

## Momentum Universal Smooth Growth Fund FundsAtWork (Open)

The Momentum Universal Smooth Growth Fund is a growth oriented smoothed bonus portfolio. The objective is to provide a smoother investment journey using Momentum's proven smoothing capabilities to achieve the targeted real return. Momentum Universal Smooth Growth Fund is a simplified design of Smooth Growth Fund Global in that the funding level is managed at a portfolio level and does not track separate funding levels for individual needs. Furthermore, members have the security of knowing that their investment account is paid on insured policy benefit events (for example, death, disability, resignation and retirement), mitigating against short-term market volatility on such events. This extends to retrenchments, subject to an overall limit on retrenchment payments.

The portfolio allows for the underlying asset returns to be smoothed, reducing the volatility associated with investing in markets. The underlying asset returns are distributed as bonus rates which are declared monthly in advance. Aiding their investment journey is the fact that bonus rates can't be negative.

### Investment Strategy

The portfolio's strategic asset allocation is set to deliver on its CPI +4 % per annum objective. The portfolio has been designed using Momentum Investments' outcome-based investing philosophy which seeks to maximise the probability of members achieving their investment goals.

The Momentum Universal Smooth Growth Fund is multi-asset, multi-manager portfolio using largely active management strategies and is well diversified across management styles such as value, momentum and growth.

The Momentum Universal Smooth Growth Fund complies with the FSCA Conduct Standard 5 of 2020 (RF) and may be used as a default investment portfolio as per Regulation 37 of the Pension Funds Act No. 24 of 1956.

### The underlying guarantee

The investment account is split between a vested and non-vested account. Investment capital is 100% allocated to the vested account, whilst declared bonus rates are split between the vested and non-vested bonus rates. The member has the security that their vested account is guaranteed and can never decrease.

### Market Value Adjustment

As noted under 'The underlying guarantee' the full investment account (vested plus non-vested) is payable on insured policy benefit events.

All other disinvestments may be subject to a market value adjustment. This means that if the underlying asset values are below the value in the investment account ie. it is underfunded, the amount payable will be lower than the amount requested. This ensures that payments to members exercising voluntary options do not have a negative impact on the remaining policyholders. With effect from 1 September 2024, withdrawals from the savings component as allowed for under the two-pot retirement system are voluntary withdrawals and would fall under other disinvestments and are not considered as insured policy benefit events. Therefore, should a savings component withdrawal be made at a time when the portfolio is underfunded an MVA will be applied to the value of the disinvestment. For further details on the market value adjustment, please contact your financial adviser or [refer to the guide](#).

### Risk profile

Moderate to low (as measurement by the volatility of bonus rates).

### Appropriate for

- members investing over the long term, wanting to plan with confidence for retirement; and
- members looking for downside protection because they are less than ten years from retirement or concerned about market volatility in the event of death or disability.

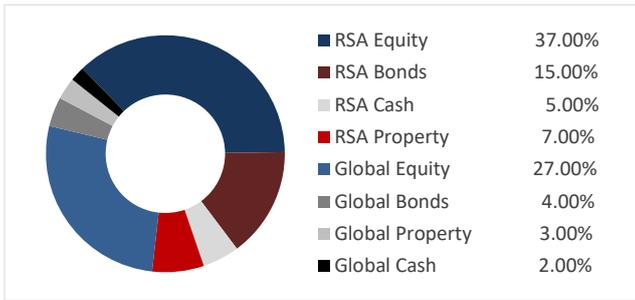
### Inception date

June 2020

### Fund objective

Aims to provide a smoothed return, targeting CPI + 4% per annum, net of all fees over the long term.

## Long term asset allocation



## Bonus declaration method

Vested and non-vested bonus rates are declared monthly in advance.

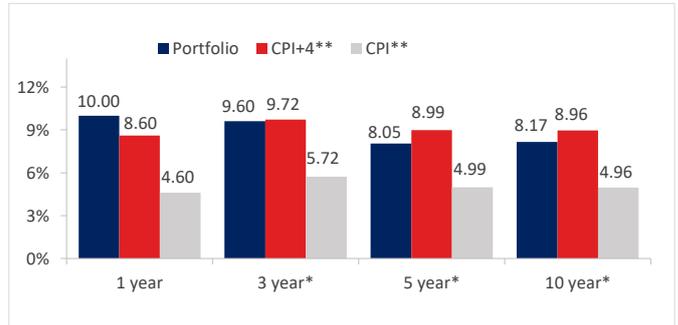
For details of the bonus declaration approach and related formula, please see our [Disclosure Document](#).

## Monthly bonus rates

Month	Vested	Non-vested	Total
Oct - 2024	0.582%	0.388%	0.970%
Sep - 2024	0.606%	0.404%	1.010%
Aug - 2024	0.588%	0.392%	0.980%
Jul - 2024	0.546%	0.364%	0.910%
Jun - 2024	0.552%	0.368%	0.920%
May - 2024	0.420%	0.280%	0.700%
Apr - 2024	0.510%	0.340%	0.850%
Mar - 2024	0.474%	0.316%	0.790%
Feb - 2024	0.492%	0.328%	0.820%
Jan - 2024	0.486%	0.324%	0.810%
Dec - 2023	0.456%	0.304%	0.760%
Nov - 2023	0.228%	0.152%	0.380%

## Performance

The Momentum Universal Smooth Growth Fund has a three-year performance track record. The graph shows the performance of the portfolio including back-tested returns prior to inception. The returns below are as at 30 September 2024.



\* Bonus rates are annualised and net of underlying asset charges but gross of the investment management fee as shown under 'Fees and charges (per annum)'.  
\*\* CPI figures available are lagged by two months.

The back-tested bonus rates are used until the inception date of the portfolio. Actual bonus rates are used thereafter.

## Fees and charges (per annum)

### Total Expense Ratio (TER) and Total Investment Cost (TIC)

The latest available three-year TER and TIC is shown below, as at 31 March 2024.

Capital Charge	0.90%
Investment Management Fee	0.50%
Net Priced Asset Fees	0.59%
Performance Fees	0.02%
<b>TER, including the Capital Charge</b>	<b>2.01%</b>
Transaction Costs <sup>1</sup>	0.04%
<b>TIC, including the Capital Charge<sup>2</sup></b>	<b>2.04%</b>

<sup>1</sup>Transaction costs are incurred with the buying and selling of financial instruments within the portfolio.

<sup>2</sup>Total may not add up due to rounding.

### Investment management fee

0.5% of the investment account

### Underlying asset charges

- 0.90% p.a. capital charge.
- Asset management fees for certain asset managers (predominantly global) are paid directly from the underlying assets.
- There are also performance fees on Momentum Universal Smooth Growth Fund.



# momentum

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10/2024

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