

# Ehoro

LIBERTY LIFE NAMIBIA

## Investment Performance Overview.

May 2023



**LIBERTY**  
*In it with you*

## Message from **MONIQUE CLOETE**

Managing Director: Liberty Life Namibia

### **Ehoro returns - Economic Outlook: May 2023**

The potential worsening of health (Covid-19) outcomes in China, further protraction of the Russian-Ukraine war and a debt distress event triggered by rapid tightening in global financial conditions continue to dominate the downside risks to global growth.

With that said, the downside risks have moderated to a certain degree due to increased hopes that China will fully abandon its zero Covid policy, which would boost global demand and industrial production in the process. In addition to this, there is an increased likelihood that global inflation will fall at a faster rate than previously anticipated, which would act as additional support for real incomes and levels of consumption.

Namibia's growth performance is projected to slow down during 2023, largely due to weaker global demand. Real GDP growth is estimated to moderate downwards to 3.0 percent however which represents a slight improvement from 2.7 percent in 2022. Going forward growth is expected to moderate further to 2.9 percent in 2024. Risks to domestic growth are predominantly in the form of monetary policy tightening globally and high costs of key import items that are likely to remain for the entire forecast period. Major central banks in the world continue to tighten monetary policies, a phenomenon that is anticipated to result in a global slowdown in 2023 and 2024. Furthermore, the war between Russia and Ukraine is likely to continue for longer and so are the high prices for affected commodities for which Namibia is a net importer, including fuel, wheat and cooking oil. Other domestic risks include water supply interruptions that continue to affect mining production at the coast, potential spillover of electricity cuts in South Africa to Namibia, and uncertainty about the effects of climate change going forward.

Growth in Agriculture, forestry and fishing is expected to stabilise at low levels during 2023 and 2024, mainly due to inconsistent rainfall patterns and broadly unchanged fishing quotas. The diamond mining sector is expected to register robust growth, furthermore, the ongoing oil exploration new mining vessel and appraisal activities are anticipated to further boost the sector.

Overall, the domestic economic growth is expected to slow down in line with weaker global demand, but most sectors are to remain in a growth territory.

In conclusion, we believe that investors should maintain balance in their portfolios with a focus on quality within both equity and bond allocations.

(Source: Bank of Namibia Economic Outlook Update)

# INVESTMENT PERFORMANCE VS BENCHMARK

Using the latest fund fact sheets available 31 May 2023.

Fund Name	Benchmark	AUM	1 Year	BM Return 1 Year	1 Year Rank	3 Years Annualised	BM Return 3 Years Annualised	3 Year Rank	5 Years Annualised	BM Return 5 Years Annualised	5 Year Rank
<b>MONEY MARKET</b>											
<b>STANLIB</b> Money Market Fund	IJG Money Market Index, 90 Day NCD	N\$ 1.28 billion	7.5%	7.2%	2	5.7%	5.1%	2	6.6%	5.9%	2
<b>STANLIB</b> Cash Plus Fund	STeFI Composite Index	N\$ 1.43 billion	7.6%	7.2%	1	5.7%	5.5%	1	6.6%	6.2%	1
<b>CONSERVATIVE</b>											
<b>STANLIB</b> Income Fund	STeFI Composite Index	N\$1.22 billion	7.6%	6.5%	3	6.6%	4.9%	3	7.4%	5.8%	3
<b>Nam Coronation</b> Balanced Defensive Fund	CPI_NAM + 3%	N\$ 0.24 billion	11.5%	9.5%	2	10.7%	8.2%	2	8.5%	7.4%	1
<b>Allan Gray</b> Stable Fund	Standard Bank Namibia Interest Rate Plus 2%	N\$ 0.21 billion	14.5%	6.0%	1	11.3%	4.5%	1	8.0%	5.2%	2
<b>MODERATE</b>											
<b>STANLIB</b> Managed Fund	Forbes MW - Global Best Invest	N\$ 0.20 billion	10.9%	14.3%	7	8.5%	14.6%	8	8.0%	9.3%	7
<b>Allan Gray</b> Balanced Fund	Daily Weighted Average Index of Namibian Multi Asset Class Funds	N\$ 4.16 billion	19.0%	11.8%	1	13.6%	11.1%	2	9.7%	8.2%	3
<b>M&amp;G Investment</b> Inflation Plus Fund	Namibian CPI + 4% Over a Rolling 3 Year Period	N\$ 2.23 billion	11.9%	10.2%	6	11.1%	9.2%	6	8.7%	8.4%	6
<b>Nam Coronation</b> Balanced Plus Fund	Median Return of Namibia Peer Group Funds	N\$ 1.09 billion	13.5%	11.4%	3	14.7%	11.5%	1	9.9%	7.4%	2
<b>Ninety One</b> Namibia Managed Fund	Peer Group Average	N\$ 4.1 billion	12.7%	10.2%	4	11.2%	10.7%	5	9.7%	7.4%	4
<b>Liberty</b> Absolute Return Fund	CPI NAM + 3.65%	N\$ 0.012 billion	14.8%	9.9%	2	11.4%	9.0%	4	10.2%	8.1%	1
<b>STANLIB</b> Inflation Plus Fund	Namibia CPI + 4%	N\$ 0.63 billion	12.3%	10.1%	5	10.6%	9.2%	7	9.5%	8.3%	5
<b>Old Mutual</b> Managed Fund	Category Average	N\$ 0.72 billion	10.1%	9.7%	8	12.1%	10.6%	3	7.4%	7.8%	8
<b>AGGRESSIVE</b>											
<b>Old Mutual</b> Growth Fund	83% SWIX, 10% Nam Primary Listed Shares & 7% Nam Call Rate	N\$ 0.45 billion	7.3%	5.4%	1	11.5%	13.4%	1	3.8%	6.1%	1

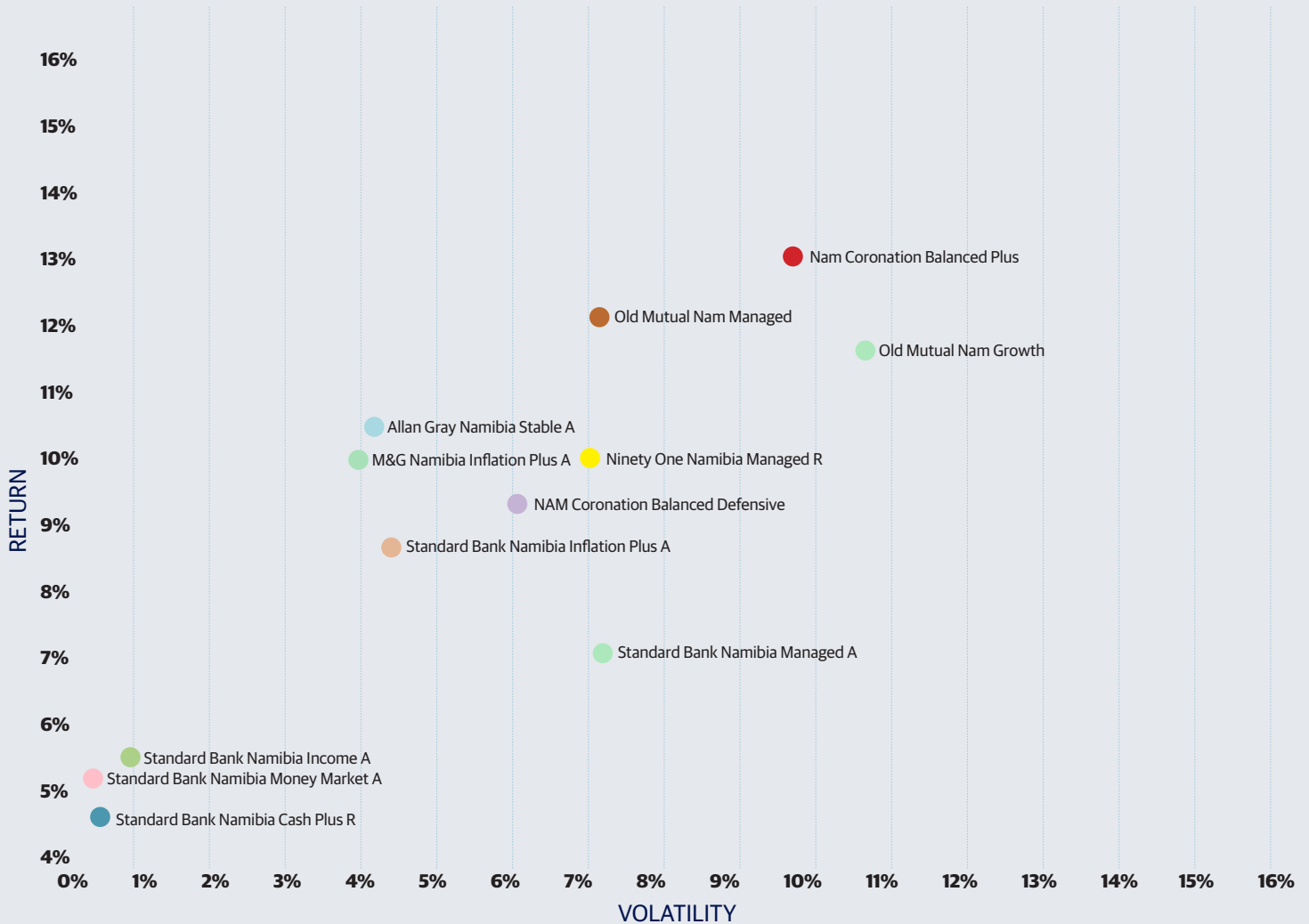
## Legend:

Not performing against benchmark	< -2.0% of benchmark
Underperforming against benchmark	-2.0% < benchmark < -0.5%
Performing against benchmark	> -0.5% of benchmark

# NOMINAL RISK RETURN 3 YEARS

(31 May 2023)

Annualised Nominal Risk Return Scatter Plot From June 2020 to May 2023



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