

INVESTMENT PORTFOLIOS

NEW AND IMPROVED INVESTMENT
PORTFOLIOS THAT CATER TO YOUR
NEEDS



RAINMAKER PLUS UMBRELLA FUND

Our Umbrella Funds help your Employees save towards their retirement through tailored Provident, or Pension fund solutions, according to their preferences. Our Investment Strategy seeks to ensure that Employees reach their desired retirement savings goals by helping Employees stay invested for maximum returns.

THE RAINMAKER PLUS UMBRELLA FUNDS IN A NUTSHELL

The Employer and Employee choose between the Umbrella Pension Fund and the Umbrella Provident Fund according to their preferences.

The Employer and the Employee both contribute towards the chosen fund.

Pension or Provident Fund, according to the Employer's and Members' preferences.

Employers can assist their Employees to save towards retirement by joining one of the funds.

The minimum Employee and Employer contributions per Member are 5% of pensionable salary.

Risk benefits can be attached to provide insurance cover for Members in the event of disablement or death and will ensure a dignified funeral if an insured member or one of their family members should pass on.



SAVINGS AND INVESTMENT

The share of fund is paid on resignation, retirement, termination, retrenchment or any other means whereby the Member leaves the service of the employer. All contributions, net of costs, made on behalf of or by a Member form part of that Member's fund credit (share of fund) and they are invested in either one or the other of two investment portfolios, as per the investment choice selected by the participating employer .



THE TRANSFORMATION OF INVESTMENT PORTFOLIOS

The Rainmaker Plus Pension Umbrella Fund and Rainmaker Plus Umbrella Provident Fund are both administered and insured by Oracle Life Eswatini (OLE), a registered long-term insurance company. The funds were registered over a decade ago and the investment vehicle since inception have been three Portfolios that are summarized below:

Investment Portfolio	Structure & Objective
Smooth Growth Portfolio (SGF)	100% explicit Guarantee on invested capital and vested fund credits
Secure Growth Portfolio (SCF)	100% implicit Guarantee on invested capital and vested fund credits
Global Managed Portfolio (GMF)	Unit linked portfolio that is daily unitized

Based on the structure and the performance of the above portfolios, Oracle Life Eswatini undertook the decision in December 2019 to revamp the above portfolios. Oracle Life Eswatini has taken into account client-specific needs and market trends as highlighted below:

Our research on client-specific needs points to the following “building blocks” as the key to formulating the most appropriate Investment Strategy.

RISK APPETITE

SENSITIVITY

APPROPRIATE
RETURNS

RISK APPETITE

SENSITIVITY

Oracle Life Eswatini has consulted with all participating Employees and concluded that with effect from 01 September 2020, the above needs can best be served using two Life-Stage Portfolios which are:

- Guaranteed Capital Life-Stage Portfolio
- Accelerator Life-Stage Portfolio

The Investment Portfolios vary in respect of investment objective and risk appetite as summarised below with the previous portfolios and the above-mentioned portfolios:

Guaranteed Capital Life-Stage Portfolio

(Comparison to Previous Smooth Growth Portfolio)

Smooth Growth Portfolio	Guaranteed Capital Life Stage Portfolio
Invests in Eswatini, RSA & Global investments. Underlying returns are smoothed to reduce the volatility that is associated with investing in these markets. The ‘smoothing mechanism’ is a smoothing Reserve that is kept on the Insurer’s Balance Sheet. The portfolio targets a smoothed return of CPI + 4% per annum, net of all underlying asset charges but gross of investment management fees, over a five-year time horizon.	Will also invest in Eswatini, RSA and Global investments. Underlying returns will not be smoothed to reduce volatility but investments will be selected with an objective to reduce volatility, with even less volatility for members that are within 5 years to retirement. The portfolio will target a return of CPI + 4% per annum (at portfolio level), net of all underlying asset charges but gross of investment management fees, over a five-year time horizon.
KEY POINTS: No More Smoothing Reserve, but Capital Remains Guaranteed at Claim Stage • 100% of the Invested Capital, both retrospective and prospective invested amounts, will remain guaranteed by the insurer. • Investors receive the benefit of a capital guarantee whilst they stand to benefit from all positive returns at the hands of new asset managers (Vunani Fund Managers) • “Lifestaging” is automated as each member’s age changes into the next age group	

Accelerator Life-Stage Portfolio

(Comparison to Previous Global Managed Portfolio)

Smooth Growth Portfolio

The Swaziland Global Managed Portfolio is a fully discretionary portfolio. The portfolio has a balanced mandate and investments are diversified across all asset classes, including foreign assets.

The Portfolio aims to achieve consistent capital growth over the medium to long term, with low downside risk and low volatility.

Guaranteed Capital Life Stage Portfolio

The proposed Portfolio is also a fully discretionary portfolio with a balanced mandate and investments that are diversified across all asset classes, including foreign assets. Members that are within 5 years to retirement, will be in a balanced mandate that has a very low risk profile.

The portfolio will target a return of CPI + (4% to 6%) - average 5% per annum (at the portfolio level), net of all underlying asset charges but gross of investment management fees, over a five-year time horizon.

KEY POINTS:

Full discretionary participation remains, but members that are close to retirement will be protected.

Full Exposure to Investment Risk remains, but under new Asset Managers

Vunani Fund Managers, is a well performing asset manager who has one of the winners of the Raging Bull Awards. The Company itself was one of the winners for the 2018 reporting cycle.

Defined Age Group

18 <= Ages <35

35 <= Ages < NRA - 5

NRA - 5 <= Ages < NRA

Asset Allocations

Investments are distributed between the following asset classes, using predetermined percentages for each age group:

1. Eswatini Cash and Eswatini Government Bonds
2. Listed South African Equities
3. Listed South African Bonds
4. Listed Global Equities

The exact percentage allocations were varied slightly to “match” the risk profile of each age group

Investment Flexibility

An Employer can switch between Portfolios as well, by giving one month's notice.

Fund

Fund fact sheets are monthly reports that show asset allocation, market performance and top holdings. You can get these fact sheets on request by emailing eswatiniinfo@oraclesz.com or calling +268 3270 7500.

DO YOU NEED MORE ADVICE ON YOUR RETIREMENT?

What happens when an employee retires?

*How can my employees make sure they have
enough money at retirement?*

There are various ways employees can boost their retirement savings, such as increase their contribution rate, choose an investment portfolio that targets a higher return, keep their invested when they change employers or make additional voluntary contributions.

FOR MORE INFORMATION

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