

MUMI HIGH YIELD BCIN FUND

MINIMUM DISCLOSURE DOCUMENT

INVESTMENT AND RETURN OBJECTIVE

The Portfolio's investment objective is to offer a high level of income, maximise returns over the short to medium term, provide relative capital stability, through a portfolio of Namibian and South African income yielding investments. The fund aims to achieve returns above the category peers' average.

INVESTMENT PROCESS

The Fund invests in fixed-interest securities, corporate and government bonds, preference shares, money-market instruments, and listed property. It aims to achieve higher than money market and call returns by taking on relatively higher risk.

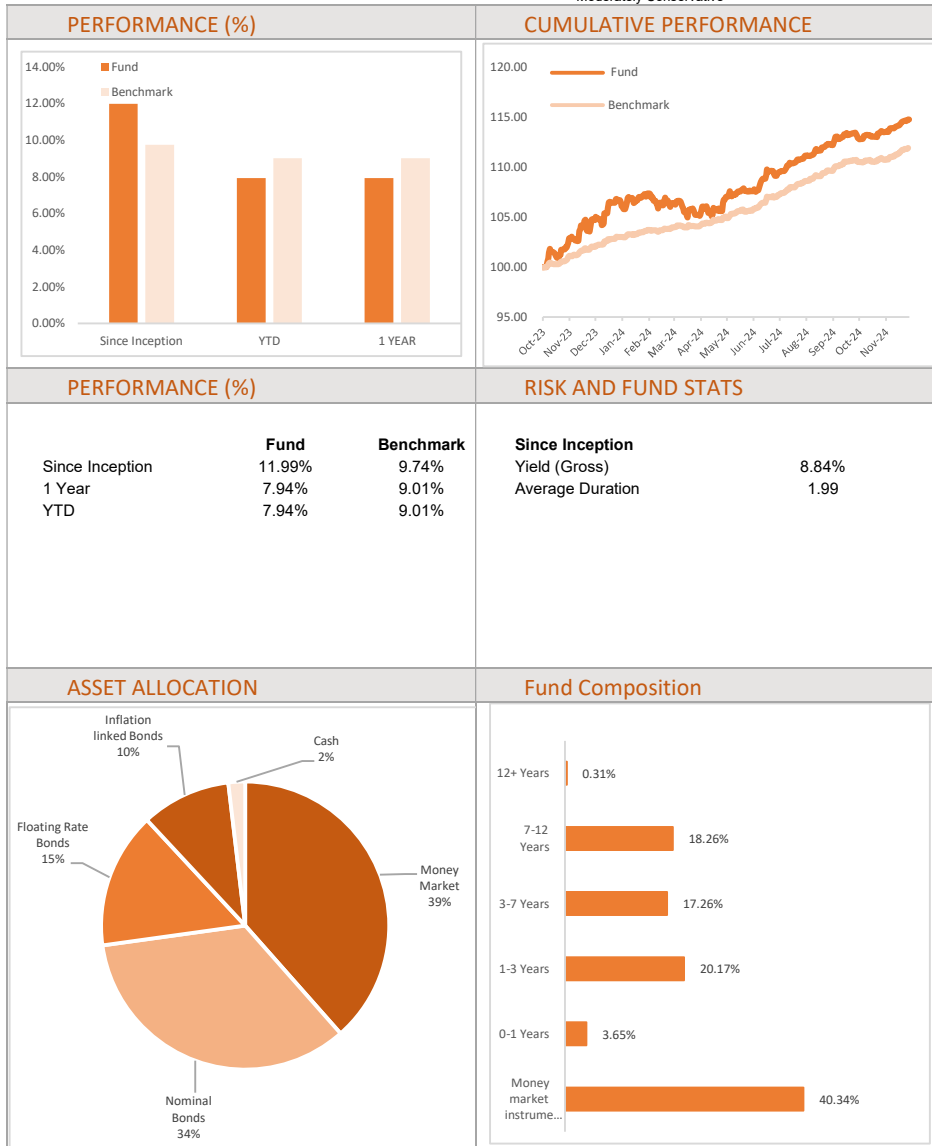
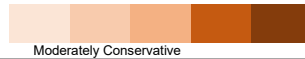
WHO SHOULD INVEST

The Fund is suitable for investors with a short to medium term investment horizon seeking a conservative risk offering that aims to maximise income.

RISK INDICATOR DEFINITION

These portfolios typically have no or low equity exposure, resulting in higher interest yields and stable capital values with the probability of capital losses over the shorter term unlikely. These portfolios typically target returns in the region of 2% – 3% above inflation before tax over the long term.

RISK INDICATOR



31 DECEMBER 2024

ABOUT THE FUND

Investment Manager:
MUMI Investment Managers (Pty) Ltd

Portfolio Managers:
Michael Mukete
Megameno Shetunyenga

Fund classification:
Domestic – Interest Bearing- Fixed Interest Varied Specialist

Benchmark:
Peer Group Average

JSE Code:
MHIPA2

ISIN:
ZAE000326591

Fund size:
NAD 73.89 Million

Inception Date:
03 October 2023

Minimum Investment
N\$ 10 000 Lump Sum
N\$ 1 000 per month

Initial Fee:
0.00%

Annual Management Fee:
0.65%

Fund Fact Sheet Class:
A2

Fee Breakdown:

Management Fees	0.65%
Performance Fees	0.00%
Other Fees*	0.22%
Total Expense Ratio (TER)	0.87%
Transaction Costs (TC)	0.01%
Total Investment Charge (TIC)	0.88%

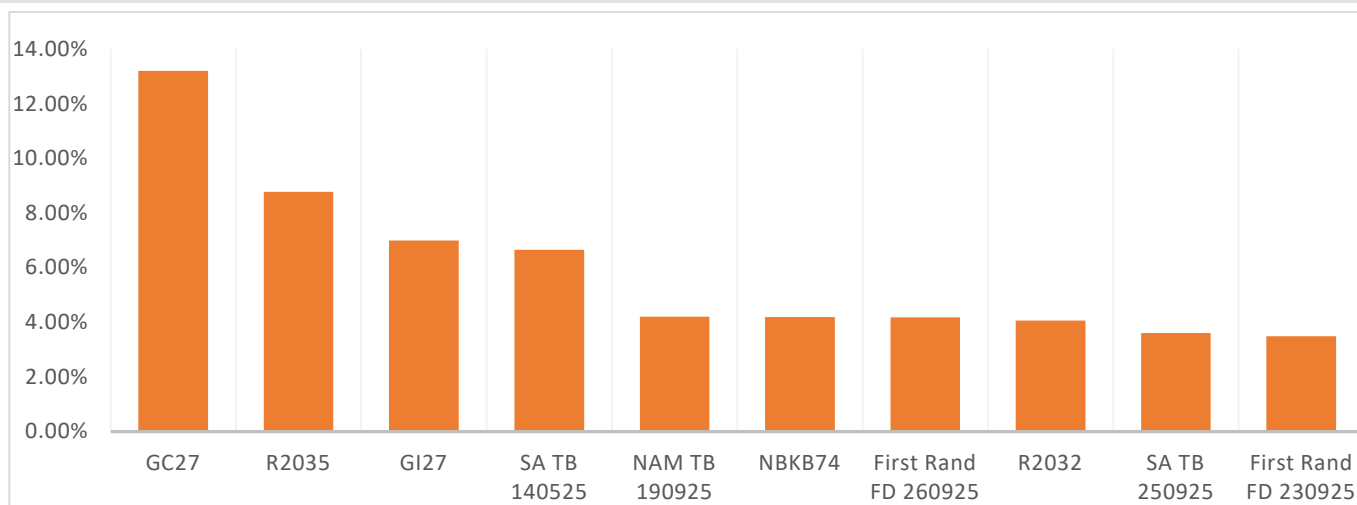
*Other fees include Audit Fees, Custody Fees, Trustee Fees

*TER calculated in respect of 12 months ending 31 December 2024

Tel: +264 61 223 375
Web: www.mumi.com.na

MUMI HIGH YIELD BCIN FUND

TOP 10 HOLDINGS



FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023										1.94%	2.79%	1.80%	6.67%
2024	0.47%	-0.90%	-0.96%	1.44%	0.80%	1.45%	1.58%	1.25%	0.93%	0.21%	1.07%	0.37%	7.94%

FUND COMMENTARY

In December 2024, the Federal Open Market Committee (FOMC) announced a 25bps cut to the Federal Funds Rate, bringing the range to 4.25%-4.50%. This marks a cumulative 1% reduction since rate cuts began in September. However, the Fed's latest quarterly projections signalled a more hawkish stance, with policymakers now anticipating only two rate cuts (50bps) in 2025, down from the 100bps reduction previously forecasted.

South Africa's annual inflation rate edged slightly higher to 2.9% in November, up from a four-year low of 2.8% in October, while domestic inflation remained steady at 3% for the same period.

At its final meeting of the year, the Bank of Namibia's Monetary Policy Committee (MPC) reduced the repo rate by 25bps to 7%, marking the third consecutive cut and further widening the differential with the South African Reserve Bank's repo rate to 75bps.

Namibian Treasury Bill (TB) yields were relatively stable, with a marginal 2bps increase across the curve, including a 4bps rise in 91-day yields. In contrast, South Africa's TB curve experienced upward pressure, with average yields rising by 4.5bps. Notably, 273-day and 364-day TBs saw increases of 11bps and 9bps, respectively, while the 91-day TB yield compressed by 10bps.

Namibian nominal bonds were on the backfoot this past month, with yields increasing by an average of 44bps across the curve. Both benchmark bonds and spread widening contributed to the pressure, rising by 20bps and 7bps, respectively. South African nominal bonds were on the backfoot as well, with yields rising by an average of 26bps across the curve.

The fund performed well over the past month, delivering returns above its benchmark. However, annual performance lagged the peer benchmark by -1.08% due to negative returns in February and March, when the fund was overweight on duration. Since then, we have adjusted the portfolio, bringing our duration below our limit of 2, positioning the fund more defensively for the current market environment.

Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, securities trading tax, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs