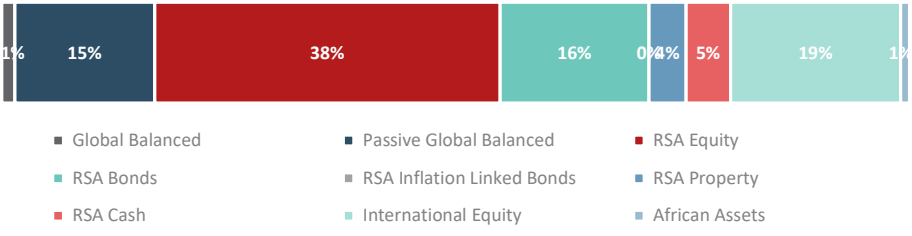
Total Fund Market Value at 31 December 2021	4,785,139,919.01
Cash flow for current financial year	-65,389,942.63
Total Return current financial year net of fees	-81,702,500.79
Total Current Portfolio Market Value	4,638,047,475.59

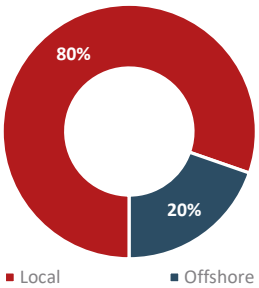
	UWRF Shariah Product	UWRF Capital Protection	UWRF Conservative Product	UWRF Growth Product	Total
Global Balanced	**67,960,848**	**-**	**-**	**-**	**67,960,848**
Oasis Crescent Balanced Progressive FOF	67,960,848	-	-	-	67,960,848
Passive Global Balanced	**-**	**-**	**18,178,925**	**696,049,459**	**714,228,385**
Sygnia Passive Global Balanced Conservative	-	-	12,698,723	-	12,698,723
Sygnia Passive Global Balanced Growth	-	-	-	478,321,492	478,321,492
ETFSA Passive Global Balanced Conservative	-	-	5,480,202	-	5,480,202
ETFSA Passive Global Balanced Growth	-	-	-	217,727,968	217,727,968
RSA Equity	**-**	**-**	**25,240,649**	**1,739,701,242**	**1,764,941,892**
Abax Equity	-	-	5,721,122	360,337,811	366,058,933
Allan Gray Equity	-	-	7,247,443	550,847,840	558,095,283
Coronation Equity	-	-	6,428,921	495,905,432	502,334,352
ABSA ETF	-	-	5,843,164	332,610,160	338,453,324
RSA Bonds	**-**	**-**	**47,400,021**	**712,199,295**	**759,599,316**
Futuregrowth Yield Enhanced Special Bond Fund	-	-	20,914,085	361,649,812	382,563,897
Stanlib Bonds	-	-	26,485,936	350,549,483	377,035,419
RSA Inflation Linked Bonds	**-**	**-**	**-**	**-**	**-**
RSA Property	**-**	**-**	**5,185,039**	**183,908,120**	**189,093,159**
Sesfikile Property	-	-	2,927,558	121,095,470	124,023,027
Futuregrowth Community Property Fund	-	-	2,257,481	62,812,651	65,070,132
RSA Cash	**-**	**43,843,986**	**44,960,551**	**139,721,160**	**228,525,697**
SIM Cash Fund	-	43,843,986	44,960,551	139,721,160	228,525,697
Stanlib Money Market	-	-	-	-	-
International Equity	**-**	**-**	**18,870,648**	**848,367,525**	**867,238,173**
Baillie Gifford Worldwide Global Alpha Fund	-	-	8,382,311	507,116,798	515,499,109
Vulcan Value Equity Fund	-	-	2,706,161	163,718,544	166,424,705
Ninety One Global Franchise Fund	-	-	7,782,176	177,532,183	185,314,359
African Assets	**-**	**-**	**-**	**46,460,005**	**46,460,005**
All Seasons Africa Fund	-	-	-	45,034,492	45,034,492
Ninety One Africa Equity	-	-	-	1,425,512	1,425,512
Total	**67,960,848**	**43,843,986**	**159,835,834**	**4,366,406,807**	**4,638,047,476**

University of the Witwatersrand Retirement Fund — 30 November 2022

Manager and Product Information — R 4,638,047,475.59

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 67,960,848**		**1.5%**	
Oasis Crescent Balanced Progressive FOF	67.96	1.5%	7.6%	*8.2%*	8.1%	*8.6%*	1.9%	*3.4%*
Passive Global Balanced					**R 714,228,385**		**15.4%**	
Sygnia Passive Global Balanced Conservative	12.70	0.3%	8.3%	*9.2%*	8.6%	*9.6%*	4.1%	*5.8%*
Sygnia Passive Global Balanced Growth	478.32	10.3%	9.5%	*10.0%*	9.9%	*10.5%*	3.7%	*5.1%*
ETFSA Passive Global Balanced Conservative	5.48	0.1%	8.8%	*9.2%*	9.2%	*9.6%*	3.7%	*5.8%*
ETFSA Passive Global Balanced Growth	217.73	4.7%	10.3%	*10.0%*	10.8%	*10.5%*	3.3%	*5.1%*
RSA Equity					**R 1,764,941,892**		**38.1%**	
Abax Equity	366.06	7.9%	10.5%	*12.3%*	11.3%	*13.2%*	13.4%	*12.6%*
Allan Gray Equity	558.10	12.0%	11.8%	*12.3%*	12.0%	*13.2%*	18.0%	*12.6%*
Coronation Equity	502.33	10.8%	15.2%	*12.3%*	15.6%	*13.2%*	9.6%	*12.6%*
ABSA ETF	338.45	7.3%	6.7%	*12.3%*	7.1%	*13.2%*	12.8%	*12.6%*
RSA Bonds					**R 759,599,316**		**16.4%**	
Futuregrowth Yield Enhanced Special Bond Fund	382.56	8.2%	8.2%	*7.4%*	8.4%	*7.5%*	7.8%	*6.4%*
Stanlib Bonds	377.04	8.1%	6.7%	*6.4%*	7.7%	*7.2%*	7.2%	*6.4%*
RSA Inflation Linked Bonds					**R 0**		**0.0%**	
RSA Property					**R 189,093,159**		**4.1%**	
Sesfikile Property	124.02	2.7%	-2.7%	*-5.0%*	-2.7%	*-5.1%*	3.8%	*4.4%*
Futuregrowth Community Property Fund	65.07	1.4%	7.7%	*-5.0%*	7.7%	*-5.1%*	8.3%	*4.4%*
RSA Cash					**R 228,525,697**		**4.9%**	
SIM Cash Fund	228.53	4.9%	5.3%	*4.9%*	5.3%	*4.8%*	5.3%	*5.0%*
International Equity					**R 867,238,173**		**18.7%**	
Baillie Gifford Worldwide Global Alpha Fund	515.50	11.1%	9.2%	*10.1%*	9.0%	*10.7%*	-24.0%	*-5.9%*
Vulcan Value Equity Fund	166.42	3.6%	0.3%	*6.8%*	*n/a*	*n/a*	-29.5%	*-5.9%*
Ninety One Global Franchise Fund	185.31	4.0%	8.9%	*9.7%*	*n/a*	*n/a*	-10.1%	*-5.9%*
African Assets					**R 46,460,005**		**1.0%**	
All Seasons Africa Fund	45.03	1.0%	-2.9%	*1.9%*	-3.0%	*2.1%*	-16.7%	*-10.8%*
Ninety One Africa Equity	1.43	0.0%	-28.2%	*1.9%*	-29.8%	*2.1%*	-41.4%	*-10.8%*





University of the Witwatersrand Retirement Fund

30 November 2022

Growth Product - Summary

R 4,366,406,807.37

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 2021	4,499.0
Cash flow for current financial year	-48.7
Total Return current financial year net of fees	-83.9
Total Current Portfolio Market Value	4,366.4

Return Objective

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

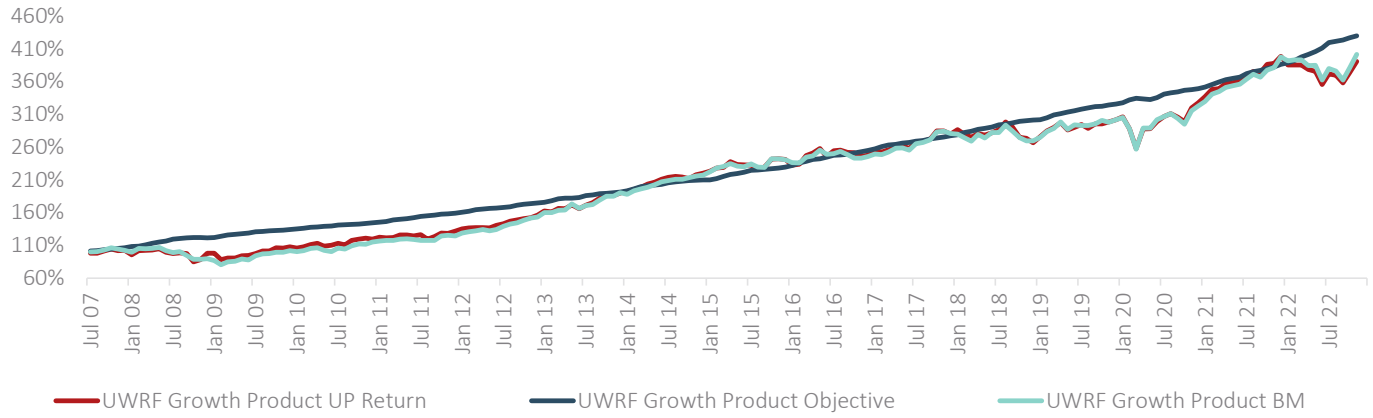
	Return %
Financial year return - net of asset management fees	-2.00%
CPI + 4.5%	11.27%

Risk Objective

	Return %
Percentage positive monthly returns since inception*	68%
Percentage positive monthly returns last 5 years	65%

*July 2007

Performance (net of fees)

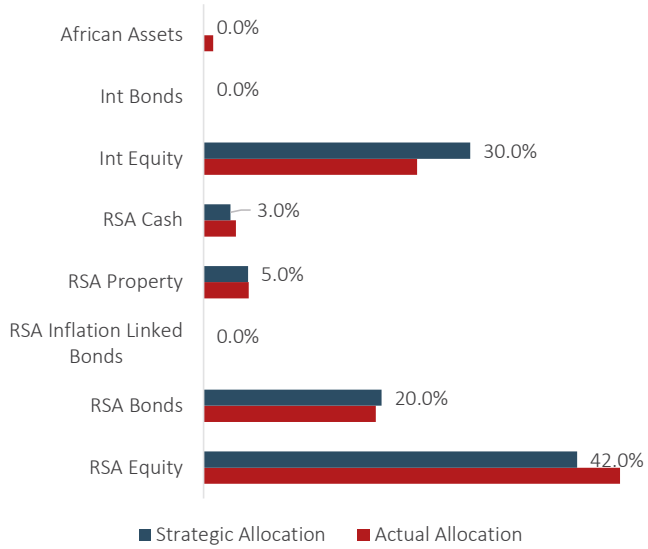


Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	9.30%	9.98%	9.49%
Last 10 years	9.89%	9.49%	10.23%
Last 5 years	6.53%	9.35%	7.16%
Last 3 years	9.39%	9.89%	10.48%
1 year	0.69%	12.36%	5.28%
Ytd	-2.00%	11.27%	1.00%
Last 3 months	5.68%	1.96%	6.80%
Last month	4.53%	0.74%	5.40%

*July 2007

Look-through Asset Allocation



University of the Witwatersrand Retirement Fund — 30 November 2022

Conservative Product - Summary — R 159,835,833.97

Investment Objective

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

	R'm
Total Portfolio Market Value at 31 December 2021	138.7
Cash flow for current financial year	20.4
Total Return current financial year net of fees	0.7
Total Current Portfolio Market Value	159.8

Return Objective

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

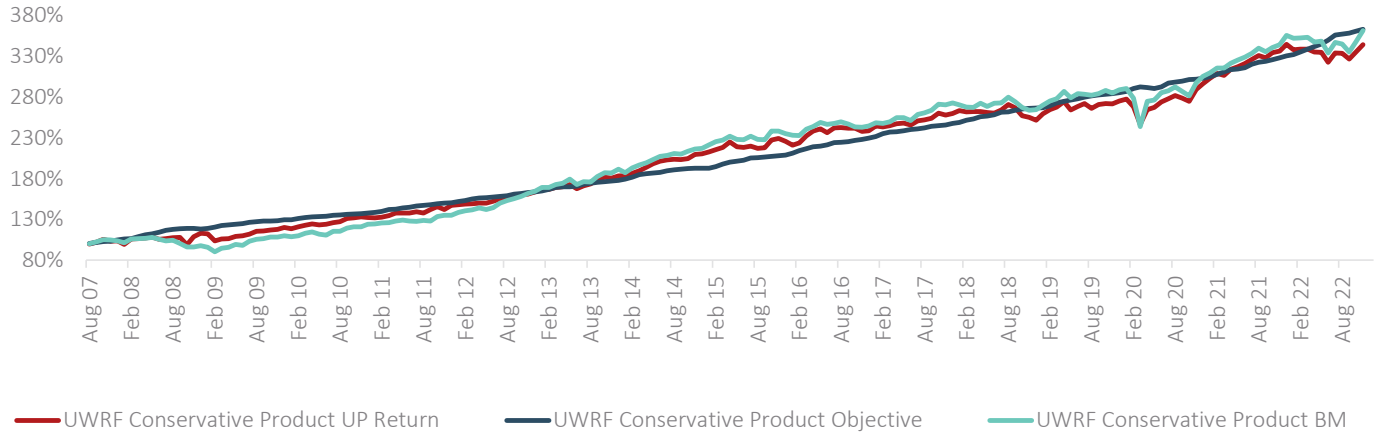
	Return %
Financial year return - net of asset management fees	-0.06%
CPI + 3.0%	9.82%

Risk Objective

	Return %
Percentage positive monthly returns since inception*	72%
Percentage positive monthly returns last 5 years	62%

*August 2007

Performance (net of fees)

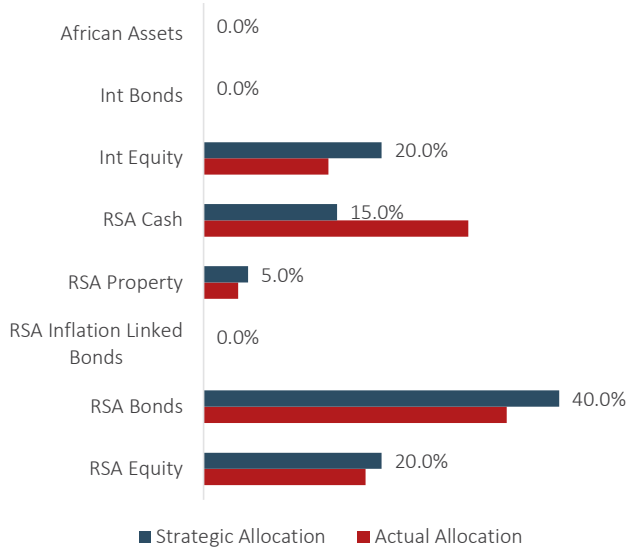


Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	8.45%	8.83%	8.80%
Last 10 years	7.90%	8.34%	8.37%
Last 5 years	5.96%	8.10%	5.98%
Last 3 years	8.24%	8.51%	8.25%
1 year	2.39%	10.75%	5.06%
YtD	-0.06%	9.82%	1.67%
Last 3 months	3.30%	1.59%	4.77%
Last month	2.84%	0.62%	4.04%

*August 2007

Look-through Asset Allocation



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Capital Protection - Summary

R 43,843,986.00

Investment Objective

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

	R'm
Total Portfolio Market Value at 31 December 2021	82.9
Cash flow for current financial year	-41.2
Total Return current financial year net of fees	2.1
Total Current Portfolio Market Value	43.8

Return Objective

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

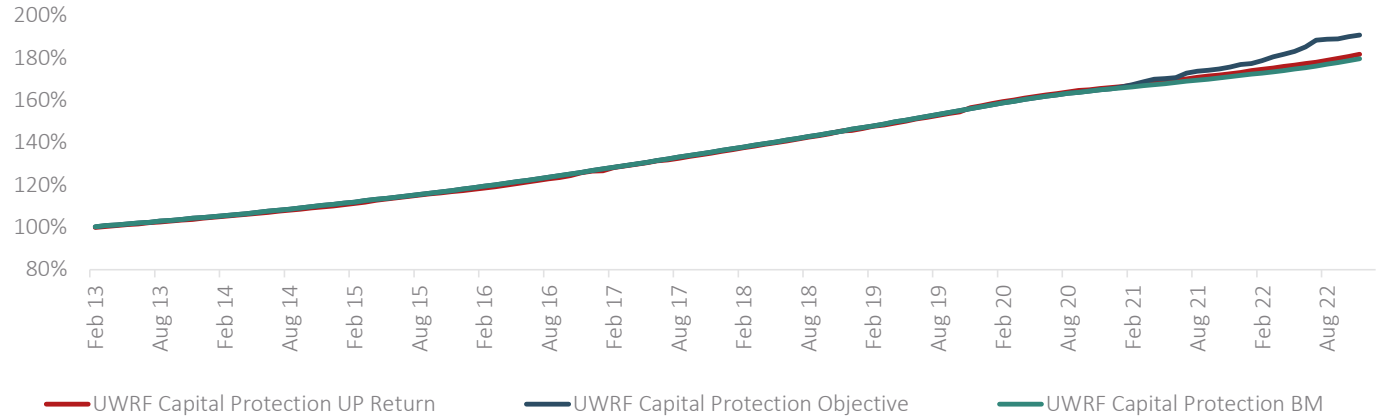
	Return %
Financial year return - net of asset management fees	4.87%
CPI + 1.0%	7.87%

Risk Objective

	Return %
Percentage positive monthly returns since inception*	100%
Percentage positive monthly returns last 5 years	100%

*February 2013

Performance (net of fees)

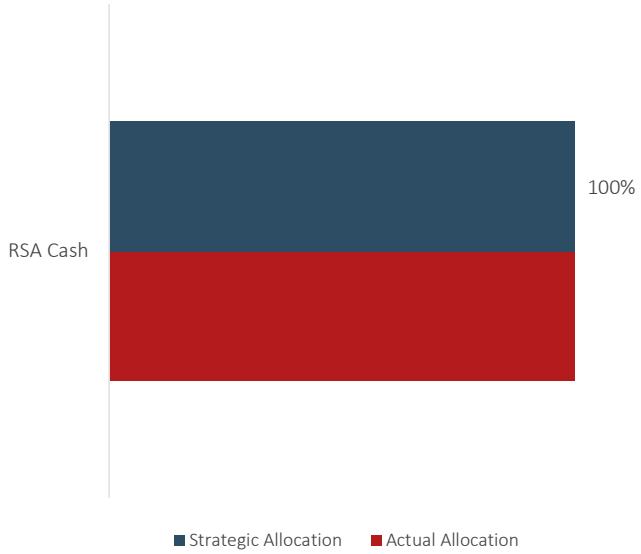


Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	6.26%	6.80%	6.14%
Last 10 years	n/a	n/a	n/a
Last 5 years	6.11%	7.08%	5.79%
Last 3 years	5.11%	6.95%	4.81%
1 year	5.28%	8.61%	4.98%
YtD	4.87%	7.87%	4.63%
Last 3 months	1.53%	1.10%	1.49%
Last month	0.54%	0.46%	0.51%

*February 2013

Asset Allocation



University of the Witwatersrand Retirement Fund

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Shariah Product - Summary

R 67,960,848.24

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 2021	64.5
Cash flow for current financial year	4.2
Total Return current financial year net of fees	-0.7
Total Current Portfolio Market Value	68.0

Return Objective

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

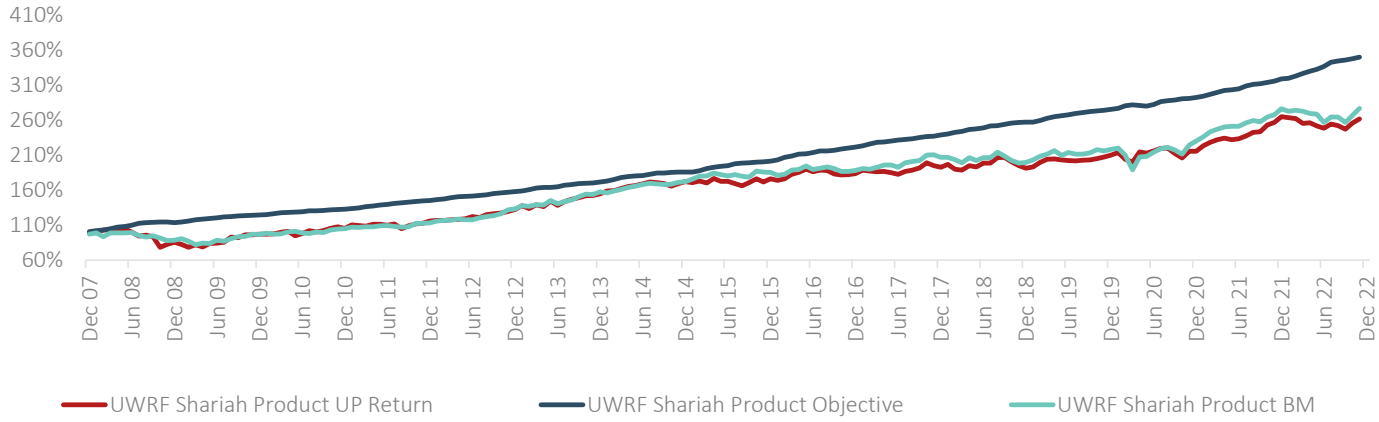
	Return %
Financial year return - net of asset management fees	-1.27%
CPI + 3.0%	9.82%

Risk Objective

	Return %
Percentage positive monthly returns since inception*	62%
Percentage positive monthly returns last 5 years	60%

*December 2007

Performance (net of fees)



Returns - Various Periods

	Portfolio (net)	Investment Objective	Strategic Benchmark
Since Inception *	6.68%	8.78%	7.08%
Last 10 years	7.30%	9.49%	7.73%
Last 5 years	6.06%	8.10%	5.65%
Last 3 years	8.08%	8.51%	8.62%
1 year	1.93%	10.75%	3.35%
YtD	-1.27%	9.82%	0.13%
Last 3 months	3.79%	1.59%	4.71%
Last month	2.30%	0.62%	3.78%

*December 2007

Asset Allocation