

MARCH 2024

OLD MUTUAL ABSOLUTE GROWTH PORTFOLIO

NAMIBIA

PRODUCT OVERVIEW

The Old Mutual Absolute Growth Portfolios target returns above inflation over the long term, while significantly reducing the volatility associated with market-linked investments. The Absolute Growth Portfolios cater for investors with different risk-return appetites by offering the following range of guarantees on benefit payments:

- Absolute Smooth Growth with a 50% guarantee
- Absolute Stable Growth with an 80% guarantee

TARGET RETURN

For the underlying portfolio

Gross Target Return

Absolute Growth Portfolios NCPI + 4.20 - 6.20 % p.a.

The portfolio's Gross Target Return is over the long term and is gross of capital charges and investment management fees.

For each guarantee option

Bonuses are applied to investments net of capital charges. As such the **Net-of-Capital Charge Target Return** for each guarantee option is determined by deducting the **Capital Charge** for each option from the underlying portfolio's **Gross Target Return**.

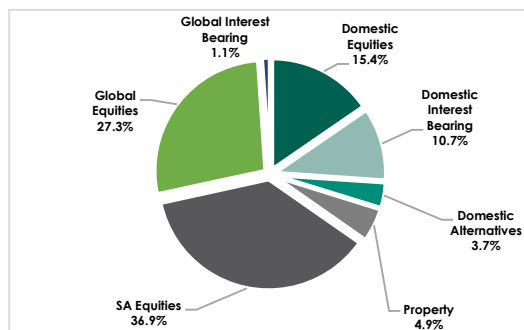
Guarantee Option	Capital Charge	Net-of-Capital Charge Target Return
Absolute Smooth Growth	0.20%	NCPI + 4.0% - 6.0% p.a.
Absolute Stable Growth	0.70%	NCPI + 3.5% - 5.5% p.a.

Target returns are what the portfolio aims to deliver over the long term and are not guaranteed.

FUND SIZE

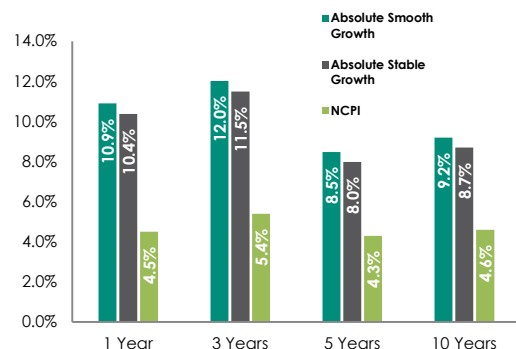
N\$ 8.6 billion as at 31 March 2024 (based on all product options within the Absolute Growth Portfolios).

STRATEGIC ASSET ALLOCATION



PERFORMANCE

Absolute Growth Portfolio returns (net of base fees) versus inflation to 31 March 2024.



12 - MONTH BONUS HISTORY

Net-of-Capital Charge Monthly Bonuses are declared monthly in advance. The bonus declaration process is transparent and based on a defined formula

DATE		ABSOLUTE GROWTH PORTFOLIO	
		Smooth	Stable
2023	Apr	0.78%	0.74%
	May	1.28%	1.24%
	Jun	0.79%	0.75%
	Jul	0.81%	0.77%
	Aug	1.31%	1.27%
	Sep	0.79%	0.75%
	Oct	1.80%	0.77%
	Nov	0.49%	0.45%
	Dec	0.82%	0.78%
2024	Jan	0.84%	0.80%
	Feb	0.84%	0.80%
	Mar	0.84%	0.80%

INVESTMENT MANAGEMENT FEE

Base Fee (Min 5,000.00) 0.70% - 0.55% p.a.

MARKET COMMENTARY

The quarter of 2024 was characterised by a host of non-systemic crisis's which include high but declining global inflation, ongoing stern policy response thereto, the continued invasion of Ukraine by Russia and the response of Israel following an attack by Hamas on 7 October 2023. Globally world markets remain focused on the inflation which was shocked by Russia followed by a potential middle eastern crisis through potential impact on oil. For the most part this did not have a significant impact on oil prices. However, more recently Ukraine started to attack Russian oil facilities which could potentially escape prices. The Namibia Statistics Agency published the 2023 Gross Domestic Product numbers on the 28th of March 2024. The positive is that economic activity in Namibia continues to recover following COVID registering a positive outturn for eleven consecutive quarters since the 2020 lows. Real Gross Domestic Product rose 4.2% compared to 5.3% during 2022. The economic sectors that supported the growth number include Mining and quarrying, Electricity and Water as well as Wholesale and Retail Trade. The strong growth in Mining was supported by exploration, in specific oil, and Uranium mining. The Electricity sub sector contributed whilst water lagged, and trade continued to increase. The sectors that detracted from overall growth were Manufacturing, Agriculture, and Public Administration. Manufacturing was impacted by weak outcomes for sub sectors Beverages and Diamond processing. The Agricultural sector was negatively impacted by crop processing whilst livestock farming and fishing were positives. These strong GDP prints relative to inflation that remains contained provide support for the Bank of Namibia's restrictive monetary stance. Globally the GDP outlook remains under pressure and Central Banks continue to maintain a stern approach to inflation in what continues to be an environment of higher for longer than general initial consensus outlooks. Noteworthy recent data includes the Namibian Census results recording the population of the country to exceed 3 million with a third of the population being under the age of 35.

Offshore equity, as represented by the MSCI All Country World Index converted into local currency returned 10.8% for the quarter. Over a rolling year the MSCI All Country World Index converted into local currency returned 28.5%. The Rand lost 6% against the US

DO GREAT THINGS EVERYDAY



OLD MUTUAL ABSOLUTE GROWTH PORTFOLIO

NAMIBIA



Dollar while on an annualised basis over three years the Rand lost 8.5% per year. South African Equity as represented by the JSE SWIX recorded a loss of 2.1% for the quarter whilst over a rolling year the JSE SWIX gained 2.7%.

Locally in Namibia the NSX Overall Index lost 5.1% for the quarter under review. The NSX Overall Index gained 2.1% for the rolling year ending March 2024. The NSX Local Index, representing primary listed securities, gained 20.2% for the rolling year.

Offshore Fixed Interest as represented by the Bloomberg Global Aggregate Index converted into Rand gained 2% for the quarter ending March 2024. Whilst over a rolling year, offshore bonds gained 7.9%. South African Bonds as represented by the ALBI lost 1.8% for the quarter whilst over a rolling year the ALBI gained 4.2%. Namibian Bonds gained 8.4% for the rolling year. Money Market in both South Africa and Namibia returned around 5.7% for the year ending March 2024.

Volatility as represented by the VIX Index decreased during the period compared to a year ago. At these levels volatility can be considered to be normal to high. At current levels inflation is generally low being less than the average inflation for the prior three years. The latest available annual inflation rate for Namibia is 4.5%.

CONTACT DETAILS

Sales Consultant
Justina Hamupembe
+264 61 299 3188
JHamupembe@oldmutual.com

Sales Consultant
Andreas Shipanga
+264 61 299 3354
AShipanga@oldmutual.com

National Sales Manager
Fabio Do Rego
+264 61 299 3227
FDRego@oldmutual.com

Head of Distribution & Retention
Isaack Veii
+264 61 299 3493
IVeii@oldmutual.com

Website: <https://www.oldmutual.com/na/corporate/retirement-funds-and-investments>