



Learning



Planning



Living

Your Life Newsletter

June 2024

9. How are the investments growing?

The returns included here are net of investment fees. You may also access the **portfolio fact sheets on the Fund's websites via the following link:**

<https://isasaretirementfund.co.za/home/fact-sheets/>

The returns shown on the fact sheets are gross of investment fees (before fees are deducted)

The Fund's performance is always measured against the growth targets set by the Board of Trustees in the Investment Policy Statement. These targets are linked to inflation and measured over specific periods. There is no guarantee that the growth targets will be met.

In addition, some portfolios also have benchmarks, which are used as a measure of performance of the underlying asset managers against certain indices to illustrate under/outperformance. The Funds' performance relative to inflation is a more relevant measure for members, as this has the closest bearing on their future retirement outcome.

The benchmarks are industry standards approved by the Board of Trustees in consultation with the Fund's asset consultant and evaluated as and when the need arises.

The Fund utilises **a range of portfolios** and the returns on all these alternatives are included on these 2 pages:

Definition

The **Investment Return** definition is the percentage change in value of the investment over a given duration.

The **Fund's returns** are usually **measured** over 1-year, 3-year, 5-year and 10-year periods.

Definition

The definition of **a benchmark**:

A benchmark is used as a point of reference against which the performance of a portfolio is **measured**. Depending on the type of portfolio, the goal of an **asset manager** is to track or exceed **the return** of a relevant benchmark.

April 2024	Performer Net Returns (Annualised)	Protector Net Returns (Annualised)	CPI
1 Year	8.40%	6.89%	5.2%
Benchmark	7.77%	6.72%	
3 Years	9.46%	7.81%	6.0%
Benchmark	9.52%	7.50%	
5 Years	9.50%	6.69%	5.1%
Benchmark	8.99%	6.57%	
10 Years	8.46%	NA	5.0%
Benchmark	8.65%	NA	

Default Lifestage Portfolios (Alexforbes Investments)

These portfolios apply to those members who did not make a member investment choice selection.

The Performer benchmark is the AlexForbes Investable Global Large Manager Watch Median.

The Protector benchmark is a composite benchmark consisting of various asset classes.

- **ISASA Performer portfolio** inception date - 1 September 2008 and became the default portfolio on 1 September 2017
- **ISASA Protector portfolio** inception date - 1 September 2017

**Note that the ISASA Performer benchmark was changed with effect from 1 September 2017 to reflect the change from the ISASA High Growth to the ISASA Performer portfolios.*

April 2024	Balanced Index Fund Net Returns (Annualised)	Conservative Index Fund (Annualised)	CPI
1 Year	10.37%	8.11%	5.2%
3 Years	9.98%	8.11%	6.0%
5 Years	8.60%	7.59%	5.1%

Passive Lifestage Portfolios (Old Mutual)

These portfolios apply to members who specifically elected to invest in the Passive Lifestage or the individual portfolios.

The Balanced Index target is CPI+5% and Conservative Index is CPI+3%.

April 2024	Net Returns (Annualised)	CPI
1 Year	10.2%	5.2%
3 Years	10.3%	6.0%
5 Years	7.8%	5.1%
10 Years	8.5%	5.0%

Absolute Stable Growth Portfolio - AGP80 (Old Mutual)

This portfolio applies to members of the Retirement Fund Part I schools that chose this option, as well as those members of the Retirement Fund Part II and Provident Fund who have specifically elected to be invested in this portfolio.

The target is CPI + 5.5% over rolling 3-year periods. *Portfolio inception date: 1 July 1974*

April 2024	Net Returns (Annualised)	CPI
1 Year	10.8%	5.2%
3 Years	10.8%	6.0%
5 Years	8.1%	5.1%
10 Years	9.0%	5.0%

Absolute Smooth Growth Portfolio - AGP50 (Old Mutual)

Effective 1 October 2018 members have had a choice between the Absolute Stable Growth or Absolute Smooth Growth smooth bonus portfolios.

The target is CPI + 6% over rolling 3-year periods.

Portfolio inception date: July 1974

April 2024	Net Returns (Annualised)	Benchmark	CPI
1 Year	9.80%	8.21%	5.2%
3 Years	7.40%	5.92%	6.0%
5 Years	7.11%	5.57%	5.1%
10 Years	7.57%	5.99%	5.0%

Banker Portfolio (Alexforbes Investments)

This portfolio applies to members that have specifically elected to be invested in this portfolio.

The benchmark is the STeFI Call Deposit Index.

April 2024	Net Returns (Annualised)	Benchmark	CPI
1 Year	3.97%	1.75%	5.2%
3 Years	7.78%	6.07%	6.0%
5 Years	8.71%	7.70%	5.1%

Shari'ah High Growth Portfolio (Alexforbes Investments)

This portfolio addresses the needs of members who wish to exercise their religious beliefs with regards to Islamic law and applies to members who have specifically elected to be invested in this portfolio.

The benchmark is a composite benchmark consisting of equity and Shari'ah compliant liquid assets.

Portfolio inception date - July 2017

Call to Action

Ensure you are invested in the investment portfolio that is suited to your risk profile and term to retirement.

If you feel unsure, the default Lifestage model is designed to be a solid option for most members.

Please read the Fund's investment guide available on the Fund's website and speak to your financial adviser

if you wish to make a choice that takes cognisance of your specific circumstances.

This is particularly important if you plan to purchase a living annuity on retirement.

