

NEWSLETTER 2 OF 2023

MAY 2023

HEADLINE NEWS

- There are legal requirements for the provision of member information and the payment of monthly contributions.
- Market linked investment returns continue to be volatile but are positive over the longer term.
- Investment portfolio fact sheets show useful information for each portfolio.

DITABAKGOLO

- Go na le dinyakwa tša semolao mo go dithušo tša tshedimošo ya maloko le ditefelo tša dikabelo tša kgwedi ka kgwedi.
- Dipolo tša dipeeletšo tšeo di amanego le mmara ka di tšwelapele go ba tše phakišago eupša di gabotse mo Nakong ye e teletšana.
- Letlakala la dintlha la phothefolio ya peeletšo le laetša tshedimošo ye bohlokwa ya phothefolio ye nngwe le ye nngwe.

IZINDABA EZINOHNLONZE

- Kunezidingo ezingokomthetho zokuhlinzekwa kolwazi lwamalungu kanye nokukhokhwa kweminikelo yezinyanga zonke.
- Izinzuzo zokutshala izimali ezixhumene nezimakethe ziyaqhubeka nokuguquguka kodwa zihle ngokuhamba kwesikhathi.
- Amaphepha eqiniso ephothifoliyo yokutshalwa kwezimali akhombisa ulwazi oluwusizo lwephothifoliyo ngayinye.

MAHUNGUKULU

- Ku na swilaveko swa xinawu swa ku nyika mahungu ya swirho na ku hakela mihlengo ya n'hweti na n'hweti.
- Mitlheriso ya vuvekisi leyi hlanganaka na timakete yi ya emahlweni yi tsekatseka kambe ya tshembisa eka nkarhi lowo leha.
- Maphepha ya timhaka ta photifoliyo ya vuvekisi ya kombisa mahungu lama pfunaka eka photifoliyo yin'wana na yin'wana.

MEMBER INFORMATION AND CONTRIBUTIONS

The Financial Sector Conduct Authority (FSCA), being the regulatory authority for all retirement funds, issued Conduct Standard 1 of 2022 which became effective on 20 February 2023. In terms of the Conduct Standard:



- Every employer must provide full member information to the Fund every month, including contact information such as the member's cellphone number, email address and postal address. This will be very useful in enabling the Fund to communicate with members directly when necessary and for the payment of benefits when members leave the Fund. Please therefore remember to update your contact details at your HR Department should any of your contact details change.
- The member and employer contributions each month must be paid to the Fund within a set period, namely before the 7th of the month following the month to which the contributions relate, e.g. the May 2023 contributions must be received by the Fund by 7 June 2023. The contribution schedule detailing the amount of the contribution for each member must also be received within a set period. If material contributions are paid late by the employer, then:
 - The Fund must charge the employer late payment interest at a prescribed rate (the prime interest rate plus 2%) and allocate the interest to the Fund Credits of the affected members.
 - The Fund must notify the FSCA.
 - The Fund must notify the affected members, either individually or via the Fund's Newsletter.

Members are hereby notified of the following instances of late payment of contributions:

Employer	Month	Amount paid on time	Amount paid late
Joburg Water	December 2022	R15 317 023	R80 138
Joburg Market	February 2023	R2 018 951	R160 028

Late payment interest has been charged to these employers and will be allocated to the Fund Credits of affected members.

INVESTMENT PERFORMANCE

Fund investment returns over the last 12 months



The market linked investment returns in the High Growth Portfolio have been negative in 6 months and positive in the other 6 months of the 12-month period to 30 April 2023. However, the positive returns outweighed the negative returns and the total return over the 12-month period was 10.74%.

The returns in the Medium Growth Portfolio have also been volatile, but to a lesser degree, over the 12-month period.

As expected the returns in the Money Market Portfolio have been positive every month and relatively smooth from month to month over the 12-month period.

The returns over the 12-month period for the three portfolios is set out in the following table.

Period	High Growth (Inflation Target) Portfolio	Medium Growth (Stable) Portfolio	Money Market (Capital Protection) Portfolio
May 2022	0.53%	-0.06%	0.44%
June 2022	-4.35%	-2.41%	0.46%
July 2022	3.20%	2.69%	0.40%
August 2022	-0.19%	0.32%	0.69%
September 2022	-2.73%	-2.05%	0.49%
October 2022	4.12%	2.63%	0.67%
November 2022	4.72%	1.43%	0.59%
December 2022	-0.90%	0.31%	0.72%
January 2023	6.19%	4.76%	0.69%
February 2023	-0.45%	0.50%	0.68%
March 2023	-1.76%	-0.36%	0.72%
April 2023	2.44%	1.49%	0.68%
1 May 2022 to 30 April 2023	10.74%	9.40%	7.48%

Fund long-term investment returns

The investment returns earned on each of the portfolios for longer periods to 30 April 2023 are set out in the table below.

Period to 30.4.2023	High Growth Portfolio (inception 1.9.2005)		Medium Growth Portfolio (inception 1.5.2014)		Money Market Portfolio (inception 1.9.2005)	
	Actual per annum	Target: Inflation plus 5% per annum	Actual per annum	Target: Inflation plus 3% per annum	Actual per annum	Target: Inflation plus 1% per annum
Last 12 months	10.74%	12.05%	9.40%	10.05%	7.48%	8.05%
Last 3 years	14.49%	10.79%	9.19%	8.79%	6.08%	6.79%
Last 8 years	7.79%	10.09%	7.50%	8.09%	7.67%	6.09%
Since inception	12.06%	10.71%	7.89%	8.07%	7.87%	6.71%

Given the nature of each of the three Portfolios, performance is assessed by the Trustees over different periods (eight years for the High Growth Portfolio, three years for the Medium Growth Portfolio and one year for the Money Market Portfolio) as highlighted in green.

The Medium Growth Portfolio was introduced as part of the review of the three stage life stage model during April 2014. The returns for this portfolio are reported from 1 May 2014, representing the first full month that the portfolio was in existence.

The investment returns set out in the previous table are expressed in "real" terms, i.e. a return above inflation to ensure members benefits increase relative to inflation. The real returns based on the figures in the previous table are as follows:

Portfolio	Real return target	Assessment period	Actual real return p.a.	Assessment period	Actual real return p.a.
High Growth Portfolio	5% per annum	8 years	2.70%	Since 1.9.2005	6.35%
Medium Growth Portfolio	3% per annum	3 years	3.40%	Since 1.5.2014	2.81%
Money Market Portfolio	1% per annum	1 year	0.43%	Since 1.9.2005	2.16%

As a result of difficult investment markets and higher than expected inflation, the High Growth Portfolio and the Money Market Portfolio have underperformed their real return targets over the appropriate measurement periods. The Medium Growth Portfolio has slightly outperformed its real return target.

Over the period since the inception of each portfolio, the High Growth Portfolio and the Money Market Portfolio have outperformed their real return targets.

INVESTMENT PORTFOLIO FACT SHEETS



Attached please find the April 2023 Fact Sheets for each of the High Growth Portfolio, the Medium Growth Portfolio and the Money Market Portfolio. The Fact Sheets provide investment related information to help members understand the following for each portfolio:

- The investment objective.
- The underlying asset managers and the asset allocation (both locally and internationally).
- The actual investment performance and comparison to each portfolio's investment target.
- The Total Expense Ratio ("TER") of the portfolio, including the investment management and transaction costs, which shows the reduction in investment returns due to expenses.

The Fund distributes the Fact Sheets on a regular basis with the Fund's newsletters. The monthly Fact Sheets are also available to members following each month end on the Fund's Member Website which can be accessed by following the link: <https://mra.momentum.co.za/momentum/portals/>. Full details of how to access the website are set out in Fund's Member Booklet which is available from HR Departments and from the Fund's Administrator.

This Newsletter is issued for the general information of the members of the eJoburg Retirement Fund.

It is not intended as a substitute for specific legal, financial or other advice in considering the implications for each member's particular circumstances.

eJoburg Retirement Fund: High Growth Portfolio (Inflation Target Portfolio)

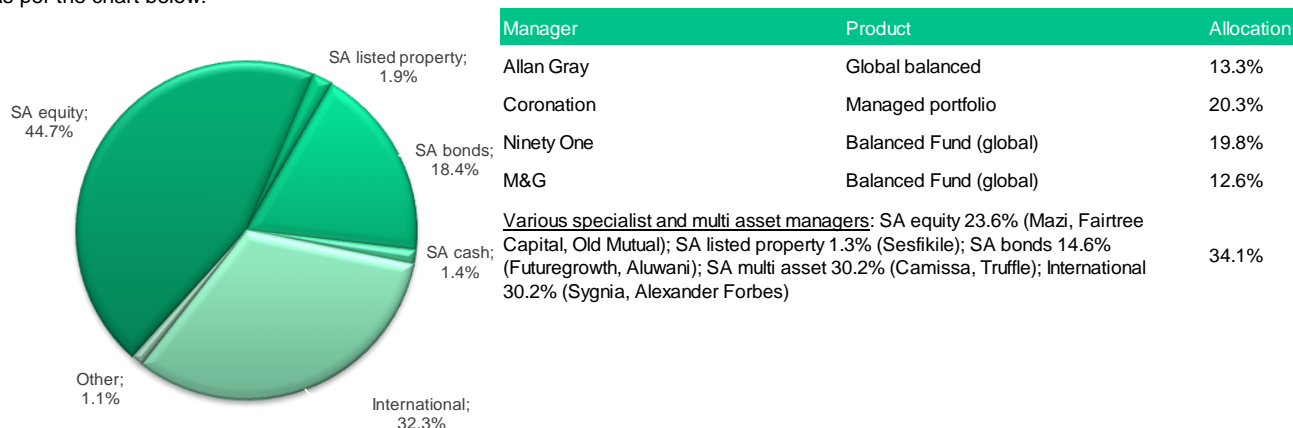
April 2023

Investment objective

The High Growth Portfolio (Inflation Target Portfolio) is a market related portfolio that aims (but does not guarantee) to provide a return that exceeds headline inflation by 5% per annum net of investment manager fees over measurement periods of 8 years. The portfolio is most suitable for members that have a long investment horizon (8 years or more) and who are concerned about managing their inflation risk. As reflected in the asset allocation below, the portfolio has a significant exposure to South African and global equity markets and thus large negative (and positive) returns are possible, particularly over short periods.

Asset allocation

The typical asset allocation of this portfolio would be to invest 70% to 75% in growth assets (SA and global equities and listed property) and 14% to 30% to fixed interest (mainly bonds). The indicative split of the portfolio between the asset classes (using the asset manager mix) is as per the chart below:

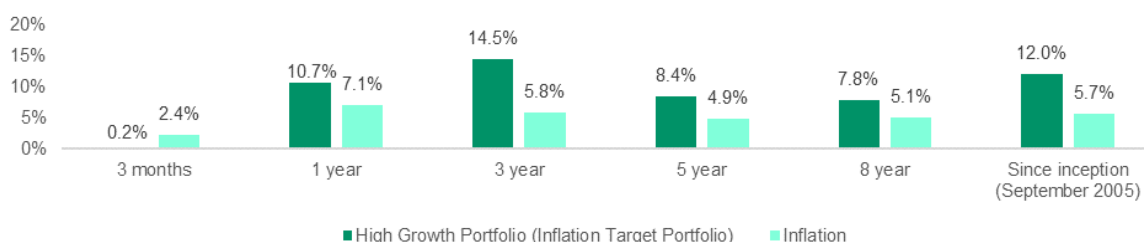


Percentages shown above has been rounded to 1 decimal place and may not add to 100%.

Illustrative performance (net of all investment costs)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2005	-	-	-	-	-	-	-	-	5.0%	-1.3%	2.0%	6.1%	12.2%
2006	5.5%	-1.0%	4.8%	1.2%	-1.3%	1.5%	0.2%	3.6%	3.8%	3.0%	3.2%	4.3%	32.5%
2007	2.2%	1.1%	3.8%	4.4%	-0.3%	-0.9%	0.3%	0.1%	0.7%	3.8%	-0.9%	-1.6%	13.2%
2008	-4.4%	6.8%	-0.7%	1.0%	1.4%	-5.0%	-1.7%	1.8%	-3.9%	-4.7%	0.3%	2.4%	-7.3%
2009	-0.5%	-7.0%	4.3%	0.2%	5.9%	-1.6%	6.3%	3.5%	0.0%	4.0%	-0.3%	2.0%	17.4%
2010	-0.4%	0.7%	3.2%	1.1%	-2.4%	-1.1%	4.1%	-1.2%	4.1%	1.3%	0.1%	2.6%	12.3%
2011	0.8%	1.3%	0.1%	1.5%	0.5%	-1.3%	-0.3%	0.8%	1.1%	5.1%	0.6%	-0.2%	10.2%
2012	2.6%	1.2%	1.1%	1.0%	-0.3%	0.4%	2.2%	2.5%	1.4%	3.0%	1.6%	1.0%	19.1%
2013	5.1%	-0.4%	2.8%	-0.7%	7.3%	-4.2%	3.1%	2.1%	3.2%	2.6%	-0.1%	2.7%	25.6%
2014	-0.2%	2.3%	1.2%	1.6%	1.7%	1.8%	0.8%	-0.2%	-0.2%	-0.3%	1.3%	0.6%	11.0%
2015	2.3%	2.4%	0.5%	2.6%	-1.1%	-1.2%	1.2%	-0.9%	-0.9%	5.6%	-0.8%	-0.5%	9.3%
2016	-0.9%	1.4%	3.8%	1.4%	2.4%	-3.0%	1.2%	2.0%	-0.7%	-3.0%	0.7%	0.6%	5.8%
2017	2.2%	-0.7%	1.4%	2.2%	0.5%	-1.7%	3.9%	0.9%	0.5%	4.9%	0.0%	-1.9%	12.7%
2018	0.6%	-1.1%	-2.4%	3.8%	-2.1%	2.6%	0.0%	3.5%	-2.7%	-3.0%	-3.5%	1.4%	-3.2%
2019	1.2%	3.3%	1.9%	2.5%	-4.0%	1.8%	-1.2%	0.4%	1.2%	1.8%	-0.8%	1.7%	10.0%
2020	1.0%	-4.6%	-11.3%	10.7%	1.0%	3.1%	2.4%	1.0%	-2.0%	-2.4%	7.1%	2.7%	6.9%
2021	3.3%	4.0%	1.0%	1.2%	0.6%	-0.1%	1.7%	1.4%	-0.3%	2.8%	0.8%	3.3%	21.5%
2022	-0.7%	1.1%	-0.7%	-1.2%	0.5%	-4.3%	3.2%	-0.2%	-2.7%	4.1%	4.7%	-0.9%	2.6%
2023	6.2%	-0.5%	-1.8%	2.4%	-	-	-	-	-	-	-	-	6.4%

The graph below shows the returns compared to inflation over various measurement periods ended 30 April 2023. The portfolio returns met the target of inflation plus 5% over the 3-year and since inception period.



Returns for periods longer than 1 year are annualized (per annum) whereas returns for shorter periods are for the period. Inflation for prior month is estimated as the geometric average over the last 12 months.

Total Expense Ratio

Manager fees, including an estimate in respect of trading and administration costs amounts to **0.91%** per annum for the year of 2022.

Disclosure Statement

There are no capital guarantees for this investment channel and members are reminded that the value of their investments can go down or up. Past performance is not an indication of future performance.

eJoburg Retirement Fund: Medium Growth Portfolio (Stable Portfolio)

April 2023

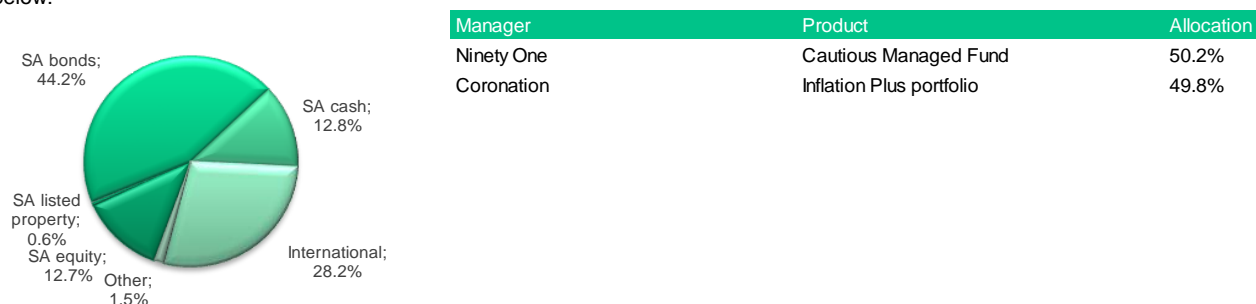
Investment objective

The Medium Growth Portfolio (Stable Portfolio) aims (but does not guarantee) to provide a return that exceeds inflation by 3% per annum (net of investment manager fees) over measurement periods of 3 years. The portfolio will have a lower exposure to South African and global equity markets compared to the High Growth Portfolio (Inflation Target Portfolio).

In general the portfolio is most suitable for members who have a medium-term investment horizon (3 to 5 years) and who are concerned about maintaining a balance between earning a reasonable return compared to inflation, whilst at the same time protecting their retirement capital.

Asset and manager allocation

The typical asset allocation of this portfolio would be to invest 40% to 45% in growth assets (SA and global equities and listed property) and the remainder in bonds and cash. The indicative split of the portfolio between the asset classes (using the asset manager mix) is as per the chart below:

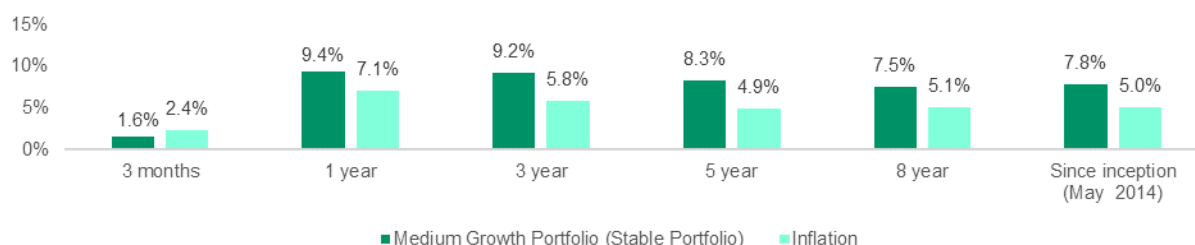


Percentages shown above has been rounded to 1 decimal place and may not add to 100%.

Illustrative performance (net of all investment costs)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	-	-	-	-	1.2%	1.2%	0.4%	0.3%	0.0%	0.3%	1.3%	0.3%	5.2%
2015	2.5%	0.9%	0.2%	1.2%	-0.1%	-0.7%	2.1%	-0.4%	0.3%	3.1%	-0.4%	0.0%	8.8%
2016	0.3%	0.5%	1.3%	1.2%	2.3%	-1.4%	0.1%	1.7%	-0.6%	-1.5%	0.5%	0.5%	5.0%
2017	1.0%	0.5%	0.7%	1.5%	1.0%	-0.9%	1.8%	0.3%	1.3%	2.3%	-0.9%	-1.0%	8.0%
2018	0.1%	-0.4%	-0.1%	2.2%	-0.3%	2.4%	0.3%	3.2%	-1.2%	-1.5%	-1.0%	0.0%	3.7%
2019	1.3%	2.5%	1.8%	1.8%	-1.3%	1.1%	0.4%	1.2%	0.5%	0.9%	-0.4%	0.6%	11.0%
2020	2.0%	-2.0%	-4.3%	5.9%	1.9%	0.5%	1.1%	1.7%	-1.2%	-1.2%	3.3%	1.5%	9.1%
2021	1.8%	1.2%	-0.2%	1.8%	0.2%	1.3%	1.6%	0.7%	-0.6%	1.9%	0.8%	2.4%	13.5%
2022	-2.0%	0.2%	-0.8%	-0.1%	-0.1%	-2.4%	2.7%	0.3%	-2.0%	2.6%	1.4%	0.3%	0.0%
2023	4.8%	0.5%	-0.4%	1.5%	-	-	-	-	-	-	-	-	6.5%

The graph below shows the returns compared to inflation over various measurement periods ended 30 April 2023. The portfolio returns met the target of inflation plus 3% over the 3-year and 5-year periods but fell short over other periods considered.



Returns for periods longer than 1 year are annualized (per annum) whereas returns for shorter periods are for the period. Inflation for prior month is estimated as the geometric average over the last 12 months.

Total Expense Ratio

Manager fees, including an estimate in respect of trading and administration costs amounts to **0.64%** per annum for the year of 2022.

Disclosure Statement

There are no capital guarantees for this investment channel and members are reminded that the value of their investments can go down or up. Past performance is not an indication of future performance.

Investment objective

The Money Market Portfolio (Capital Protection Portfolio) aims (but does not guarantee) to provide a return of 1.0% per annum in excess of headline inflation net of investment manager fees over measurement periods of one year.

This portfolio is invested in high quality credit cash and other money market instruments and is expected to provide a return broadly similar to that of high quality money market instruments (i.e. the portfolio targets positive returns and very low volatility of returns). The level of return is not guaranteed and will depend inter alia on the performance of the investment manager of the portfolio.

In general the portfolio is most suitable for members with a short investment horizon (under 2 years) who require a high level of certainty of a reasonable level of return and very low risk of negative returns.

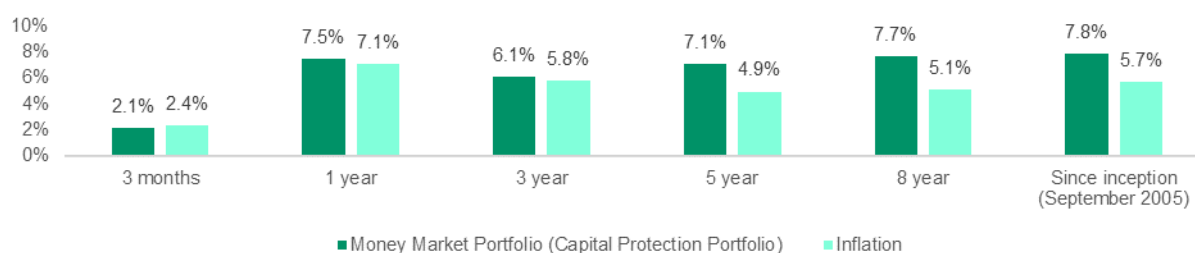
Asset and manager allocation

The portfolio will allocate 100% to South African money market assets. The appointed fund manager is Aluwani Capital.

Illustrative performance (net of all investment costs)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2005	-	-	-	-	-	-	-	-	0.5%	0.5%	0.5%	0.5%	2.0%
2006	0.5%	0.5%	0.6%	0.5%	0.5%	0.5%	0.6%	0.6%	0.6%	0.7%	0.6%	0.7%	7.0%
2007	0.7%	0.6%	0.8%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.9%	0.9%	9.8%
2008	0.9%	0.9%	0.9%	0.9%	1.0%	1.0%	1.0%	1.1%	1.0%	1.1%	1.0%	1.0%	12.5%
2009	1.1%	0.9%	0.9%	0.9%	0.8%	0.7%	0.7%	0.7%	0.6%	0.7%	0.7%	0.7%	9.8%
2010	0.7%	0.6%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	7.9%
2011	0.5%	0.5%	0.6%	0.6%	0.6%	0.6%	0.5%	0.6%	0.5%	0.6%	0.5%	0.5%	6.8%
2012	0.6%	0.5%	0.5%	0.6%	0.5%	0.6%	0.6%	0.5%	0.5%	0.5%	0.4%	0.5%	6.6%
2013	0.5%	0.5%	0.4%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.5%	6.0%
2014	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%	0.3%	0.6%	0.6%	0.5%	0.6%	6.4%
2015	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.6%	0.5%	0.6%	0.6%	0.4%	7.0%
2016	0.8%	0.7%	0.7%	0.8%	0.8%	0.7%	0.7%	0.8%	0.6%	0.8%	0.7%	0.5%	8.9%
2017	1.0%	0.8%	0.9%	0.7%	0.9%	0.7%	0.7%	0.8%	0.6%	0.8%	0.6%	0.6%	9.4%
2018	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	0.7%	0.6%	0.8%	0.7%	0.7%	9.1%
2019	0.7%	0.6%	0.7%	0.7%	0.7%	0.6%	0.8%	0.7%	0.7%	0.7%	0.6%	0.7%	8.5%
2020	0.8%	0.6%	0.6%	0.6%	0.5%	0.5%	0.6%	0.5%	0.5%	0.4%	0.4%	0.3%	6.4%
2021	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	5.1%
2022	0.4%	0.4%	0.5%	0.5%	0.4%	0.5%	0.4%	0.7%	0.5%	0.7%	0.6%	0.7%	6.5%
2023	0.7%	0.7%	0.7%	0.7%	-	-	-	-	-	-	-	-	2.8%

The graph below shows the returns compared to inflation over various measurement periods ended 30 April 2023. The portfolio returns met the target of inflation plus 1% over all measurement periods apart for 1-year and 3-year periods.



Returns for periods longer than 1 year are annualized (per annum) whereas returns for shorter periods are for the period. Inflation for prior month is estimated as the geometric average over the last 12 months.

Total Expense Ratio

Manager fees, including an estimate in respect of trading and administration costs amounts to **0.10%** per annum for the year of 2022.

Disclosure Statement

There are no capital guarantees for this investment channel and members are reminded that the value of their investments can go down or up. Past performance is not an indication of future performance.