

NEWSLETTER 5 OF 2022

NOVEMBER 2022

HEADLINE NEWS

- The premiums allocated to provide death and disability benefits decreased slightly effective 1 October 2022 resulting in a higher allocation to member retirement savings.
- Death and disability cover stops if contributions are not received for any reason – members should take steps to prevent this.
- No clarity yet from National Treasury as to whether members can access a portion of their benefits without leaving employment.
- All members should have received their 30 June 2022 Benefit Statements and 2023 calendars.
- The Fund has a number of information and counselling documents available to members.
- Market linked investment returns continue to be volatile.

IZINDABA EZINOHlonze

- Amaphrimiyamu abelwe ukuhlinzeka ngezinzuzo zokufa nokukhubazeka ehle kancane kusukela ngomhlaka-1 Okthoba 2022 okuholele ekwabelweni okuphezulu emalini eyongiwe yomhlahaphansi yamalungu.
- Ikhava yokufa nokukhubazeka iyama uma iminikelo ingatholwa nganoma yisiphi isizathu-amalungu kufanele athathe izinyathelo zokuvimbela lokho.
- Akukho ukucaciswa okwamanje okuvela kuMgcinimafa Kazwelonke mayelana nokuthi amalungu angakwazi yini ukuthola ingxenye yezinzuzo zawo ngaphandle kokushiya umsebenzi.
- Wonke amalungu kufanele abe esezitholile izitatimende zawo zemihlomulo yangomhla zingama-30 kuJuni 2022 kanye namakhalenda aka-2023.
- Isikhwama sinolwazi oluningi kanye nemibhalo yokwelulekwa etholakala kumalungu.
- Izinzuzo zokutshala izimali ezixhumene nezimakethe ziyaqhubeka nokuntengantenga.

DITABAKGOLO

- Dipremiamo tšeo di abetšwe dikholego tša lehu le bogole di boetše fasana go thoma ka 1 Diphilana 2022 gomme seo se hlotše kabelo ya godingwana go dipoloko tša tholomodiro go maloko.
- Tšhireletšo ya lehu le bogole e a emišwa ge ditefelo di sa amogelwe ka ntle le lebaka – maloko a swanetše go tšea magato go thibela seo.
- Ga se go be le bonnete bjo bo tšwago go Kgoro ya Bosetšhaba ya Matlotlo ya gore maloko a ka kgona go ntšha karolo ya dikholego tša bona ka ntle le go tlogela modiro.
- Maloko ka moka ba swanetše go ba ba amogetše Ditatamete tša Dikholego tša bona ka 30 Ngwatobošego 2022 le dikhalentara tša 2023.
- Sekhwama se na le ditokomane tše mmalwa tša ditshedimošo le dikeletšo tšeo di ka hwetšwago ke maloko.
- Dipelo tša dipeeletšo tšeo di kopanego le mmaraka di tšwelapele go ba tše di fetogafetogago ka lebelo.

MAHUNGUKULU

- Tihakelo leti averiweke ku langutana na mpfuno wa swa rifo na swa vutsoniwa ti hungutekilenyana kusukela hi siku ra 1 Nhlangua 2022, leswi vangeke ku averiwa ka le henhlanyana eka vuvekisi bya mudende wa swirho.
- Nsirhelelo wa swa rifo na swa vutsoniwa wa yima loko xirho xi nga hakeli swi nga ri na mhaka leswaku xivangelo i yini – swirho swi fanele ku teka magoza ya ku sivela xiyimo lexi.
- A hi si kuma ku basisiwa hi Mutameri wa Nkwama wa Timali ta Tiko mayelana na ku ri swirho swi nga teka xana xiphemu xa mpfuno wa swona kambe swi nga tshiki ntirho.
- Swirho hinkwaswo swi fanele se swi amukerile Switatimende swa swona swa Mpfuno swa 30 Khotavuxika 2022 na tikhalendara ta 2023.
- Nkwama wu na switsariwa swo hlayanyana swa mahungu na switsundzuxo leswi nyikiwaka swirho.
- Mitlheriso ya vuvekisi leyi hlanganaka na timakete yi tama ya ha tsekateka.

DEATH AND DISABILITY BENEFITS

ALLOCATION OF CONTRIBUTIONS FROM 1 OCTOBER 2022

The Fund's death and disability benefits and the funeral benefits provided under a policy held in the name of the City of Johannesburg are currently insured with Old Mutual. Although the premium rates to provide the benefits were set for the 12-month period from 1 April 2022 to 31 March 2023, Old Mutual has agreed to reduce the premium rates slightly effective 1 October 2022. The saving in the premium rates will be allocated to member Fund Credits.

The allocation of contributions to the Fund will be as follows:

	Up to 30 September 2022	From 1 October 2022
Member contributions:		
Retirement savings ¹	7.500%	7.500%
Employer contributions:		
Retirement savings ²	12.898%	12.998%
Death benefits	3.622%	3.531%
Disability benefits ³	0.898%	0.898%
Funeral benefits	0.182%	0.173%
Fund expenses	0.400%	0.400%
Total	18.000%	18.000%

Notes:

1. For two groups of Joburg Market employees, their member contributions are phased in on entry to the Fund with member contributions of 2.5% of pensionable salaries in the first year of membership, 5.0% of pensionable salaries in the second year of membership and 7.5% of pensionable salaries thereafter.
2. For a small number of senior employees, the employer contribution is less than 18%. For these members the allocation of employer contributions to death, disability and funeral benefits and Fund expenses is as set out in the above table and the allocation to retirement savings is reduced accordingly.
3. For members who are over their normal retirement age and are therefore not eligible for the disability benefit, the contribution in respect of the disability benefit is allocated to their Fund Credit in the Fund.

COVERAGE FOR DEATH AND DISABILITY BENEFITS

The death, disability and funeral benefits are subject to the Rules of the Fund and, where appropriate, the insurance contracts with the insurance company selected by the Fund. The benefits are only paid if the employer has paid all the contributions due by the member, and the contributions due by the employer on behalf of the member, up to the date of the member's death or disability.

This means that coverage for these death, disability and funeral benefits stops when a member goes absent without the permission of the employer. Other examples of this can be when a member is suspended without pay, is not receiving a salary for any reason, or is even on an approved leave of absence. If this happens to a member, the member should speak with the employer regarding the continued payment of contributions to ensure the member remains covered for his or her death, disability and funeral benefits.

ACCESS TO RETIREMENT BENEFITS

Members may have seen or heard articles in the press regarding proposals by National Treasury to allow members to access a limited portion of their benefits in retirement funds without leaving employment.

The latest information available from National Treasury is that they have not yet finalised how much of their benefits members may access, the conditions that will apply when benefits are accessed and when access will be allowed. National Treasury have indicated that they hope to allow access from 1 March 2024, but this will first require amendments to the Income Tax Act, the Pension Funds Act and the rules of all retirement funds.

The Fund will keep members informed, via Fund Newsletters, once any further information or clarity is received from National Treasury.



30 JUNE 2022 BENEFIT STATEMENTS AND 2023 CALENDARS

All the members of the Fund should have received their Fund Benefit Statements effective 30 June 2022 which were sent out at the end of September 2022. If you have not received your Benefit Statement, please collect it from your HR Department.



A Nomination of Beneficiaries Form was included with your Benefit Statement. The Form indicates to the Trustees those people who are your beneficiaries and what proportion of your death benefit you believe they should receive in the event of your death. This enables the Trustees to ensure all beneficiaries are known and considered when they finalise the distribution of death benefits. The Form also indicates who you wish to receive the funeral benefit in the event of your death. You are strongly urged to complete the Form (even if your beneficiaries have not changed recently) and submit it to your HR Department or the Fund, so that your latest beneficiary information is available if needed.

A 2023 wall calendar was also included with your Benefit Statement. The wall calendar includes important information regarding the Fund, the benefits provided by the Fund and the process for claiming benefits.

INFORMATION AND COUNSELLING DOCUMENTS

The Fund has various information and counselling documents available to assist members, as follows:



- The **Summary Member Booklet** sets out details of the Fund, including the Fund structure, contribution rates and the benefits payable in the event of the retirement, disablement, death or resignation of a member.
- The **Retirement Benefits** counselling document sets out the options available to members when they are due to retire.
- The document entitled **Commission Free Annuity Quotes on Retirement** sets out the annuities available to members on retirement in terms of the Fund's annuity strategy. These annuities provide excellent value and future pension increases with no commissions paid to brokers or financial advisors.
- The **Resignation, Retrenchment and Dismissal Benefits** counselling document sets out the options available to members when they withdraw from employment, including the option to leave their benefits paid-up in the Fund.
- The document entitled **Insured Death, Disability and Funeral Benefits from 1 October 2022** sets out the death and disability benefits currently provided by the Fund and the funeral benefits provided in terms of a policy held in the name of the City of Johannesburg.
- The document entitled **Investment Strategy and Member Options** sets out the Fund's default lifestage investment strategy which targets a life annuity at retirement. It also sets out the alternative strategies available to members, namely a lifestage strategy which targets a living annuity at retirement or member investment choice from the investment portfolios offered by the Fund.

All the information and counselling documents are available from:

**Your HR
Department**

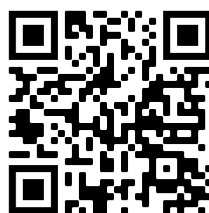
The Fund's member website

<https://mra.momentum.co.za/momentum/portals/>

The Fund's call centre

email: eJhb@Momentum.co.za

Phone: 0860 44 45 51





INVESTMENT PERFORMANCE

Fund investment returns over the last 12 months

Period	High Growth (Inflation Target) Portfolio	Medium Growth (Stable) Portfolio	Money Market (Capital Protection) Portfolio
November 2021	0.79%	0.78%	0.39%
December 2021	3.27%	2.43%	0.43%
January 2022	-0.73%	-2.01%	0.44%
February 2022	1.14%	0.24%	0.40%
March 2022	-0.65%	-0.84%	0.52%
April 2021	-1.18%	-0.08%	0.50%
May 2022	0.53%	-0.06%	0.44%
June 2022	-4.35%	-2.41%	0.46%
July 2022	3.20%	2.69%	0.40%
August 2022	-0.19%	0.32%	0.69%
September 2022	-2.73%	-2.05%	0.49%
October 2022	4.12%	2.63%	0.67%
1 November 2021 to 31 October 2022	2.92%	1.47%	5.99%

The market linked investment returns in the High Growth Portfolio and the Medium Growth Portfolio continue to be volatile. The returns were negative in September 2022 and positive in October 2022.

Whilst the market linked returns in the High Growth Portfolio and the Medium Growth Portfolio have been relatively low over the last 12 months, it is more important to consider market linked returns over longer periods as set out in the next section.

Fund long-term investment returns

The investment returns earned on each of the portfolios for longer periods to 31 October 2022 are set out in the table below. The Money Market Portfolio has outperformed the High Growth Portfolio over the last 12 months, but over all the longer measurement periods the High Growth Portfolio has outperformed the Money Market Portfolio.

Period to 31.7.2022	High Growth Portfolio (inception 1.9.2005)		Medium Growth Portfolio (inception 1.5.2014)		Money Market Portfolio (inception 1.9.2005)	
	Actual per annum	Target: Inflation plus 5% per annum	Actual per annum	Target: Inflation plus 3% per annum	Actual per annum	Target: Inflation plus 1% per annum
Last 12 months	2.92%	12.90%	1.47%	10.90%	5.99%	8.90%
Last 3 years	9.02%	10.36%	6.84%	8.36%	6.01%	6.36%
Last 8 years	7.76%	10.09%	7.28%	8.09%	7.58%	6.09%
Since inception	11.73%	10.69%	7.28%	8.00%	7.81%	6.69%

Given the nature of each of the three Portfolios, performance is assessed by the Trustees over different periods (eight years for the High Growth Portfolio, three years for the Medium Growth Portfolio and one year for the Money Market Portfolio) as highlighted in green.

The Medium Growth Portfolio was introduced as part of the review of the three stage life stage model during April 2014. The returns for this portfolio are reported from 1 May 2014, representing the first full month that the portfolio was in existence.

This Newsletter is issued for the general information of the members of the eJoburg Retirement Fund.

It is not intended as a substitute for specific legal, financial or other advice in considering the implications for each member's particular circumstances.