



Botswana Life

## OFFSHORE MANAGED FUND

Fund Fact Sheet as at 30 June 2021

### Fund Objective

This is a Global Managed Portfolio and the aim is to preserve capital while generating current income and moderate long-term capital growth.

### Strategy

Investments are allocated between fixed income securities, combined with domestic and foreign stocks and interest-bearing cash assets, depending upon market conditions. The fund invests funds from the following unit linked insurance policies:

| Product code | Product name                           |
|--------------|--|
| ULMG         | Offshore Gold                          |
| URAG         | Offshore Retirement Annuity            |
| ULG1         | Offshore Investment Plan               |
| SPOI         | Single Premium Offshore Investment     |
| MFRA         | Tapologo Multi Fund Retirement Annuity |

### Fund Information

- Fund Size: P 314 Million
- Fund Manager: Botswana Insurance Fund Management (BIFM)
- Mar 21 Unit Price: P 3.30
- June 21 Unit Price: P 3.31

### Fund Return vs. Consumer Price Index (CPI)

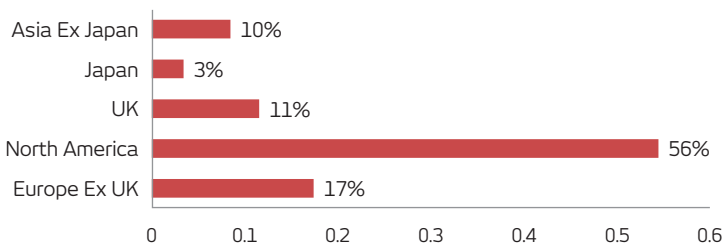
The table below shows average yearly percentage change in unit prices. The performance presented is historic and not guaranteed and should be used as a general guide only. Actual investment performance will depend on growth in the underlying assets, which will be influenced by prevailing market conditions.

| Period   | Return (p.a) | CPI (p.a) |
|----------|--------------|-----------|
| 1 year   | 11.7%        | 3.2%      |
| 3 years  | 6.0%         | 2.9%      |
| 5 years  | 4.2%         | 3.0%      |
| 10 years | 7.0%         | 4.2%      |

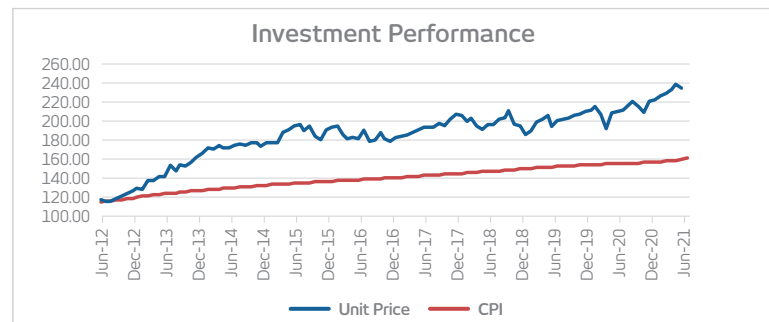
### Risk Rating



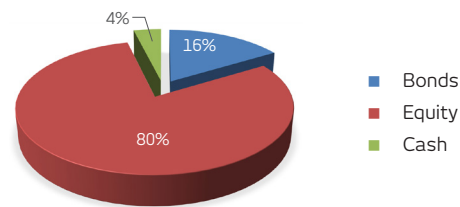
### Top 5 Offshore Equities Geographic Exposure



### Performance Chart



### Asset Allocation



### Geographical Asset Allocation



### Quarterly Commentary

#### Offshore Equities

The Bifm World Equity Fund delivered positive returns over the second quarter of 2021, rallying by 6.57% in USD terms. This performance, however, lagged the pace of the benchmark, MSCI World Index return of 7.74%, by 1.17%. In BWP terms, Fund performance was positive, delivering a return of 5.58%, against the benchmark performance of 6.74%.

#### Offshore Bonds

Over the second quarter of 2021, the Bifm Global Fixed Income Fund return 1.49%, outperforming the benchmark (Bloomberg Global Aggregate Bond Index) which returned 1.31% over the same period. Over the second quarter of 2021, global bonds turned positive and we saw a reversal of some of the value losses sustained in the preceding quarter.

#### Market Outlook

At the meeting held on the 17th of June 2021, the Monetary Policy Committee opted to maintain the Bank Rate at 3.75%, choosing to remain accommodative despite inflation having breached the upper bound of the BoB's medium term objective range of 3-6%. Inflation risk remains on the upside following a further increase in fuel prices post quarter end and the July riots in South Africa. Unrest and riots in South Africa, Botswana's main trading partner is to result in some import inflation as a widespread shortage of goods and resources is expected once the dust settles.