

March 2021 Global Review



Markets

Best performing Worst performing

Asset Class Index Returns

	1 month	YTD	1 year	3 years	5 years	7 years
Global Equity	2.7%	4.6%	54.6%	12.1%	13.2%	9.4%
Developed Equity	3.3%	4.9%	54.0%	12.8%	13.4%	9.7%
EM Equity	-1.5%	2.3%	58.4%	6.5%	12.1%	6.6%
Global Bonds	-1.9%	-4.5%	4.7%	2.8%	2.7%	2.0%
Global Property	3.0%	5.7%	36.1%	6.6%	4.6%	6.4%
Listed Infrastructure	7.1%	4.3%	28.0%	8.8%	8.5%	7.6%

Developed Equity Regional Index Returns

	1 month	YTD	1 year	3 years	5 years	7 years
US Equity	3.8%	5.6%	58.6%	16.4%	15.7%	12.6%
Europe ex UK Equity	3.2%	3.5%	48.6%	7.2%	9.5%	4.7%
UK Equity	2.6%	6.2%	41.0%	2.6%	5.4%	2.0%
Japan Equity	1.1%	1.6%	39.7%	6.3%	10.5%	8.0%
Pac ex Japan Equity	1.0%	4.6%	54.0%	7.1%	9.6%	5.2%

EM Equity Regional Index Returns

	1 month	YTD	1 year	3 years	5 years	7 years
EM Equity	-1.5%	2.3%	58.4%	6.5%	12.1%	6.6%
EM Asia Equity	-3.0%	2.2%	60.1%	9.5%	14.5%	9.6%
EM Europe Equity	1.7%	0.7%	38.6%	0.2%	6.3%	-0.1%
EM Lat Am Equity	4.6%	-5.3%	50.1%	-6.1%	4.0%	-1.9%

Equity Style Index Returns

	1 month	YTD	1 year	3 years	5 years	7 years
ACWI Growth	0.2%	0.3%	59.0%	17.5%	17.1%	12.9%
ACWI Momentum	-2.5%	-1.1%	54.1%	15.7%	17.2%	13.1%
ACWI Quality	2.8%	3.2%	52.5%	17.2%	16.5%	13.2%
ACWI Small Cap	2.0%	9.2%	82.0%	10.9%	13.2%	9.0%
ACWI Value	5.0%	8.9%	48.8%	6.2%	9.0%	5.7%

Global Bonds Index Returns

	1 month	YTD	1 year	3 years	5 years	7 years
Global Gov Bonds	-2.2%	-5.5%	2.1%	1.9%	2.0%	1.5%
Global Corp Bonds	-1.9%	-4.2%	11.7%	4.6%	4.3%	3.3%
Global HY Bonds	-0.9%	-1.0%	24.7%	4.7%	6.8%	4.5%
EM Bonds	-3.1%	-6.7%	13.0%	-0.8%	3.1%	0.2%

Indices representing asset classes

Global Equity	MSCI ACWI	Global Property	FTSE EPRA Nareit Developed Rental	EM Asia Equity	MSCI Emerging Markets Asia
Developed Equity	MSCI World	Listed Infrastructure	FTSE Global Core Infrastructure 50/50	EM Europe Equity	MSCI Emerging Markets Europe
EM Equity	MSCI Emerging Markets	US Equity	MSCI North America	EM Lat Am Equity	MSCI Emerging Markets Latin America
Global Gov Bonds	Bloomberg Barclays Global Treasury	Europe ex UK Equity	MSCI Europe ex UK	ACWI Growth	MSCI ACWI Growth
Global Corp Bonds	Bloomberg Barclays Global Corporates	UK Equity	FTSE All Share	ACWI Momentum	MSCI ACWI Momentum
Global HY Bonds	Bloomberg Barclays Global High Yield	Japan Equity	MSCI Japan	ACWI Quality	MSCI ACWI Quality
EM Bonds	JPM GBI EM Global Diversified Composite	Pac ex Japan Equity	MSCI Pacific ex Japan	ACWI Small Cap	MSCI ACWI Small Cap
Global Bonds	Bloomberg Barclays Global Aggregate	EM Equity	MSCI Emerging Markets	ACWI Value	MSCI ACWI Value



PMX Profile Performance

	1 month	1 year	3 years	Since Inception
PMX Profile 3	0.2%	31.7%	6.0%	6.2%
Quartile Rank	3	1	1	1
ASISA Global MA Low Eq Relative	0.9%	18.6%	4.0%	3.9%
	-0.7%	13.1%	2.0%	2.3%
PMX Profile 6	1.5%	48.2%	7.3%	8.1%
Quartile Rank	1	1	2	1
ASISA Global MA High Eq Relative	0.8%	32.7%	6.2%	6.8%
	0.6%	15.5%	1.1%	1.2%
PMX Profile 7	1.9%	53.7%	7.8%	8.9%
Quartile Rank	3	2	3	3
ASISA Global Eq General Relative	2.0%	55.8%	10.8%	10.0%
	-0.2%	-2.1%	-3.0%	-1.1%



Global Drivers

Topic	Importance	Detail
Fed Remains dovish and supportive	High	Despite rising inflation expectations, the Federal Reserve continues to hold a coordinated and supportive course. The Fed believes higher levels of inflation will remain within control, whilst economists have begun to factor in a "normalisation" of the policy rate towards the end of 2022.
Inflation and Global Yields	High	Inflation expectations have reflected higher as economies open up amidst easy monetary and fiscal conditions; the primary concern is not higher inflation but rather too high inflation, giving rise to a delicate balancing act.
US Infrastructure Bill	Medium	The US Congress passed a \$1.9trn Aid Bill in order to further support the US economy on a road to recovery post-Covid. Hot on the heels of the Aid Bill is a proposed \$2.25trn Infrastructure bill which is expected to meet greater resistance, yet potentially have significant effects on both short-term and long-term economic growth.
Chinese Tech	Medium	As Chinese regulators continue to press ahead with regulation on the growing power of Asian tech, Emerging Markets stutter as global yields rise. The combination of these two factors poses a threat to Emerging Markets which have typically been seen to be the beneficiary of commodity and cyclical recoveries.
Vaccine Rollouts	Medium	The US and the UK lead the way as they rapidly roll-out the various Covid-19 vaccines. Emerging Markets in general, and Europe have done relatively poorly in this regard, leading to expectations of uneven recoveries across the global economy.



Manager Engagements

Managers	Detail
UBS	Global Market Recovery
Colchester	Fixed Income Update
T. Rowe Price	EM Asia Introduction
Fidelity	Asia Pacific Introduction
M&G / Prudential	Global Equity Introduction
JPM	Asia ex-Japan Introduction

Disclaimer

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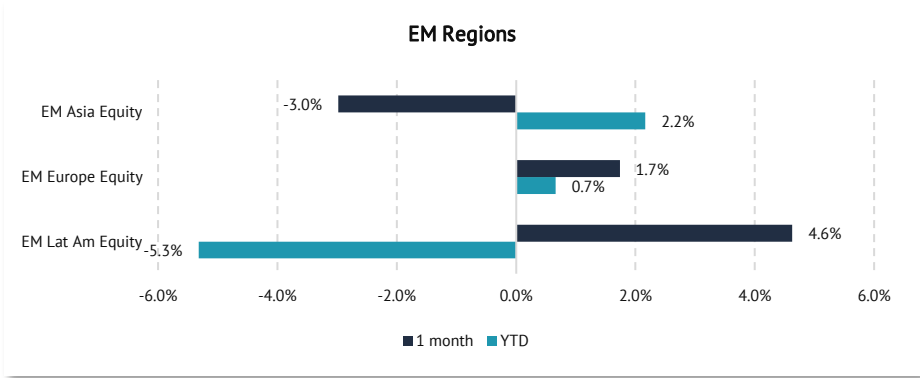
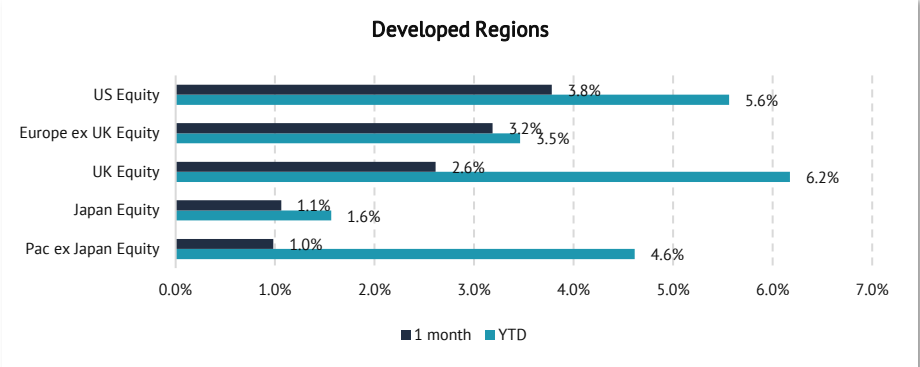
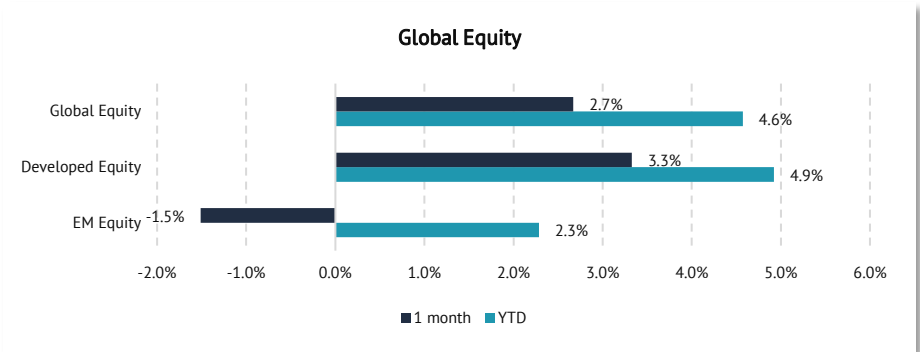
* Past performance is not an indication of future performance.

March 2021 Global Asset Class Details



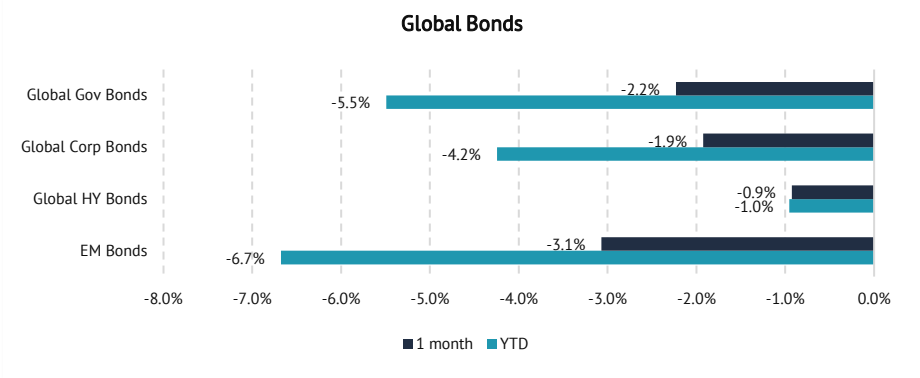
Global Equity Markets

- Developed market equities continued to perform well during March. In a repeat of last month, Emerging Market equities had a tougher time, dragged down by Chinese shares. Europe and the US were the relative outperformers in dollar terms, with US equities also benefitting from a stronger US dollar whilst European indices were boosted by more exposure to stronger performing value companies.



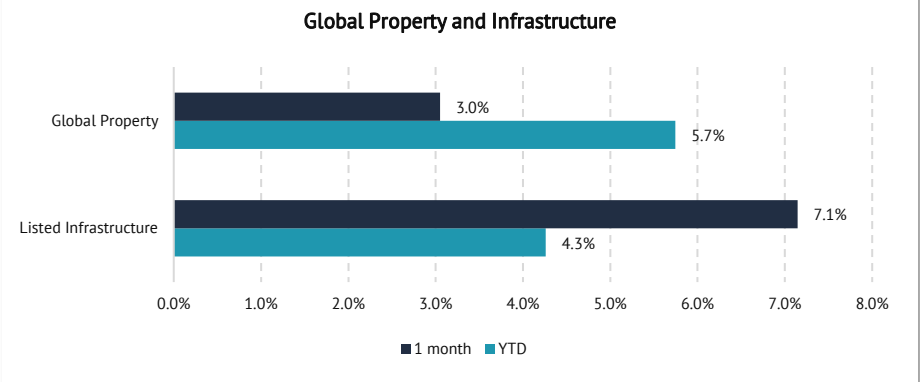
Global Bond Markets

- Fixed income performance was again challenging in March as bond yields continued to rise. Emerging Market bonds bore the brunt of this. High Yield, although negative for the month, continued its outperformance of other bond categories due to the higher exposure to energy issuers as well as the lower duration exposure.



Real Assets

- Real assets fared particularly well, especially listed infrastructure which was driven by strength in US utilities. The underpin here is closely linked to the economies around the world opening up, higher inflation expectations, as well as the focus on infrastructure spend through Joe Biden's stimulus package.



PMX Notice Board

- The **Quarterly Investment Feedback session** is next week Thursday (22 April) at 10.00. We will cover updates on the following: the general market, Global Portfolio Series and Dynamic Income Fund. RSVP by clicking [here](#).
- The **PortfolioMetrix BCI Sustainable World Equity Fund** has been approved by the FSCA and will launch in the second half of the year.

- Keep an eye out for a communication from us next week on the upcoming **Bond FoF conversion**. It contains important information that you need to be aware of.

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