



Botswana Life

OFFSHORE MANAGED FUND

Fund Fact Sheet as at 30 March 2022

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 335 Million**
- Fund Manager: **Botswana Insurance Fund Management (BIFM)**
- Dec 21 Unit Price: **P 3.68**
- Mar 22 Unit Price: **P 3.44**

Fund Return Vs Consumer Price Index (CPI)

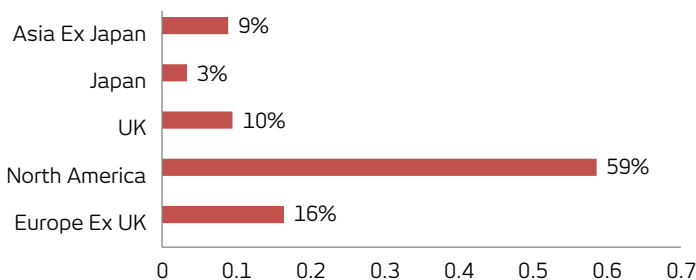
The table below shows average yearly percentage change in unit prices. The performance presented is historic and not guaranteed and should be used as a general guide only. Actual investment performance will depend on growth in the underlying assets, which will be influenced by prevailing market conditions.

Period	Return (p.a)	CPI (p.a)
1 year	5.7%	8.6%
3 years	5.2%	5.3%
5 years	4.5%	3.9%
10 years	5.5%	4.2%

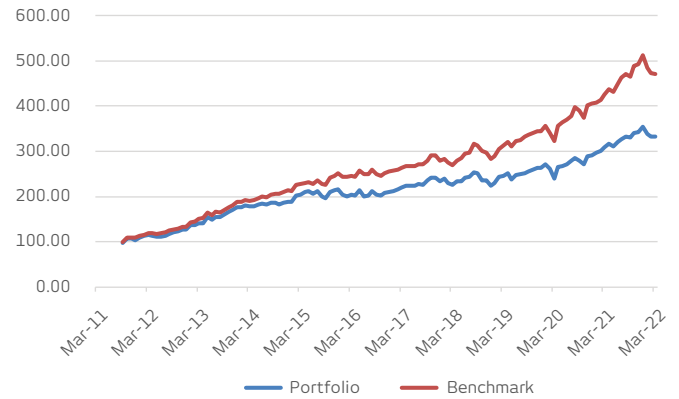
Risk Rating



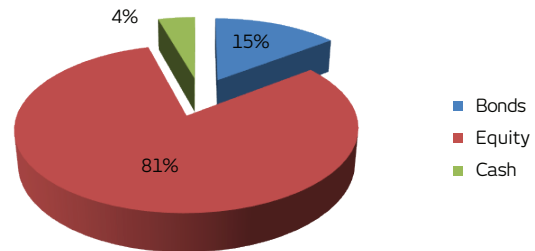
Top 5 Offshore Equities Geographic Exposure



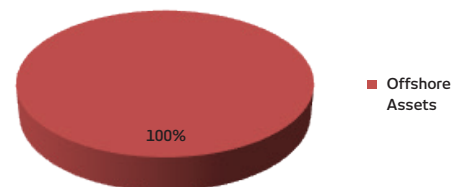
Performance Chart



Asset Allocation



Geographical Asset Allocation



Quarterly Commentary

Commentary

Offshore Equities

The Bifm World Equity Fund shed value over the first quarter of the year, losing 5.75% in BWP terms. Despite the loss in value, the Fund outperformed the benchmark MSCI World Index by 1.90%, as it lost 7.65% in value. The fund lost 3.20% of its value in USD terms whilst the benchmark lost 5.15%. Over the twelve months ending March 2022, the fund performance was positive in BWP and USD terms.

Offshore Bonds

Q1 2022 proved the worst performance period for the Bifm Global Bond Fund since its inception in 2013. The Fund lost 6.39% in US Dollar terms in Q1 against 6.16% for the benchmark (BarCap Global Aggregate Bond Index). Benchmark yields across the developed markets ended sharply higher by the end of the quarter, driven by a worsening inflation outlook and central bank hawkishness. The underperformance is mainly attributable to Fund's overweight allocation to the North America region, where yields rose the most.

Market Outlook

Looking ahead into 2022, the economic and market outlook are currently more uncertain than at most points in the cycle. The Russian invasion of Ukraine has only increased the uncertainty of the outlook for inflation, as that event has created additional pressure on the supply of both hard and soft commodities. Importantly, this is in addition to the post-COVID stimulus inflationary pressures that have been the initial cause of the increased prevalence of inflation.