



Benchmark Retirement Fund

Quarterly Investment Report: As at 30 June 2024

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Introduction

This document has been compiled with the aim of providing members of the Benchmark Retirement Fund with an overview of the investment options offered to enable them to make informed decisions regarding the investment of their retirement assets.

The following portfolios are offered to members:

Investment Portfolio	Risk Categorisation	Asset Managers's Explicit Performance Objective	Return Expectations derived form Historical Experience (Before Fees)
Allan Gray Namibia Balanced Fund*	Moderate	None	CPI+5% to 6%
Ninety One Namibia Managed Fund	Moderate	None	CPI+5% to 6%
NAM Coronation Balanced Plus Fund	Moderate	None	CPI+5% to 6%
Old Mutual Namibian Profile Pinnacle Fund	Moderate	None	CPI+5% to 6%
M&G Namibian Balanced Fund	Moderate	None	CPI+5% to 6%
Standard Bank Namibia Managed Fund	Moderate	None	CPI+5% to 6%
Benchmark Default Portfolio**	Moderate	-	CPI+5%
Old Mutual Namibia Absolute Stable Growth***j	Moderate - Low	CPI+4.5%	CPI+4.5%
NAM Coronation Capital Plus Fund	Moderate - Low	CPI+4%(1 year)	CPI+4%
M&G Namibian Inflation Plus Fund	Moderate - Low	CPI+4%	CPI+4%
Sanlam Namibia Inflation Linked Fund	Moderate - Low	CPI+4%	CPI+4%
NAM Coronation Balanced Defensive Fund	Moderate - Low	IJG Money Market+3%	CPI+2% to 3%
Sanlam Namibia Absolute Return Plus Fund	Low	CPI+2%	CPI+2%
Capricorn Stable Fund	Low	CPI+2%(2 years)	CPI+2%
Sanlam Namibia Active Fund	Low	1-3 year ALBI	CPI+1%to 2%
Ninety One Namibia High Income Fund	Low	IJG Money Market Index	CPI+1% to 2%
Capricorn Enhanced Cash Fund	Low	IJG 12 Month TB Index	CPI to CPI+1%
Capricorn Investment Fund	Capital Preservation	7 day Repo Rate	CPI

*Segregated Portfolio

**The Benchmark Default Portfolio is a combination of Allan Gray Namibia Domestic Balanced Fund, M&G Namibia Domestic Balanced Fund, Sanlam Namibia Domestic Balanced Fund, Ninety One Namibia Domestic Balanced Fund, 20Twenty Credit Solution, Satrix Emerging Markets Tracker Fund, Satrix World Equity Tracker Fund and Sanlam USD Enhanced Yield Fund.

***This is a 80% guaranteed portfolio and has an additional capital charge over and above the investment fees. This portfolio is closed for new investments since May 2020.

j- Insurance Policy.

Investment Returns

In order to achieve an adequate salary replacement ratio it is imperative that members achieve a real investment return, i.e. a return in excess of price inflation. Refer to Annexure A for an indication of the relationship between investment returns and the salary replacement ratio.

While a real investment return should ideally be set as the explicit performance objective of an investment portfolio, a number of investment portfolios that are suitable for retirement funds, do not have an explicit performance objective related to inflation. The member will therefore have to consider the historic performance experience of an investment portfolio in relation to inflation as a proxy of potential returns in order to link a specific investment portfolio to the salary replacement ratio. It must be noted that the historic performance experience is not guaranteed to be achieved in future. While each investment portfolio will have an internal benchmark as stated by the Investment Manager in the portfolio mandate, that benchmark may not be an explicit real investment return.

Risk

The risk rating of an investment portfolio gives an indication of how volatile investment returns may be and therefore is also an indication of the risk that the investment return per the investment mandate may not be achieved. The risk categories have the following meaning:

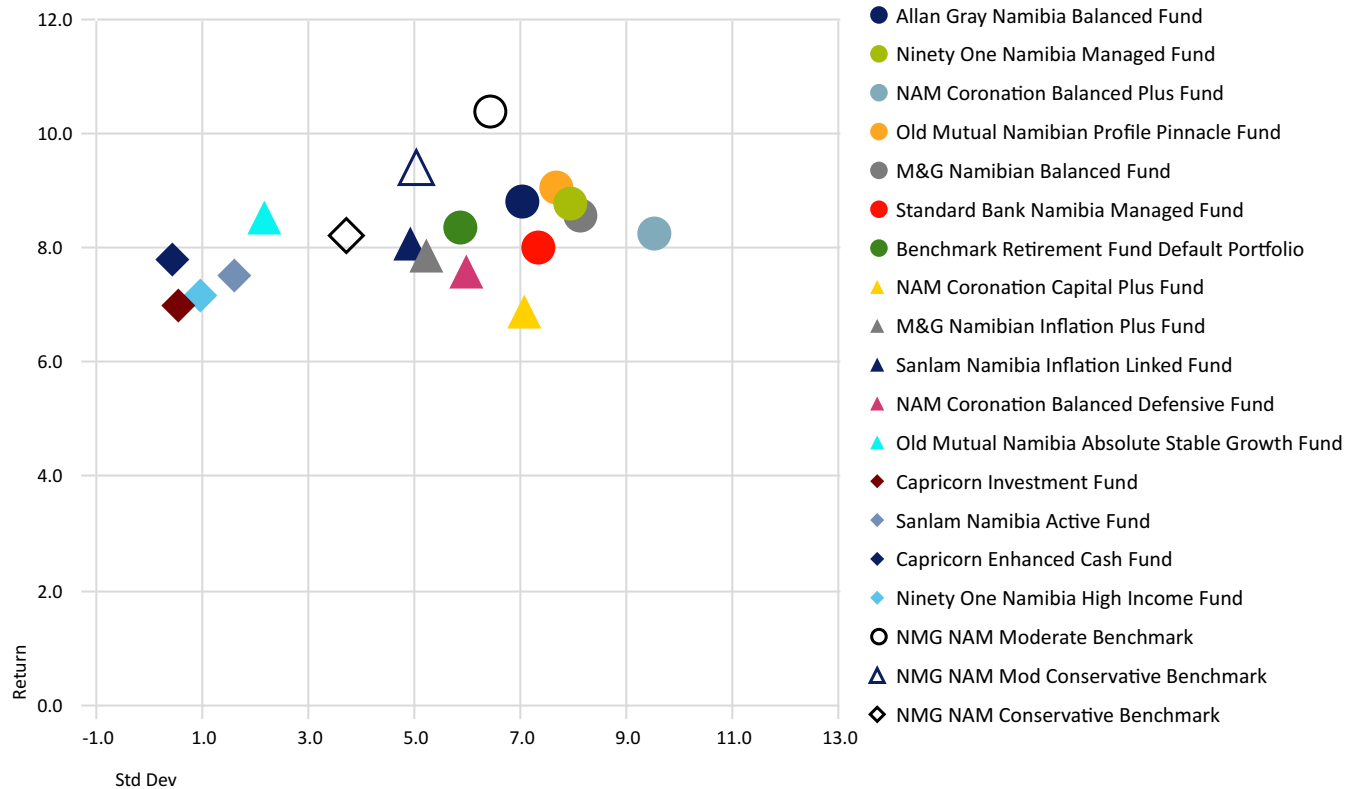
- **Aggressive risk portfolios:** Short term negative returns are possible with this type of portfolio. Exposure to equities (shares) is normally maximised for these types of portfolios in order to achieve the return objective. Maximisation of equity exposure however takes place within the prudential investment guidelines laid down by the Pension Funds Act. Investment returns can be very volatile.
- **Moderate risk portfolios:** This type of portfolio will have large exposure to growth assets (shares and property) at times and as such short term negative returns are possible. Investment returns can be volatile.
- **Moderate-low risk portfolios:** This type of portfolio also has exposure to growth assets (shares and property) but typically at lower levels than the moderate risk portfolios. They aim to have minimal negative returns and therefore have a lower risk profile than the moderate risk portfolios. Investment returns can still be volatile.
- **Low risk portfolios:** This type of portfolio should have minimal negative returns over a rolling 12-month period.
- **Capital preservation portfolios:** There should be no risk of capital loss on a monthly basis.

Investment return and risk are correlated; while the correlation cannot be defined in absolute terms, it is generally accepted that an investor would require compensation in the form of investment returns in return for the investment risk taken.

Introduction

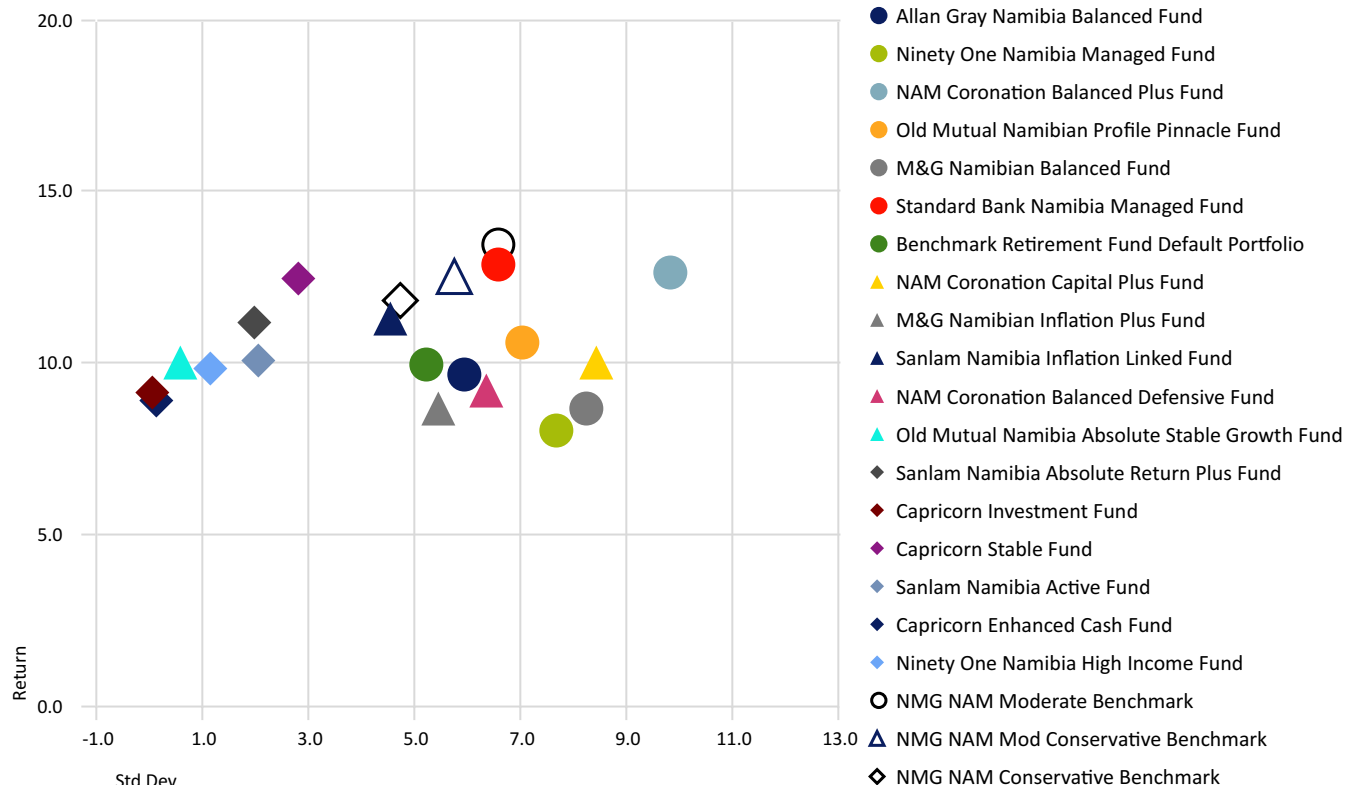
Risk-Reward - Over the long term

Time Period: 01 July 2014 to 30 June 2024



Risk-Reward - Over the short term

Time Period: 01 July 2023 to 30 June 2024



Market Overview

Markets

The second quarter of 2024 saw continued upside on global markets albeit at a slower pace. US equities' returns continued to be driven by tech stocks. The pace of headline index gains slowed as the S&P 500 return in Q2 was a 3.92% gain, following a 10.16% gain in Q1, marking the second consecutive quarter of slowing growth. Year-to-date gains stood at approximately 15% by the end of Q2, showcasing strong performance.

The JSE All Share index reversed the decline from Q1 to end Q2 8.2% higher. However, year-to-date gains are lackluster, around 5%. Financials was the best performing sector over the quarter.

Namibian stocks continue to outperform South African stocks over 12 months. The NSX overall rose 19% in Q2, reversing a decline of 5% in Q1. Financials have been a key performer along with Industrials while Consumer Staples and Telecoms remain out of favour.

Emerging markets lagged in rand terms given the strong performance from the local currency. Over 12 months, emerging market equities generally outperformed South African stocks. For the year to date, emerging markets have underperformed versus developed markets. Among emerging markets, India is the outperformer, as is the MSCI ex China index. Chinese returns, along with South African returns, have tracked European and UK markets, while Latin America has lagged due to substantial political risk in the region.

Oil was volatile in Q2 but ended the quarter flat. Gold continued to rally on safe haven demand, ending the quarter around 3.5% stronger, taking the year-to-date gain to around 13%. The U.S. dollar weakened over the quarter, taking the year-to-date gain to 3.5% from 4.5% at the end of Q1. The yen has been a standout laggard, weakening by around 13% by the end of Q2.

Over the last 12 months, the rand has been a standout performer against emerging market currencies.

Economy

The global economy continues to grow, albeit at a muted pace. The IMF released its updated World Economic Outlook during Q2. The US economy is starting to show signs of slowing momentum, while PMI indicators suggest that large EM economies continue to act as growth drivers. India is a notable outperformer, with Chinese expansion starting to emerge again. Latin America, particularly Mexico, has also been a strong performer albeit not reflected in Mexican capital markets.

In the US, recent data indicates that job gains are starting to slow with significant revisions to prior month's nonfarm payrolls data detracting from the initial releases which showed stronger job gains.

In Europe, economic growth remains lacklustre. While Eurozone inflation has pulled back close to target levels prompting the ECB to commence rate cuts, there has been little evidence of an uptick in activity yet. Economic performance remains anemic, with PMIs remaining in contraction, suggesting a weak outlook. Political risks, notably a surprise snap election in France, have also hampered investor sentiment.

In the UK, GDP growth remains poor, but encouragingly, the PMI has moved back into expansion, suggesting an acceleration off a low base. Consumer confidence remains negative but has improved over the last three months. A new government will be watched for policy direction going forward.

Japanese GDP remains weak and flirting with recession, with negative growth in Q1 as we await Q2 data. The yen has weakened to levels last seen in the 1980s, and inflation has recently accelerated off the lows in January, with the Bank of Japan keeping rates on hold after a hike late in Q1.

Chinese GDP has stabilized above 5%, and trade data suggests an uptick in manufacturing and export activity. Loan growth continues to slow to record lows, as monetary stimulus levers are kept on hold while the government aims to address structural issues in the economy.

In South Africa, GDP growth remains dismal, with a contraction in Q1 expected to reverse in Q2. In Q1, six of the ten economic activities experienced declines due to intensified rolling blackouts.

Namibia continues to experience robust economic growth, growing 4.7% YoY in Q1. The driver remains mining, with agriculture experiencing an uptick, while manufacturing slows. Interest rates have been kept on hold since mid-2023.

The risks of an overly delayed rate cut cycle in the US or even a shallow cycle mean that global growth is likely to be slower than previously expected. The US economy has recently been cooling. Europe remains weak supporting the monetary policy divergence. Asia (China in particular) remains countercyclical and resilient despite underlying pressures. Emerging markets remain on the receiving end of global policy and trade performance.

Market Overview

Inflation

Inflation has slowly returned to target levels in several key regions and is trending toward target in many others. Pressures from energy prices have abated over the quarter. However, a hawkish US Fed has delayed a synchronized global rate cut cycle.

U.S. inflation decreased to 3.3% in May, still above the Fed's 2% target. Core inflation declined to 3.4%, the lowest since 2021. The Fed has stressed that it will only commence rate cuts when it is reasonably confident that inflation is contained. Rate cut expectations have been dialed back which changed from three rate cuts in 2024 to one in 2024 and further rate cuts priced in over the following two years.

UK inflation has returned to the 2% target level, and Eurozone inflation remains marginally above, albeit in line with multi-decade averages.

China's inflation has sustained the reversal from deflation, albeit remaining very muted. Japan's upside inflation risks remain with the yen as a driver.

In South Africa, CPI remains sticky above 5%, a fair margin above the 4.5% mid-point target. The inflationary impact from the rand has been muted as year-on-year depreciation has abated.

Namibian inflation rose for the first two months of Q2 before moderating to 4.6% in June. Transport inflation has remained sticky and poses an upside risk.

While inflation has cooled, rate cuts have been pushed back as economic results (particularly in the US) remain supported. A more muted global rate cut cycle has and will constrain emerging markets. As such, the EM focus should be on quality and resilient economies.

Policy rates, yields and the yield curve.

Yields on US 10-year treasuries are now around 50 basis points below the highs of 4.7% in Q2 but still 40 basis points above where we started the year and 10 basis points higher in Q2. The commencement of a rate cut cycle will prove supportive of bond prices and presents a downside to the yield outlook.

However, despite a more hawkish Fed, this has not stopped some global central banks from initiating their own rate cut cycles. So far, rate cuts have emerged from several central banks. The Swiss National Bank has cut rates twice. Among the G7, the ECB and Bank of Canada have also commenced cutting cycles. In emerging markets, rate cuts from Brazil, Colombia, Mexico, and the Czech Republic have also commenced.

With an eight-month lead, rate cuts are expected to start filtering into an uptick in economic momentum. The US Fed remains a key hurdle to a more synchronized rate cut cycle.

In South Africa, the SARB has kept rates on hold and will likely wait for some impetus of rate cuts from the US Fed before considering a more dovish stance. Inflation remaining sticky above the 4.5% mid-point target, coupled with persistent upside inflation risks as assessed by the SARB will likely continue to mute the extent of a rate cut cycle in SA.

The South African yield curve remains positively sloping and has steepened at the short end while flattening at the longer end. This suggests that the market expects rate cuts in the short term and is less concerned about long-term inflation pressures while being cognizant of funding and fiscal pressures around the more popular maturities. South African real yields remain competitive, albeit not the most attractive among global peers.

The performance of the new government of national unity in South Africa will be watched closely as it holds the potential to act as a structural shift in governance with a spillover into fiscal performance and metrics. These developments (if sustained) will take some time to become evident.

The Bank of Namibia have also kept rates on hold, cognizant of the currency peg against the rand. As such, policy rates in Namibia, while currently below South African levels, will likely also wait for some impetus from either the Fed or the SARB before considering a more dovish stance.

Conclusion:

The second quarter of 2024 presented a complex and mixed picture across global markets. US equities continued their ascent, driven by tech giants, while defensive sectors showed resilience. South African equities rebounded. Emerging markets saw varied performance, with India and the MSCI ex China index leading gains. The US market dominance and narrow rally breadth signal caution, with potential corrections holding the risk of much broader global impacts.

The global economy grew at a muted pace. The US showed signs of slowing momentum, while Europe remained weak despite nearing inflation targets. The UK and Japan exhibited poor GDP growth, with Japan facing inflationary pressures. China's GDP stabilized above 5%, showing resilience in manufacturing and exports. South Africa's GDP showed slight improvement in Q2 after a contraction in Q1.

Inflation trends showed improvement, but the delay in rate cuts, especially by the Fed, poses challenges. South Africa maintains stable policy rates, awaiting global cues for future adjustments. The global economic landscape remains cautious but guarded, with attention to inflation expectations and geopolitical developments that could reshape market trajectories.

Market Overview

Periodic Table

Best ↑ ↓ Worst	Namibia: Local 34.3	Namibia: Basic Materials 166.1	Namibia: Basic Materials 32.6	Namibia: Basic Materials 32.3	Namibia: Basic Materials 29.1	Namibia: Basic Materials 28.9	Namibia: Basic Materials 41.3	Namibia: Con- sumer discre- tionary 15.5	Namibia: Con- sumer discre- tionary 48.3	Namibia: Con- sumer discre- tionary 30.9
	Namibia: Con- sumer Staples 10.0	Namibia: Over- all 27.8	Namibia: Con- sumer discre- tionary 29.6	Namibia: Con- sumer Staples 16.1	Namibia: IJG ALBI(All Bond) 12.1	Namibia: IJG ALBI(All Bond) 14.4	Namibia: Over- all 33.9	Namibia: Fi- nancials 11.3	Namibia: Local 43.5	Namibia: Basic Materials 19.9
	Namibia: IJG Money Market 6.5	Namibia: Local 15.2	Namibia: Fi- nancials 27.5	Namibia: IJG ALBI(All Bond) 11.0	Namibia: Con- sumer Staples 9.7	Namibia: Con- sumer discre- tionary 6.1	Namibia: Con- sumer Staples 32.6	Namibia: Con- sumer Staples 11.0	Namibia: Fi- nancials 30.3	Namibia: Over- all 13.2
	Namibia: IJG ALBI(All Bond) 1.1	Namibia: Fi- nancials 14.1	Namibia: Over- all 26.4	Namibia: IJG Money Market 7.8	Namibia: IJG Money Market 7.5	Namibia: IJG Money Market 5.8	Namibia: Con- sumer discre- tionary 32.4	Namibia: Over- all 9.7	Namibia: Con- sumer Staples 25.4	Namibia: Fi- nancials 9.7
	Namibia: Con- sumer discre- tionary -1.7	Namibia: Con- sumer Staples 13.9	Namibia: Local 14.1	Namibia: Local 7.2	Namibia: Over- all 4.6	Namibia: Over- all -2.0	Namibia: Fi- nancials 22.7	Namibia: IJG ALBI(All Bond) 8.4	Namibia: IJG ALBI(All Bond) 18.7	Namibia: Local 5.8
	Namibia: Fi- nancials -4.6	Namibia: IJG ALBI(All Bond) 11.7	Namibia: IJG ALBI(All Bond) 13.1	Namibia: Over- all 4.5	Namibia: Local 3.0	Namibia: Con- sumer Staples -10.2	Namibia: Local 21.6	Namibia: Basic Materials 7.9	Namibia: IJG Money Market 8.1	Namibia: IJG ALBI(All Bond) 4.8
	Namibia: Over- all -17.8	Namibia: Con- sumer discre- tionary 11.2	Namibia: IJG Money Market 8.3	Namibia: Fi- nancials 1.5	Namibia: Fi- nancials -1.9	Namibia: Local -22.2	Namibia: IJG ALBI(All Bond) 4.4	Namibia: IJG Money Market 5.7	Namibia: Over- all 5.7	Namibia: Con- sumer Staples 4.3
	Namibia: Basic Materials -63.3	Namibia: IJG Money Market 7.6	Namibia: Con- sumer Staples -7.0	Namibia: Con- sumer discre- tionary -9.4	Namibia: Con- sumer discre- tionary -34.7	Namibia: Fi- nancials -22.4	Namibia: IJG Money Market 4.2	Namibia: Local 2.0	Namibia: Basic Materials -21.7	Namibia: IJG Money Market 4.2
	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD

Namibian Indices

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Namibia: Basic Materials	20.1	19.9	10.0	7.2	13.9	13.0
Namibia: Consumer discretionary	22.2	30.9	77.6	27.6	19.8	11.2
Namibia: Financials	19.8	9.7	25.6	21.2	7.2	8.6
Namibia: Consumer Staples	14.0	4.3	26.9	25.1	12.1	11.6
Namibia: Local	2.5	5.8	10.9	23.6	8.5	12.6
Namibia: Overall	19.3	13.2	19.7	15.6	10.8	9.7
Namibia: IJG ALBI(All Bond)	9.9	4.8	14.8	11.3	10.7	10.4
Namibia: IJG Money Market	2.1	4.2	8.5	6.7	6.3	6.9

Market Overview

RSA Headline Indices

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
RSA: All Share	8.2	5.8	9.1	11.0	10.6	8.2
RSA: SWIX	8.2	5.8	9.8	8.8	8.0	6.7
RSA: Capped SWIX	8.2	5.7	10.0	10.1	8.7	6.5
RSA: Top 40 (Large Caps)	7.9	5.5	7.2	11.1	10.9	8.2
RSA: Mid Cap	9.5	5.7	17.3	9.4	7.6	6.6
RSA: Small Cap	10.7	9.6	20.2	16.8	15.2	8.3
RSA: Listed Property	5.5	9.6	26.3	11.7	0.9	3.2
RSA: Resources	3.4	4.3	-1.3	3.3	9.6	4.8
RSA: Industrials 25	4.8	5.7	4.4	9.8	10.7	8.3
RSA: Financial 15	17.1	8.8	24.5	18.9	7.2	7.5
RSA: All Bond Index	7.5	5.6	13.7	7.6	7.8	8.2
RSA: Inflation Linked Bonds	2.4	2.0	9.1	6.9	6.4	5.1
RSA: STeFI Composite (Cash)	2.0	4.1	8.5	6.5	6.0	6.6

Consumer Price Index

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Namibia CPI	0.9	2.1	4.6	5.3	4.4	—
NAM CPI	0.9	2.1	4.6	5.3	4.4	4.6

Commodities

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
Gold	1.5	12.0	17.8	19.1	16.5	11.8
Platinum	7.6	1.0	9.1	6.9	9.9	1.6
Oil	-4.8	12.0	11.5	13.7	11.0	2.8

International Indices

Currency: South African Rand

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
USA: S&P 500	0.6	15.1	20.4	19.4	21.1	19.1
UK: FTSE 100	0.1	6.8	8.4	15.1	11.2	8.5
Japan: Nikkei 225 Average	-10.9	4.4	5.5	8.8	12.2	13.1
MSCI Emerging Markets	0.4	5.9	6.1	0.4	5.9	5.9
MSCI World	-0.9	11.9	16.7	16.5	18.3	15.8
MSCI All Country World	-0.7	11.4	15.9	15.0	17.2	15.0
USA: DJ Industrial Average	-4.8	4.6	12.1	15.5	16.2	17.5

Global Fixed Income

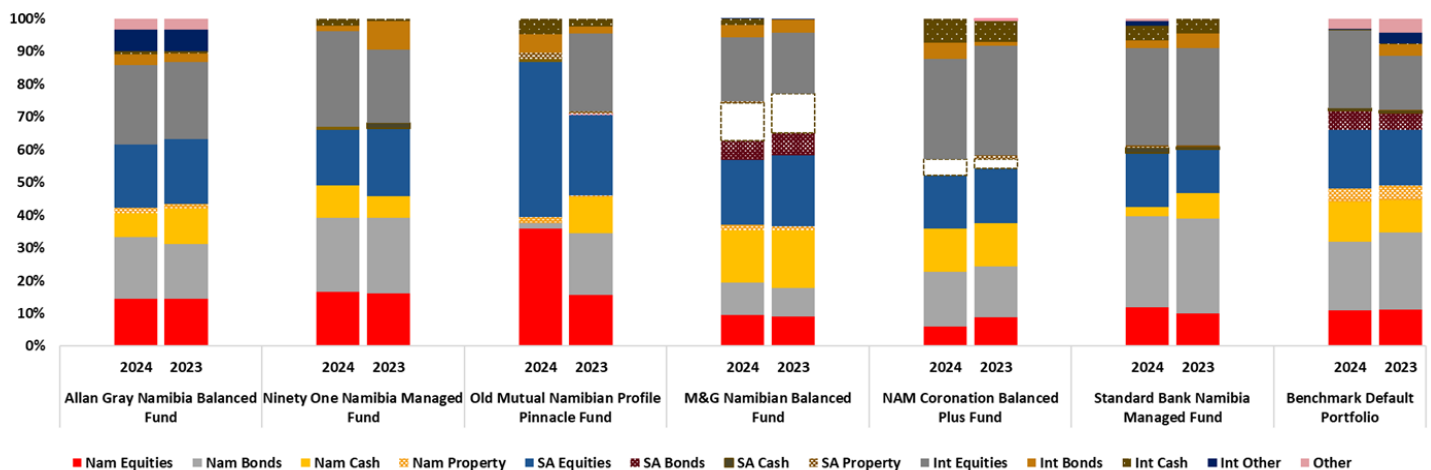
Currency: South African Rand

	Current Quarter	YTD	1 Year	3 Years	5 Years	10 Years
FTSE World Government Bond Index	-4.0	-2.3	-1.6	4.1	3.7	4.6
ICE BofA 0-3 M US Trsy Bill TR USD	-2.3	2.5	1.9	11.9	7.6	7.1
ICE BofA 3-6 M US Trsy Bill TR USD	-2.3	2.4	1.9	11.8	7.6	7.2
FTSE WGBI USD	-5.1	-4.1	-4.0	1.0	1.9	4.3

Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 30 June 2024 as compared to 30 June 2023



Notes 30 June 2024:

1. Allan Gray: International Other represents Property, Hedged Equity & Commodities
2. Allan Gray: Other represents SA and Namibia Commodities
3. Allan Gray: International Equity represents Net Equity
4. Default: International Other represents Property, Hedged Equity and Commodities.
5. NAM Coronation Balanced: Other represents Commodities and preference shares and International Other represents property and commodities.
6. NAM Coronation, Prudential and Old Mutual use derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offsetting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.
7. Negative allocation to an asset class is represented by dashed bars.

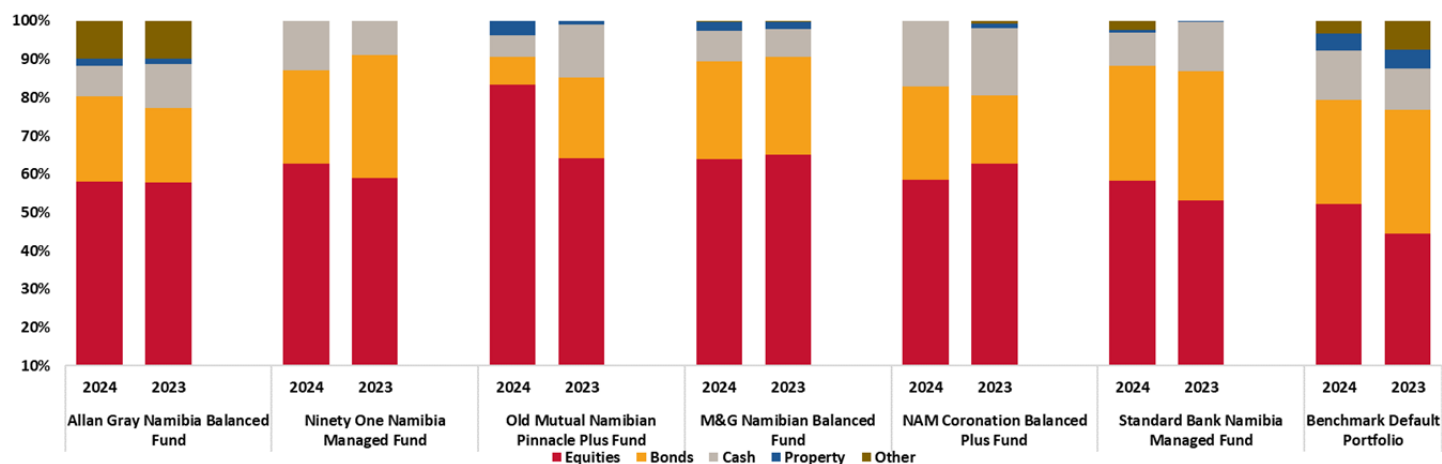
Notes 30 June 2023:

1. Allan Gray: International Other represents Property, Hedged Equity & Commodities
2. Allan Gray: Other represents SA and Namibia Commodities
3. Allan Gray: International Equity represents Net Equity
4. Default: International Other represents Property, Hedged Equity and Commodities.
5. NAM Coronation Balanced Plus: Other represents Commodities and International Other represents Property.
6. NAM Coronation and Prudential use derivatives to gain additional exposure to certain assets beyond 100%. Thus the cash allocation has an offsetting negative exposure, representing the liability or cash that is 'owed' for these assets. The total thus represents the "Notional Cash Value" for the entire effective derivative exposure.
7. Negative allocation to an asset class is represented by dashed bars.

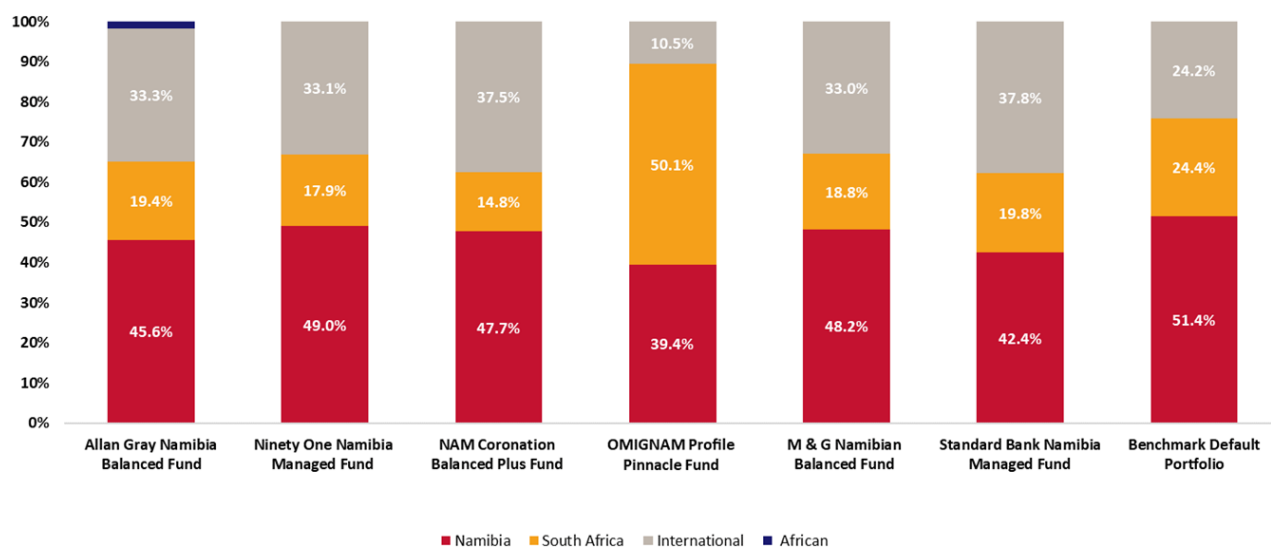
Performance Comparison

Moderate Risk Portfolios

Asset Allocation as at 30 June 2024 as compared to 30 June 2023



Geographical Split as at 30 June 2024:



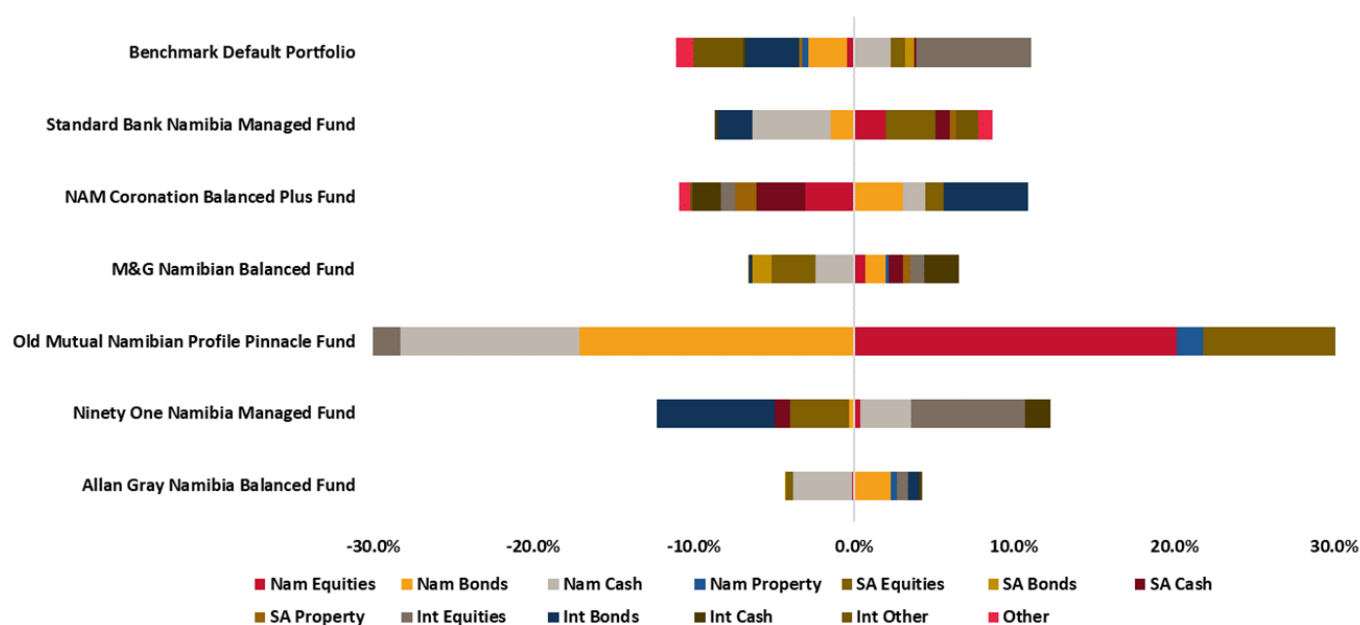
Notes:
Allan Gray: 1.7% African

Performance Comparison

Moderate Risk Portfolios

Change in Asset Allocation

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **30 June 2024**. In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



The Old Mutual Namibian Profile Pinnacle Fund underwent the most significant portfolio changes over the past year, with a substantial shift in assets from international equities, Namibian bonds and cash to Namibian and South African equities. This reallocation likely responded to the attractiveness of equities, particularly Namibian equities, which delivered outstanding performance over the past year, outperforming international equities. In contrast, Allan Gray made minimal changes to its portfolio, with a slight increase in Namibian bonds and a decrease in Namibian cash being the most notable adjustments. The asset allocation changes across managers were mixed, with no uniform trend observed among the Moderate risk portfolios. However, most portfolios saw a reduced exposure to Namibian cash and bonds, as well as international bonds. It's important to note that these changes are not only the result of active management decisions but also reflect market movements. This means that a combination of both manager decisions and market fluctuations contributed to the changes observed in the portfolios.

Performance Comparison

Moderate Risk Portfolios

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	9.7	13.1	10.6	8.8
NAM Coronation Balanced Plus Fund	12.7	10.9	10.8	8.3
Ninety One Namibia Managed Fund	8.0	9.2	9.1	8.8
Old Mutual Namibian Profile Pinnacle Fund	10.6	10.8	10.2	9.0
Standard Bank Namibia Managed Fund	12.9	8.6	8.4	8.0
M&G Namibian Balanced Fund	8.7	11.1	9.7	8.5
Benchmark Retirement Fund Default Portfolio	9.9	11.6	9.6	8.3
NMG SA Moderate Benchmark	10.4	10.2	10.4	9.0
NMG NAM Moderate Benchmark	13.4	12.0	11.3	10.4
FTSE/JSE All Share TR ZAR	9.1	11.0	10.6	8.2
NAM CPI + 6%	10.9	11.6	10.7	10.9

Trailing Returns as at 30 June 2023

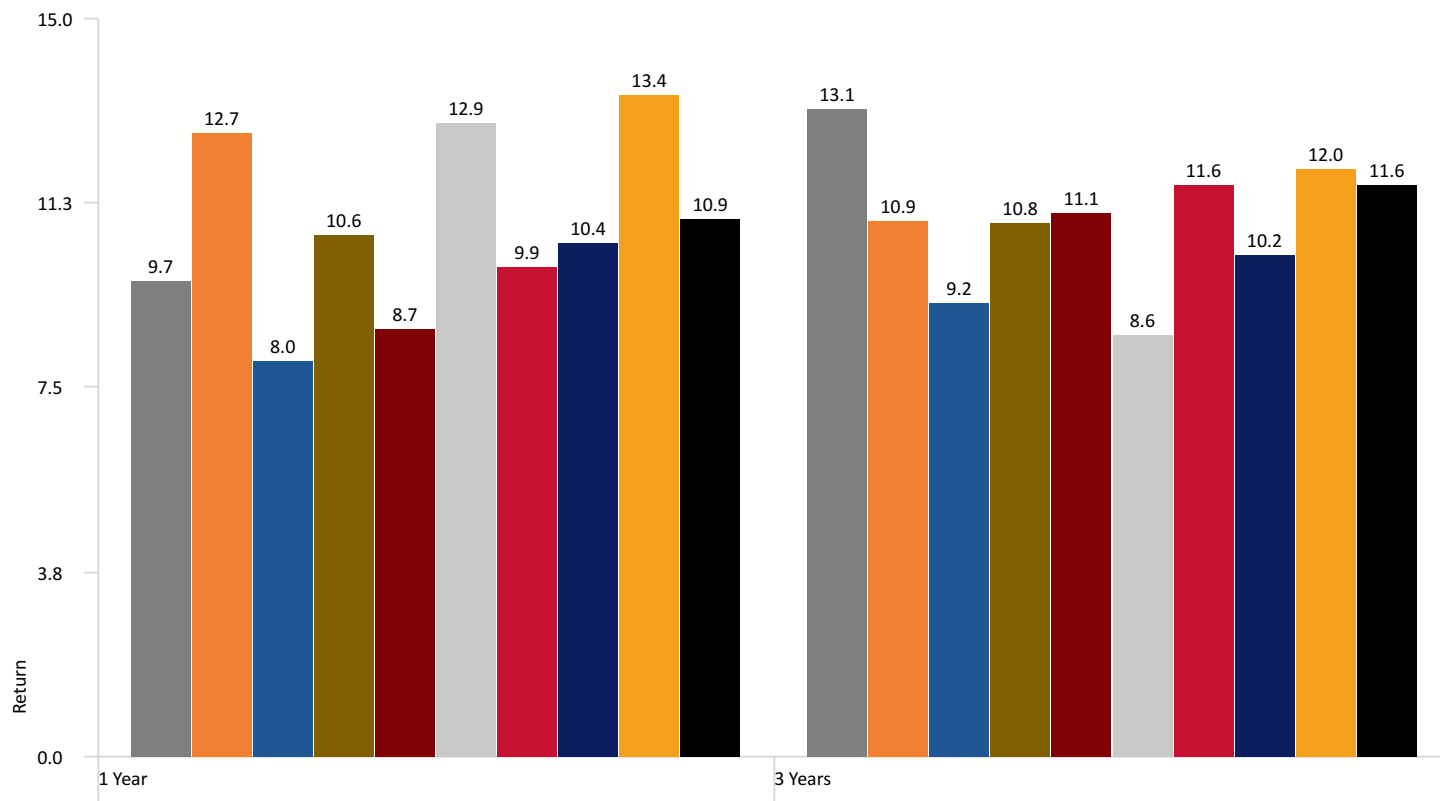
	1 Year	3 Years	5 Years	10 Years
Allan Gray Namibia Balanced Fund	23.3	12.6	8.4	9.9
NAM Coronation Balanced Plus Fund	20.9	13.8	8.7	9.2
Ninety One Namibia Managed Fund	17.5	10.5	8.6	10.3
Old Mutual Namibian Profile Pinnacle Fund	17.8	12.8	9.0	10.1
Standard Bank Namibia Managed Fund	16.9	7.6	7.7	8.4
M&G Namibian Balanced Fund	17.4	13.1	8.9	9.7
Benchmark Retirement Fund Default Portfolio	19.0	10.9	8.1	9.2
NMG SA Moderate Benchmark	16.0	12.0	9.7	10.0
NMG NAM Moderate Benchmark	17.9	12.2	10.7	10.8
FTSE/JSE All Share TR ZAR	19.6	16.1	9.6	10.3
NAM CPI + 6%	11.6	11.4	10.5	11.0

The returns for the Default Portfolio and the Allan Gray Namibia Balanced Fund (segregated) are the unit price returns allocated to members after fees, which is received from RFS Fund Administrators. The remaining returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

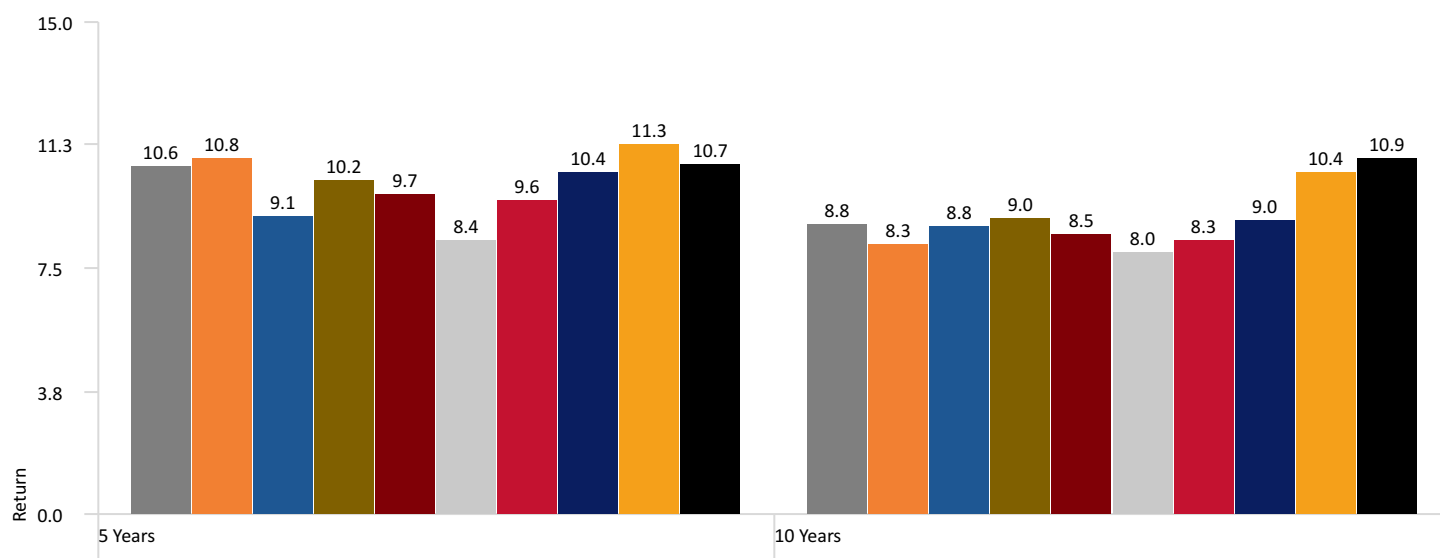
Performance Comparison

Moderate Risk Portfolios

1 & 3 year performance for the period ended 30 June 2024



5 & 10 years performance for the period ending 30 June 2024



Allan Gray Namibia Balanced Fund
 Old Mutual Namibian Profile Pinnacle Fund
 Benchmark Retirement Fund Default Portfolio
 NAM CPI + 6%

NAM Coronation Balanced Plus Fund
 M&G Namibian Balanced Fund
 NMG SA Moderate Benchmark

Ninety One Namibia Managed Fund
 Standard Bank Namibia Managed Fund
 NMG NAM Moderate Benchmark

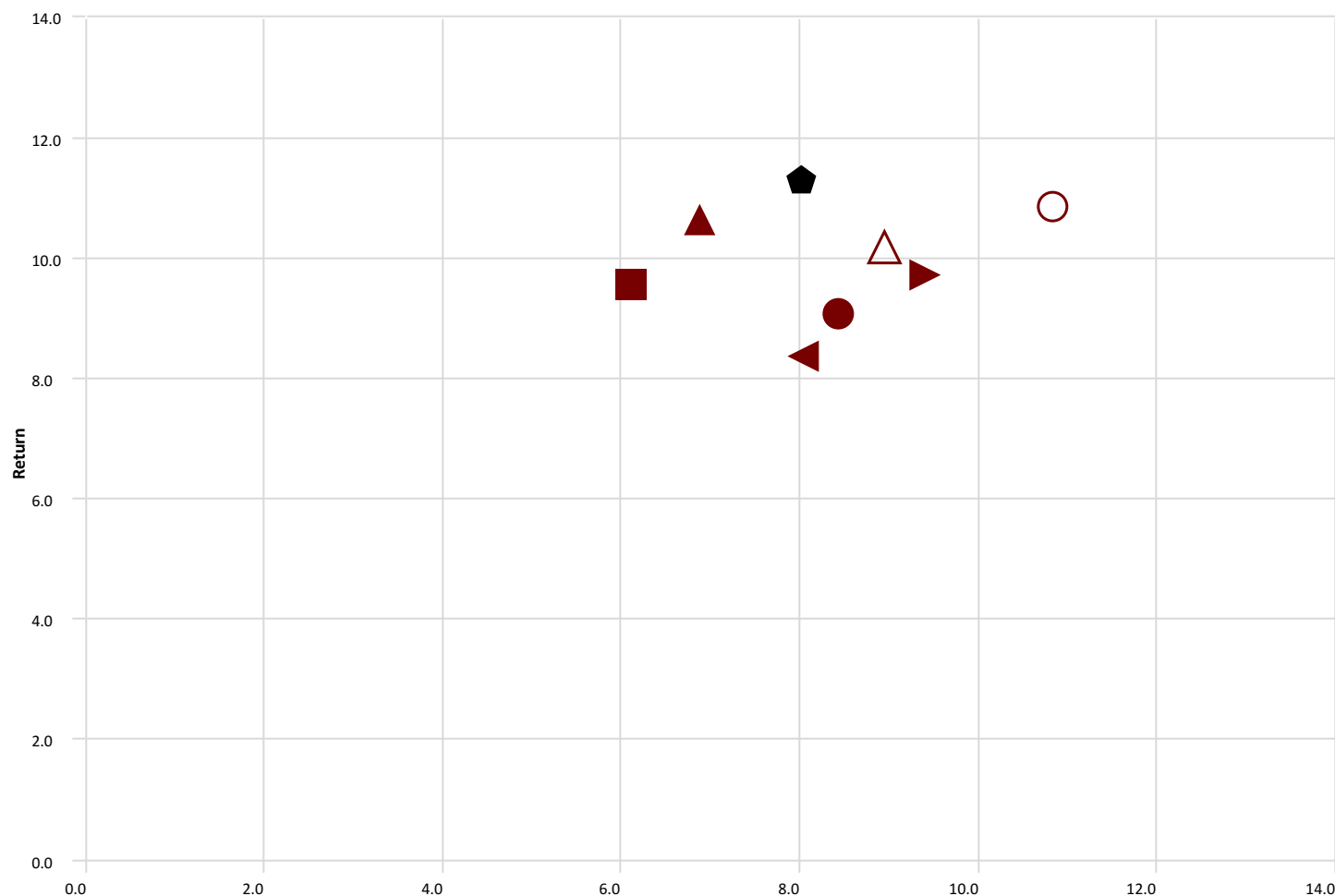
Performance Comparison

Moderate Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate portfolios for a 5 year period. These returns are **net** of all investment charges.

Risk-Reward

Time Period: 01 July 2019 to 30 June 2024

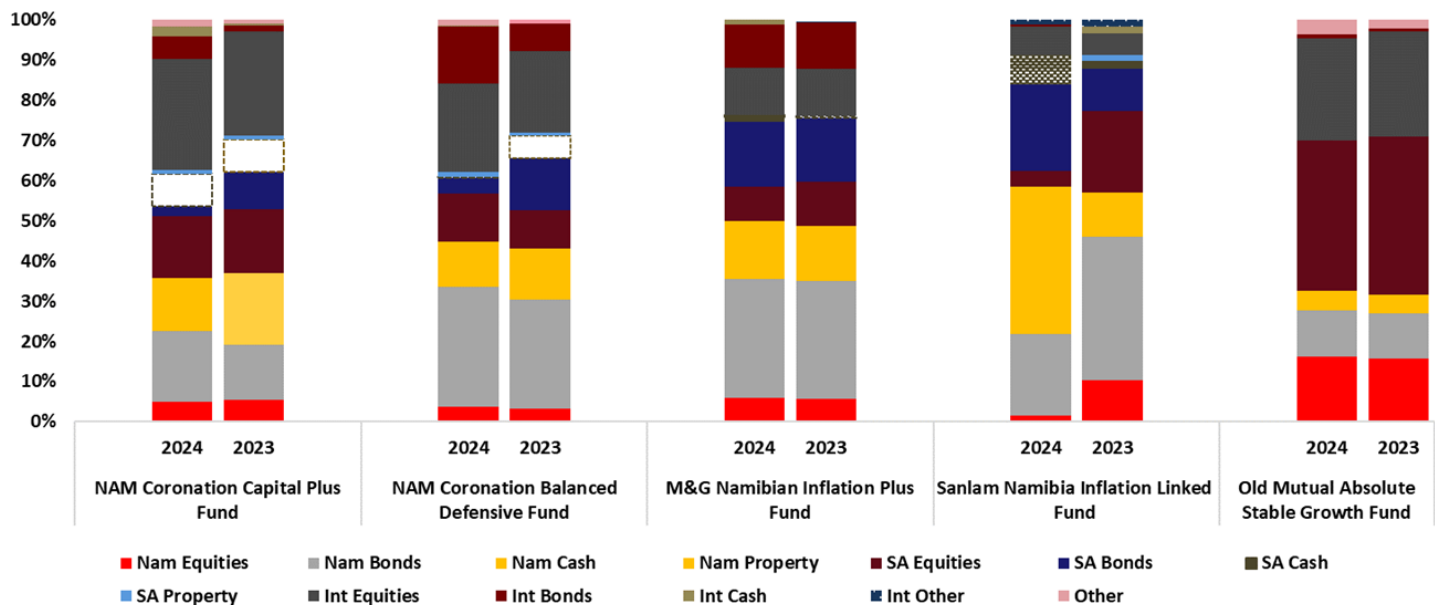


- Std Dev**
- ▲ Allan Gray Namibia Balanced Fund
 - ▲ Old Mutual Namibian Profile Pinnacle Fund
 - Benchmark Retirement Fund Default Portfolio
 - Ninety One Namibia Managed Fund
 - ▶ M&G Namibian Balanced Fund
 - ◆ NMG NAM Moderate Benchmark
 - NAM Coronation Balanced Plus Fund
 - ◀ Standard Bank Namibia Managed Fund

Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 30 June 2024 as compared to 30 June 2023



Notes 30 June 2024:

1. NAM Coronation Capital Plus: International Other represents Commodities
2. Sanlam Namibia Inflation Linked: International Other represents Property
3. NAM Coronation Balanced Defensive SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
4. NAM Coronation Capital Plus SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
5. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive: SA & NAM Other represents Commodities, Preference shares and other securities
6. Old Mutual Stable Growth: Other represents Namibian Alternative Investments

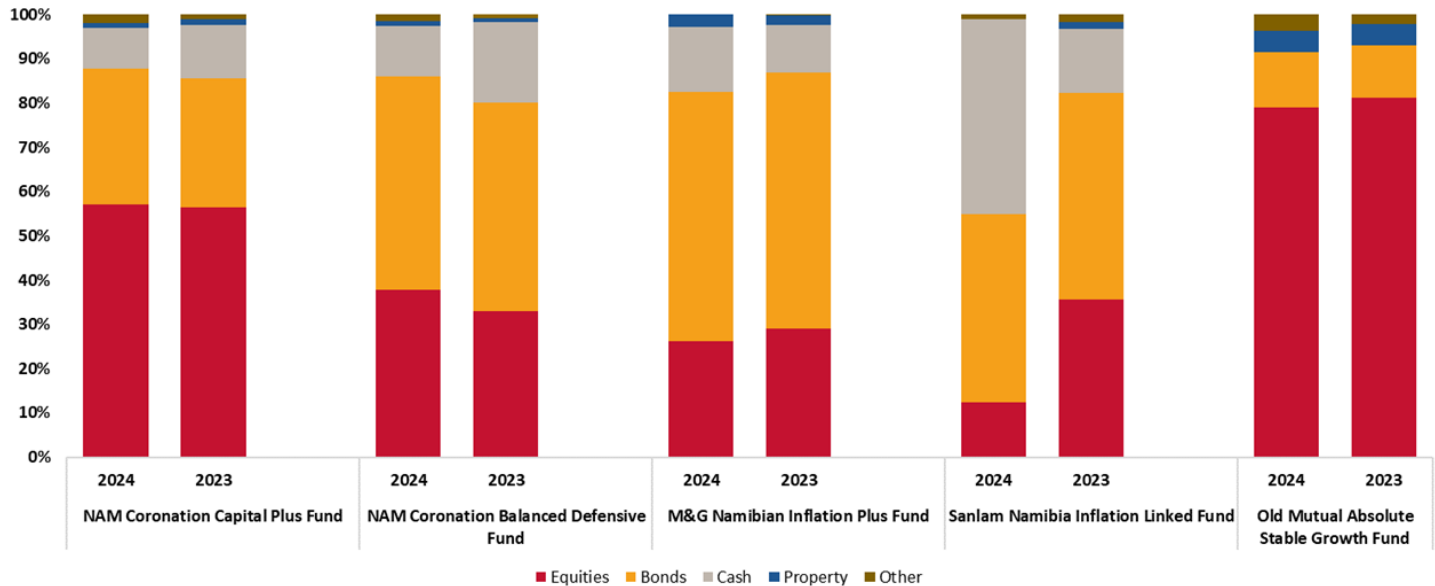
Notes 30 June 2023:

1. NAM Coronation Capital Plus: International Other represents Commodities
2. Sanlam Namibia Inflation Linked: International Other represents Property
3. NAM Coronation Balanced Defensive NAM Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
4. NAM Coronation Capital Plus SA Cash position includes an **off-set or "Notional Cash value"** for all derivative effective exposure.
5. NAM Coronation Capital Plus & NAM Coronation Balanced Defensive: SA & NAM Other represents Commodities, Preference shares and other securities
6. Old Mutual Stable Growth: Other represents Namibian Alternative Investments

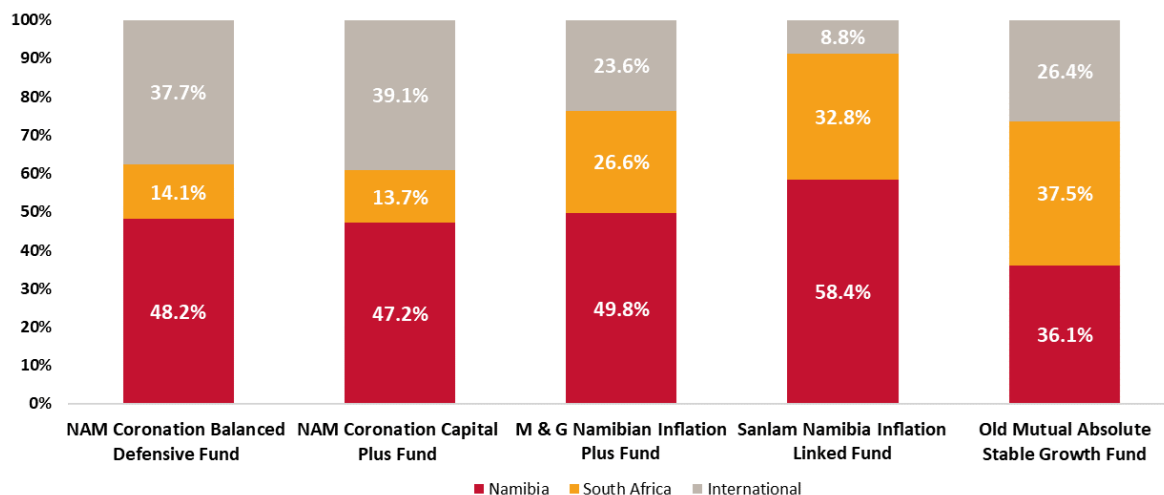
Performance Comparison

Moderate-Low Risk Portfolios

Asset Allocation as at 30 June 2024 compared 30 June 2023



Geographical Split as at 30 June 2024:



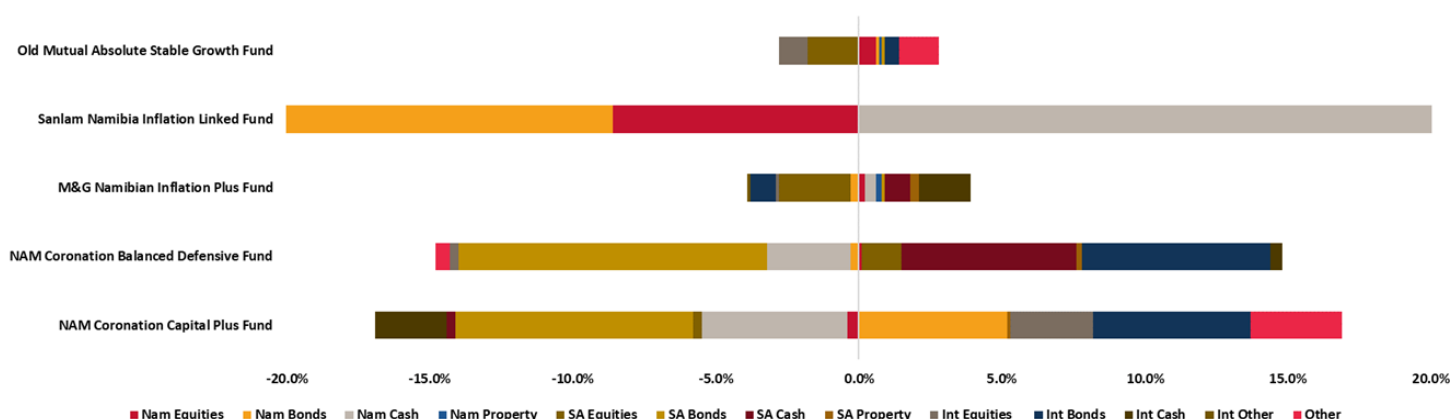
*Note: Sanlam and Old Mutual portfolios are classified as insurance policies and therefore their Namibian exposure is managed in accordance with the life company's balance sheet exposure

Performance Comparison

Moderate-Low Risk Portfolios

Change in Asset Allocation

The following graph illustrates the changes that were made to the managers' asset allocation over the 12 month period ending **30 June 2024**. In the event that the allocation to an asset class was decreased, the change would be indicated on the left hand side of the vertical axis, and vice versa.



The Sanlam Namibia Inflation Linked Fund made the most significant changes to its portfolio over the past year, increasing its exposure to Namibian Cash, South African cash and bonds, while reducing holdings in South African equities, Namibian equities, and bonds. In contrast, the Old Mutual Absolute Stable Growth Fund made minimal changes, with slight decreases of 1.8% and 1.0% in South African and International equities, respectively. Overall, asset allocation changes across managers were mixed, with no discernible trend. Notably, the NAM Coronation Capital Plus Fund and NAM Coronation Balanced Fund Defensive Fund both decreased exposure to SA bonds and Namibian cash, while increasing exposure to international bonds. It's essential to note that these changes result from a combination of active management decisions and market fluctuations, rather than solely from manager decisions.

Performance Comparison

Moderate-Low Risk Portfolios

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	9.2	8.4	8.3	7.6
NAM Coronation Capital Plus Fund	10.0	8.5	8.5	6.9
M&G Namibian Inflation Plus Fund	8.7	9.8	8.3	7.9
Sanlam Namibia Inflation Linked Fund	11.3	9.5	8.4	8.1
Old Mutual Absolute Stable Growth Fund	10.0	11.0	8.2	8.5
NMG NAM Mod Conservative Benchmark	12.5	10.6	9.9	9.4
NAM CPI + 4%	8.8	9.5	8.6	8.8

Trailing Returns as at 30 June 2023

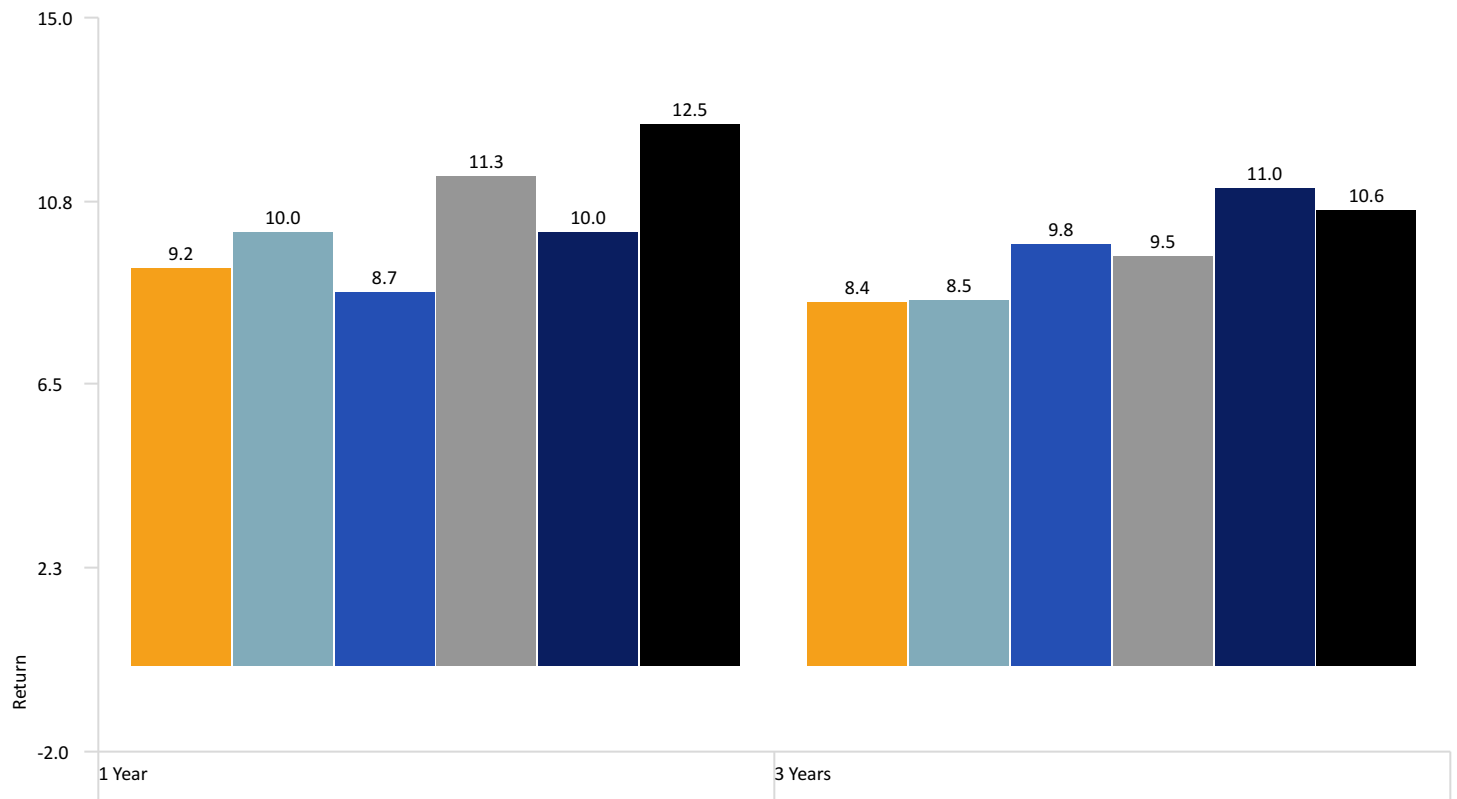
	1 Year	3 Years	5 Years	10 Years
NAM Coronation Balanced Defensive Fund	16.1	9.6	7.7	8.2
NAM Coronation Capital Plus Fund	15.6	10.0	7.5	7.7
M&G Namibian Inflation Plus Fund	14.8	10.2	8.0	8.6
Sanlam Namibia Inflation Linked Fund	13.3	7.9	7.5	8.4
Old Mutual Absolute Stable Growth Fund	9.5	11.0	7.2	9.1
NMG NAM Mod Conservative Benchmark	14.2	10.3	9.6	9.4
NAM CPI + 4%	9.5	9.3	8.4	8.9

The returns for the Old Mutual AGP portfolios are sourced from the NMG Survey data. The remaining returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

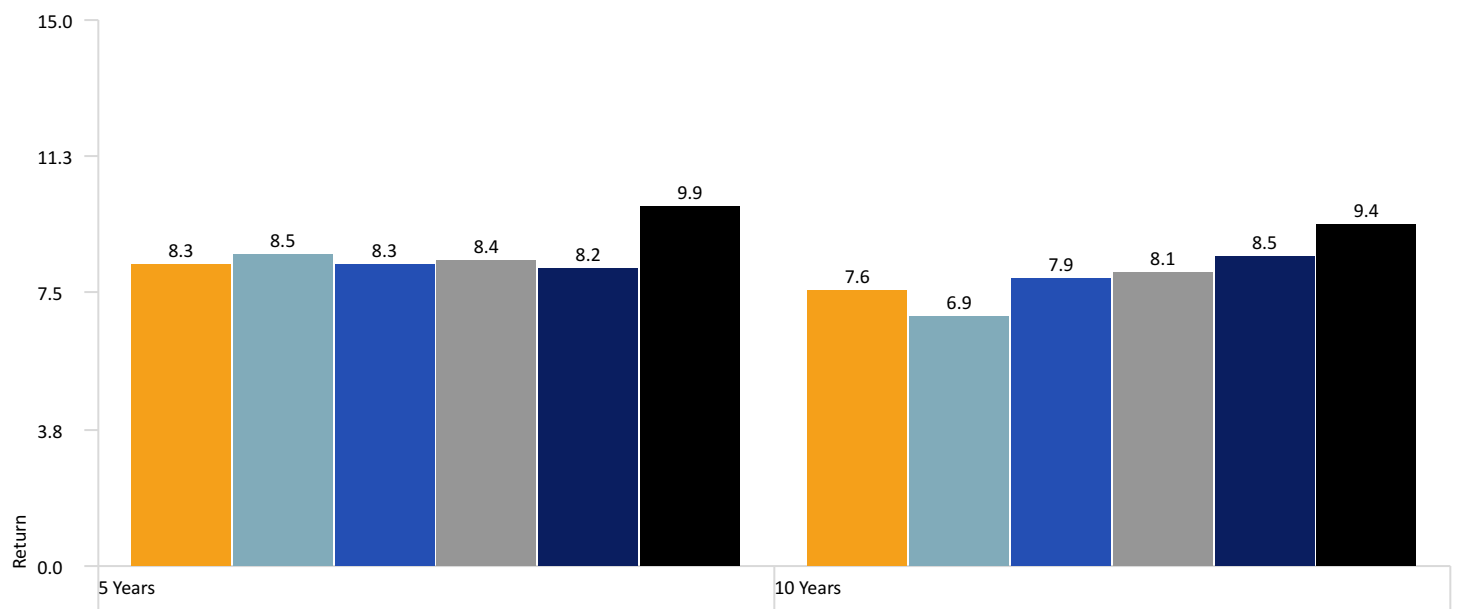
Performance Comparison

Moderate-Low Risk Portfolios

1 & 3 year performance for the period ended 30 June 2024



5 & 10 years performance for the period ended 30 June 2024



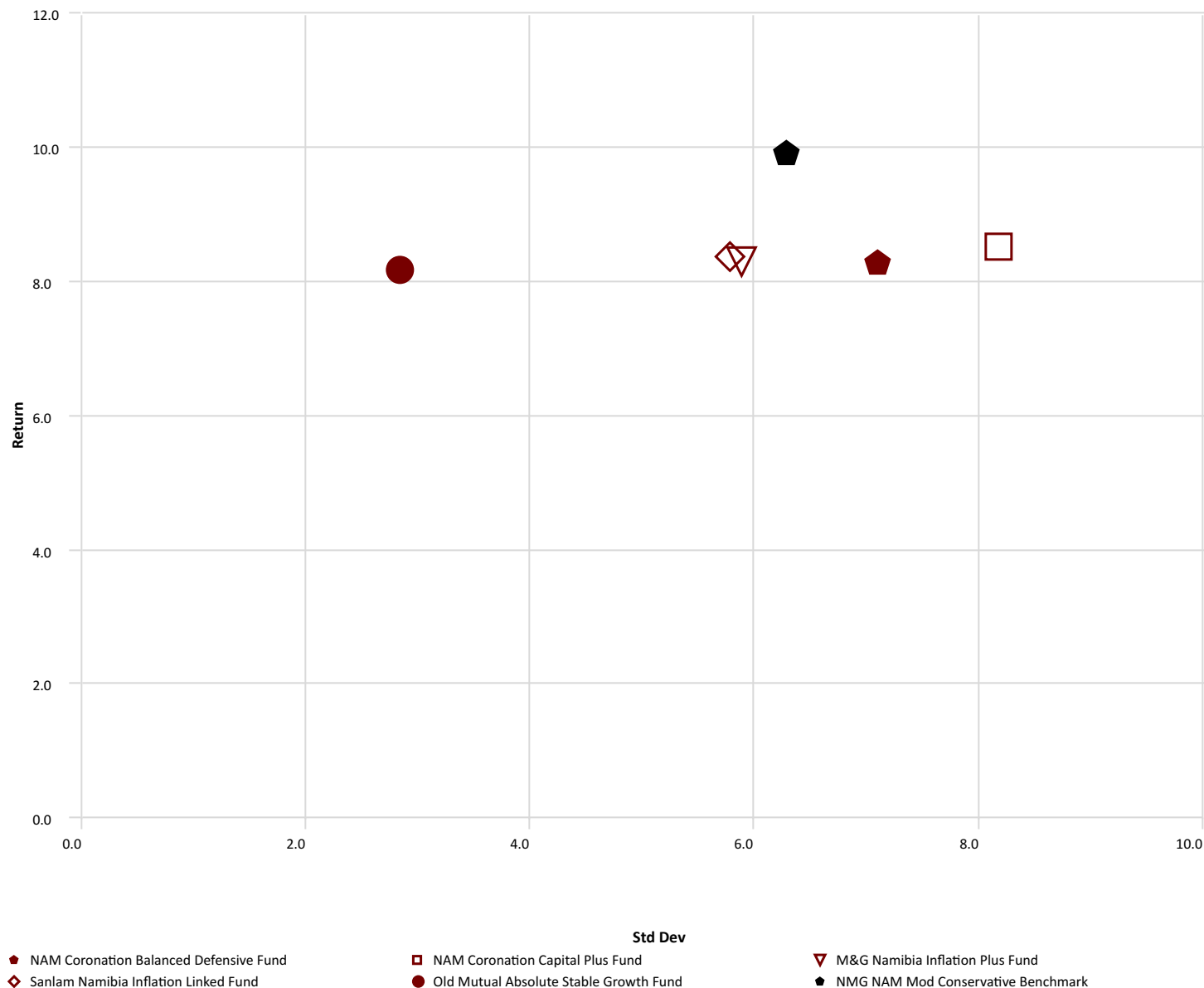
Performance Comparison

Moderate-Low Risk Portfolios: Volatility vs Return

The following graph illustrates the volatility and return statistics of the moderate low portfolios for a 5 year period. These returns are **net** of all investment charges.

Risk-Reward

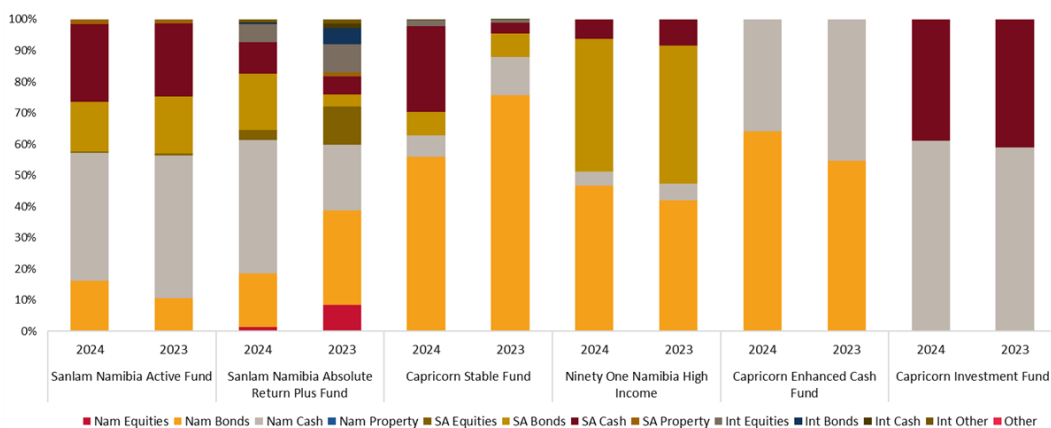
Time Period: 01 July 2019 to 30 June 2024



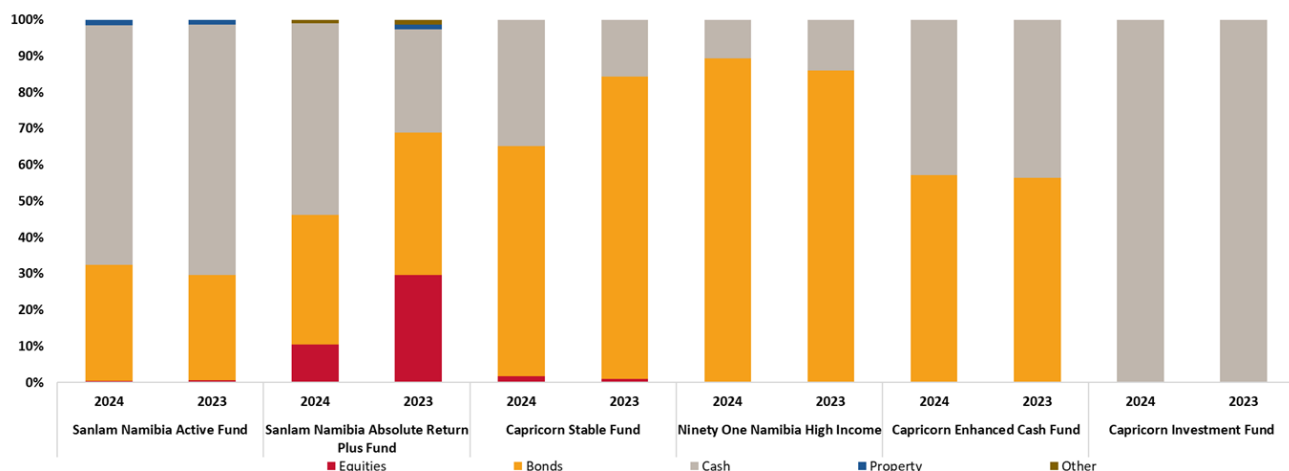
Performance Comparison

Low Risk and Capital Preservation Portfolios

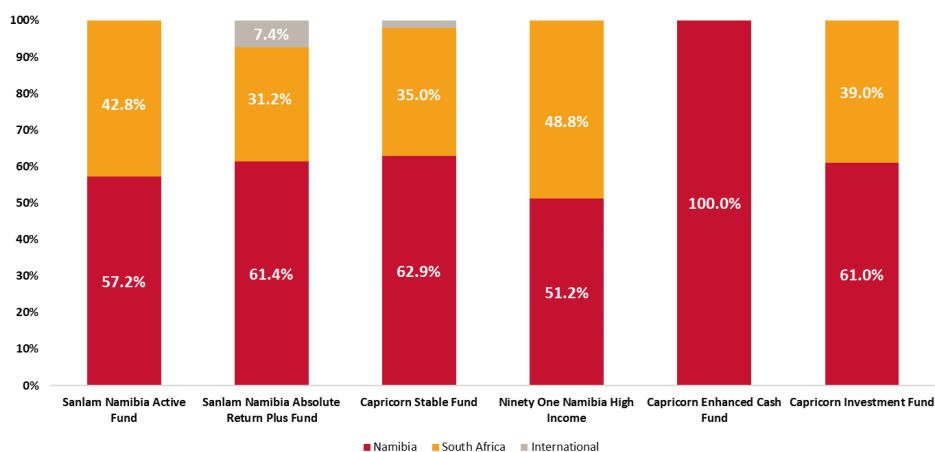
Asset Allocation as at 30 June 2024 as compared to 30 June 2023



The total Namibian exposure is 57.2% for the Sanlam Namibia Active Fund. The Capricorn Stable fund is a multi-asset low risk fund. 62.9% of the funds assets are currently invested in Namibian assets. The Money Market Fund (Capricorn Investment Fund) is managed by Capricorn Asset Management and is mainly invested in Namibian & South African cash investments. The Sanlam Namibia Absolute Return Plus fund is a low risk smoothing product with 61.4% exposure to Namibian assets.



Geographical Split as at 30 June 2024:



*The Sanlam Namibia Absolute Return Plus fund is classified as an insurance policy and therefore their Namibian exposure is managed in accordance with the life company's balance sheet exposure.

Performance Comparison

Low Risk and Capital Preservation Portfolios

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
Sanlam Namibia Active Fund	10.1	7.3	6.7	7.5
Sanlam Namibia Absolute Return Plus Fund**	11.2	7.5	7.0	7.7
Capricorn Stable Fund*	12.5	11.9	10.1	—
Ninety One Namibia High Income Fund***	9.8	7.8	7.3	7.2
Capricorn Enhanced Cash Fund***	8.9	7.0	7.1	7.8
NAM CPI + 1%	5.7	6.3	5.5	5.6
NAM CPI + 2%	6.7	7.4	6.5	6.7
FTSE/JSE ALB 1-3 Yr TR ZAR	10.6	7.4	7.5	7.9

*Investment by Benchmark into the fund was only made at the end of March 2019. Returns beyond that period are for illustrative purposes.

**Investment by Benchmark into the fund was only made during June of 2019. Returns beyond that period are for illustrative purposes.

***Investment by Benchmark into the fund was only made during February 2022. Returns beyond that period are for illustrative purposes.

Trailing Returns as at 30 June 2023

	1 Year	3 Years	5 Years	10 Years
Sanlam Namibia Active Fund	7.7	6.1	6.5	7.2
Sanlam Namibia Absolute Return Plus Fund**	4.9	5.7	6.2	7.6
Capricorn Stable Fund*	14.8	10.5	9.5	—
Ninety One Namibia High Income Fund***	8.9	6.2	7.0	6.7
Capricorn Enhanced Cash Fund***	6.9	6.1	7.1	7.5
NAM CPI + 1%	6.3	6.2	5.3	5.8
NAM CPI + 2%	7.4	7.2	6.4	6.8
FTSE/JSE ALB 1-3 Yr TR ZAR	7.4	5.5	7.6	7.4

*Investment by Benchmark into the fund was only made at the end of March 2019. Returns beyond that period are for illustrative purposes.

**Investment by Benchmark into the fund was only made during June of 2019. Returns beyond that period are for illustrative purposes.

***Investment by Benchmark into the fund was only made during February 2022. Returns beyond that period are for illustrative purposes.

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	9.1	7.1	6.6	7.0
NAM CPI	4.6	5.3	4.4	4.6
IJG Money Market GR NAD	8.5	6.7	6.3	6.9

Trailing Returns as at 30 June 2023

	1 Year	3 Years	5 Years	10 Years
Capricorn Investment Fund	7.0	5.6	6.3	6.6
NAM CPI	5.3	5.1	4.3	4.7
IJG Money Market GR NAD	7.0	5.4	6.2	6.6

The returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Performance Comparison

Unlisted Investments

Trailing Returns as at 30 June 2024

	1 Year	3 Years	5 Years	01 January 2016 - 30 June 2024
Allegrow Fund*	12.2	-4.0	-2.2	0.2
Caliber Capital Fund (A)	11.1	9.2	8.5	7.5
IJG Frontier Investment Fund	-7.3	5.7	-6.2	-4.1
Stimulus	0.1	4.6	4.7	3.6
NAM CPI + 4.5%	9.3	10.0	9.1	9.6

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds' performance over that period.

*Fair value adjustment in September 2021.

Trailing Returns as at 30 June 2023

	1 Year	3 Years	5 Years	01 January 2016 - 30 June 2023
Allegrow Fund	2.2	-7.6	-4.0	-1.3
Caliber Capital Fund (A)	9.4	7.6	8.3	7.0
IJG Frontier Investment Fund	6.9	2.1	-9.1	-3.6
Stimulus	12.7	5.2	5.3	4.1
NAM CPI + 4.5%	10.0	9.8	9.0	9.6

Due to the illiquid nature of unlisted investments, returns over shorter time periods may not be a true reflection of the funds' performance over that period.

The returns are net money-weighted rate of return after fees values calculated by NMG Investment Consultants from the data provided by the individual asset managers.

Glossary

Asset Allocation: The weighting of assets in an investment portfolio amongst different asset classes (shares, bonds, property, cash, and international investments).

BEASSA All Bond Index (ALBI): Bond Exchange Actuarial Society of South Africa Index.

Balanced Fund: An investment portfolio that spreads its holdings over a range of asset classes, which typically include shares, fixed interest, property, international securities and cash.

Benchmark: An index or other market measurement that is used by a fund manager as a yardstick to assess the risk and performance of a portfolio; for example, the All Share Index is a commonly used benchmark for Domestic Equity portfolios.

Bottom-up Analysis: A form of security analysis that begins with forecasting returns for individual companies, then moves to industries and, finally, the economy as a whole.

Capital Preservation Portfolio: Portfolios that provide investors with greater stability in returns and aim to preserve capital. These portfolios experience less volatility and may or may not have an underlying guarantee.

FTSE/JSE All Share Index (ALSI): A “basket” of shares representing all the shares on the JSE. This index is used as a measurement to indicate price movements in the market.

Growth Style: Growth style managers identify companies with above average earnings growth, which they believe will be reflected by the price in future. These shares usually have a higher P/E ratio as the price is higher due to earnings being generated at a fast pace.

Growth at a Reasonable Price: An investment style in which the manager selects shares where the company is growing profits, but the share price is not over-priced relative to that growth or shares of which the P/E ratio is below that of the index.

Inflation (CPI): The consumer price index represents the increase in the price of a “basket” of basic goods and services e.g. food, petrol. It provides an indication as to how fast prices are increasing in the economy.

Institutional Investor: An organisation whose primary purpose in investment markets is to invest its own assets or those that it holds in trust for others. Institutional investors include fund managers, life companies, retirement funds, banks, etc.

JP Morgan Global Bond Index: An index which can be used to measure global bond market movements. Countries’ bonds across the globe form part of the index, each carrying a certain weight in the index.

Market Value Adjustment: A term used with smooth bonus products. All disinvestments which are not for benefit payment (ie switches, terminations) will be paid out at the lower of book or market value. Genuine benefit payments are defined to be payments iro resignation, death and retirement.

Median: The middle value that exceeds half of the values in the sample and which is exceeded by the other half. For example, if five items cost N\$20, N\$80, N\$100, N\$300, and N\$500 respectively, the median value would be N\$100, whereas the mean would be N\$200.

MSCI World Equity Index: An index which can be used to measure global market movements. Countries across the globe form part of the index, each carrying a certain weight in the index.

Glossary

NSX Index: A “basket” of shares representing all the shares on the Namibian Stock Exchange. This index is used as a measurement to indicate price movements in the market.

Price Earnings Ratio: A stock's market price divided by its current or estimated future earnings per share. The PE ratio is used by the investing public as a measure of the attractiveness of a particular share versus all other shares. The lower the ratio relative to the average of the share market, the lower the market's profit growth expectations.

Prudential Unit Trust: A unit trust which complies with Regulation 13 of the Pension Fund Act.

Regulation 13: The regulation in the Pension Fund Act providing guidelines for the investments of retirement funds.

Strategic Asset Allocation: The composition of an asset mix within a portfolio, constructed with the aim of meeting the long-term objectives of a fund, rather than being based on short-term views of relative performance of the various asset classes. Usually a benchmark is derived in this fashion.

STeFI: Short Term Fixed Interest Index. An index used to measure performance for short term (cash) investments.

Top Decile: A statistical measure dividing a sample into ten numerically equal groups. Thus, ‘top decile’ means the top 10% of a given sample.

Top-Down Analysis: A form of security analysis that begins with forecasting broad macroeconomic trends, then assessing the impact on industries and, finally, on individual companies.

Tactical Asset Allocation: A process by which the asset allocation of a fund is changed on a short-term basis to take advantage of perceived differences in relative values of the various asset classes. TAA can also be described as the variation of asset allocation around the strategic asset allocation.

Upper Quartile: A statistical measure dividing a sample into four numerically equal groups. Thus, 'upper quartile' means the top 25% of a given sample.

Value Style: Asset managers who have a value style identify shares which trade below intrinsic value in the belief that the share price will return to its intrinsic value. These securities usually have low prices relative to book value or earnings.

Volatility: A measure used to define risk which refers to the degree of fluctuation of returns over a specified period (normally short-term). The higher the volatility, the higher the fluctuation of returns which is associated with greater uncertainty of expected returns. This scenario is defined as being high risk.

Appendix A: Replacement Ratios

The following table represents some salary replacement ratios:

Assumed NET Contributions towards retirement i.e. AFTER all costs for risk and administration etc. (as % of pensionable salary)					
Assumed Investment Return for 30 years before retirement (after fees)	8%	10%	12%	14%	16%
CPI + 5%	47%	59%	70%	82%	94%
CPI + 4%	39%	49%	59%	69%	79%
CPI + 3%	33%	42%	50%	58%	67%
CPI + 2%	28%	35%	42%	50%	57%

The Trustees consider an appropriate post retirement income to be 60% of pre-retirement pensionable income after 30 years of service (assuming that 2% accumulates for each year of service). This ratio is defined as the salary replacement ratio. The above table shows a range of ratios for various net retirement funding contribution rates in relation to real investment returns, assuming retirement at age 60. Other assumptions are:

Pre-retirement:

- **Real rate of return before retirement is dependent on the investment portfolio chosen;**
- Salaries are assumed to increase in line with price inflation. In order to assess the impact of a salary increase of 1.0% per annum above inflation, one needs to look at a 1.0% per annum lower real return (e.g. if the targeted real rate of return on the selected investment portfolio is CPI + 4% then one needs to look at the results of CPI + 3% in the above table to see the salary replacement ratio if salaries increase 1.0% per annum above price inflation);
- No break in service or 100% preservation of accumulated fund credit where there is a change of employer;
- Full fund credit available on retirement (one-third and two-thirds) is used to generate the pension; and
- Effect of tax is not taken into account.

Post retirement

- Single life with-profit annuity is purchased at age 60 years; and
- Allowance for future pension increases is approximately 2/3rds of price inflation.