

# Local Equity Fund

Fund Factsheet | 30<sup>th</sup> June 2025



## Fund Objective

This fund aims to provide capital growth and create wealth over the long term by investing mainly in listed local equities. The fund is high risk and targets investors with a high risk appetite and a long term investment horizon.

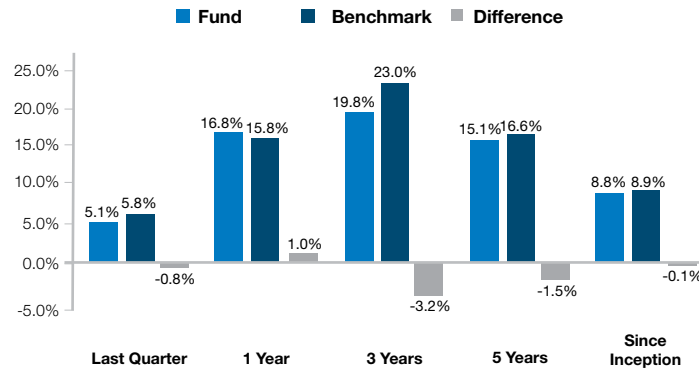
## Strategy

The Bifm Local Equity Fund invests predominantly in listed local equities, with leeway to invest in offshore equities and convertible bonds up to a limit of 20% and 10% respectively.

## Why Choose This Fund?

The fund is appropriate for investors with an appetite for high risk and tolerance for periods of high volatility who wish to generate capital growth over the long term period.

## Performance



## Performance Review

The Bifm Local Equity Unit Trust Fund returned 5.07% during the second quarter of 2025. The Fund underperformed the benchmark return of 5.85% by 0.78%. Performance over the quarter was primarily driven by the Fund's holdings within the financial services sector. Over a 12-month period, the Fund returned 16.83%, outperforming the benchmark return of 15.83% by 0.99%.

## Quarterly Commentary

Performance improved over the quarter, with the local equity market (DCTRI) registering 6.03%. The local equity market performance of 6.03% over the second quarter marked a sharp improvement from the 1.35% return recorded over the first quarter.

The consumer sector was the leading performer over the quarter, led by Choppies, Sechaba and CA Sales. The banking sector also recorded a strong performance over the quarter. The leading performer within the banking sector was Standard Chartered, followed by ABSA. The property sector returned positive results, with Letlole as the best performer. The financial services sector lagged other sectors over the quarter, with Letshego recording a flat performance and BIHL registering a moderate positive return. Dividend payments supported returns over the quarter.

## Market Outlook

Headline inflation, which began the quarter at 2.8% declined over the quarter to close at 2.00%, which is below the lower end of the 3-6% objective range set by the Bank of Botswana. The decline in Food & Non Alcoholic Beverages as well as the decline in Miscellaneous Good and Services were the main contributors to inflation over the quarter whilst the Transport sector had a negative contribution throughout the quarter. Inflation estimates by the Bank of Botswana show expectations of inflation to remain low into the medium term, averaging 2.5% in 2025, however, this remains largely uncertain owing to the US tariffs which will likely push up global prices.

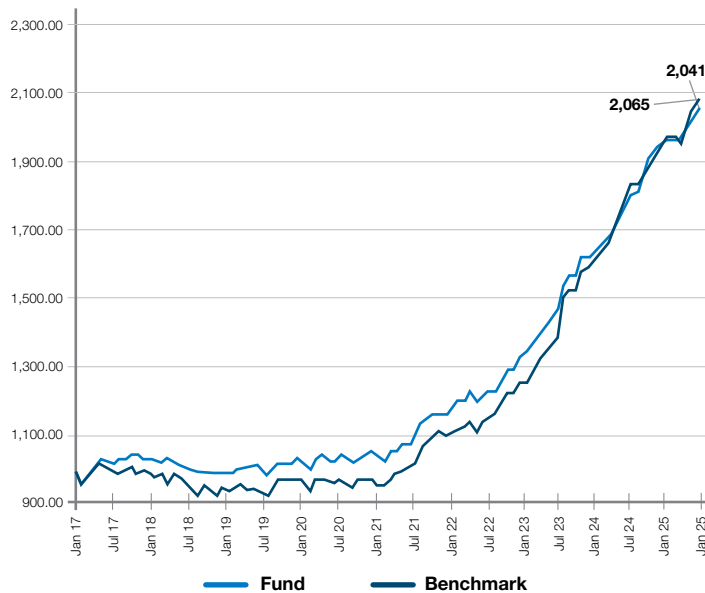
The quarterly GDP release by Statistics Botswana showed a contraction of 0.3% in the real GDP over Q1 2025, compared to a decline of 5.2% in the corresponding quarter in 2024. The contraction in the domestic economy was mainly due to registered declines in the real value added by Diamond Traders,

Water & Electricity, Mining & Quarrying, Agriculture, Forestry & Fishing industries and Transport & Storage. All other industries recorded positive growth of more than 0.1%.

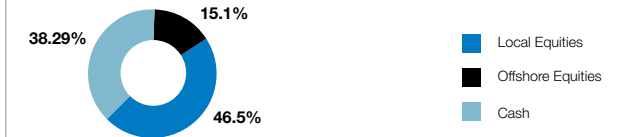
As always, we remain committed to our disciplined, fundamental value approach. We maintain a disciplined approach and continuously integrate new information into our valuation models to ensure our views reflect evolving market dynamics. Our process focuses on identifying both risks and potential opportunities that may impact portfolio performance.

**Total Expenditure Ratio (T.E.R.):** 2.93%

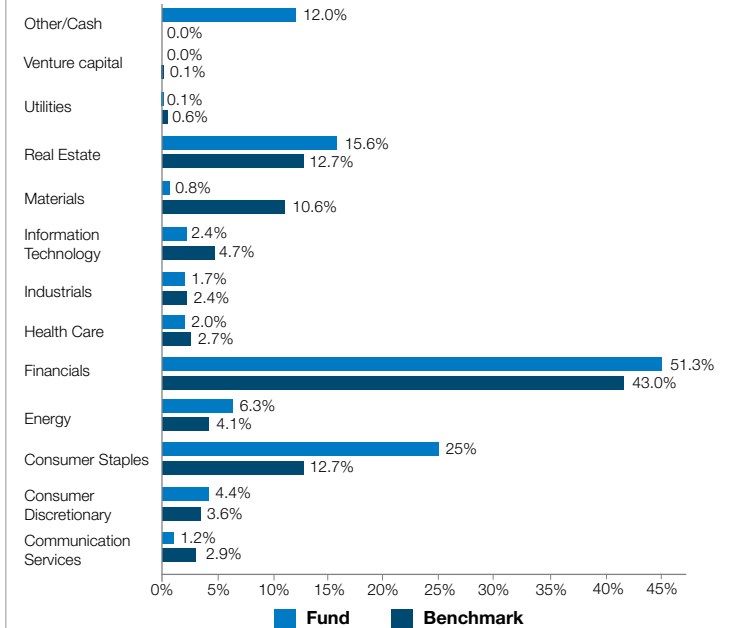
## Cumulative Returns (BWP)



## Asset Allocation



## Sector Allocation



## Quick Facts

### Fund Information

**Portfolio Manager:** Bifm Investments Team  
**Launch Date:** Jan 2017  
**Minimum Investment:** P 1000 lump sum  
P 200 debit order  
**Fund Size:** BWP55,719,704.13

### Fees

**Initial Fund Fee:** 5%  
**Annual Management Fee:** 2%  
**Fees are shown excluding VAT**

### Risk Profile

Low	Low-Med	Med	Med-high	High
				●

### Income Distribution

**Income Distribution Frequency:**  
Semi-Annual Jun, Dec

### Contact Details

**Trustees and Custodians**  
Stanbic Bank Botswana  
**Private Bag 00168**  
Gaborone

### Physical Address

**Bifm Unit Trusts (Pty) Ltd**  
Plot 66458, Fairgrounds Office Park  
Gaborone, Botswana

Plot 396/7 Moffat Street, Central  
Residential Area  
Francistown, Botswana

### Postal Address

Private Bag BR185, Broadhurst  
Gaborone, Botswana

**T:** +(267) 399 2199 / +(267) 241 3041  
**F:** +(267) 390 0358  
**E:** [retailservices@bifm.co.bw](mailto:retailservices@bifm.co.bw)