

Review
29.3.2019

Investment Basket Basic Information

Name	Mandatum Life Pension+
Inception date	1.9.2018
Investment manager	Mandatum Life
Management fee p.a.	1,2 %
Assets under management (EUR million)	11,4

Investment Strategy

Mandatum Life Pension+ investment basket is a combination strategy and a cost-effective solution made for a return-seeking pension client.

We believe in investing with a life-long horizon. Pension investor should take long market view into account. ML Pension+ takes advantage of our long experience in pension investing and our access to special investments together with the Sampo Group. ML Pension takes into account for example the future megatrends, such as responsibility.

Investment Manager's Review

The market climb during the Q1 has been driven by the lower interest rate levels caused by the Fed's changes in its monetary policy. Lower interest rate levels have led to weaker yields from safer government bonds, and thus made riskier investment classes relatively more attractive. The rise in the prices of both equities and riskier bonds have reflected this on the markets. Mandatum Life Pension+'s return after management fees was +6.6% on the Q1, while the AUM of the basket was EUR 11.4 million at the end of the period. During the period the equity weight of the basket was returned to a more neutral position. Mainly US equities were added, as they now are more reasonably valued and the earnings forecasts have been positive. In the equity investments' allocation, the relative weight of the European and Nordic equities have been lowered as the weight of American equities has increased. The weight of the emerging markets has remained unchanged. The basket continues to have around 10% of its AUM in cash. In the alternative investments most of the weight is in real estate strategies, which have a relatively attractive return expectations in the current interest rate levels. A new investment was made in a private equity fund during the quarter. The returns of the basket's investments during the Q1 of 2019: equity investments +7.7%, alternative investments -0.9%.

The Chinese export, import and consumption numbers were better than expected, which stabilized the expectations of the global economic growth as well. In the US the probability of a recession has increased during the last year, but still remains to be relatively low. In Europe, the manufacturing activity continues to decline, but as the Chinese economy turns to the better it is more likely, that the better export numbers are driving the European economy as well. The earnings forecasts reflect the turn for the better, and the downward revisions seen in the last 6 months are stabilizing. The driver behind this development is especially the stabilization of the technology sector's forecasts. Also in the oil sector, the companies' situation has stabilized, as the decline in the oil prices has stopped as a result of the increasing Asian consumption. Even though it is expected, that the earnings growth of the companies in Europe falls behind the long-term averages, the return expectations of the European equities remain attractive. The turn in the central bank policies and the interest rate level drop in the Western economies highlight the attractiveness of the riskier asset classes even more, and the role of the portfolio structure becomes more important. The return expectations of the alternative investments still clearly exceed the returns received from the liquid fixed income markets.

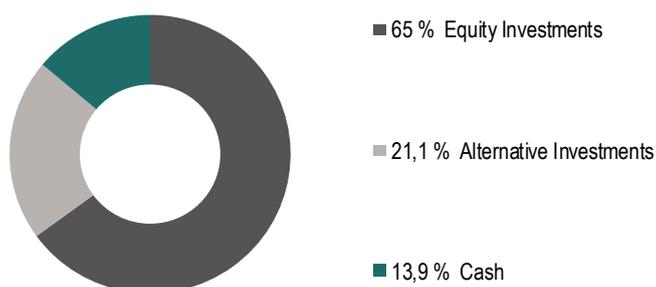
Unit Value

*Inception date 1.9.2018

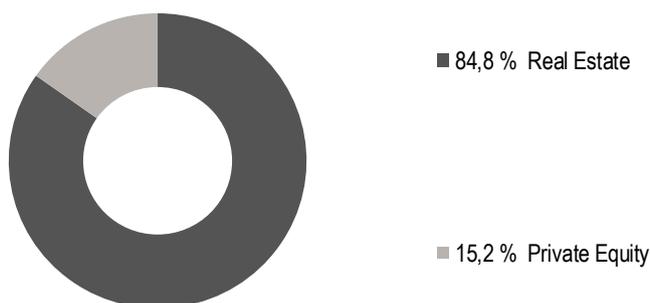
	Q1	Q2	Q3	Q4	Year
2019	6.64 %				6.64 %
2018	-	-	-	-8.88 %	-8.22 %



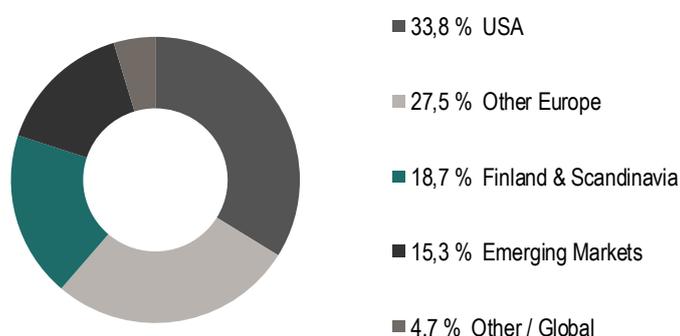
Allocation by Asset Class



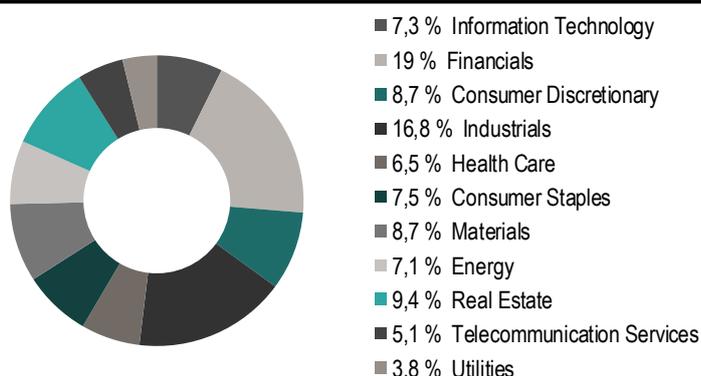
Fixed Income Allocation by Investment Class



Geographic Equity Distribution



Equity Industry Allocation



Top Holdings

Weight	Investment	3 month change (EUR)	Currency
20.6%	Mandatum Life Alternative Investments II	-0.20%	EUR
11.9%	Mandatum Life Money Abs	0.03%	EUR
11.6%	Amundi Index Equity Global Low Carbon Fund	14.59%	EUR
8.9%	Mercer Passive Emerging Markets Equity Fund	10.90%	EUR
6.9%	Mandatum Life SICAV-UCITS European Small&Midcap Equity Fund	9.34%	EUR
6.7%	Mercer Sustainable Global Equity Fund	12.71%	EUR
5.8%	Mandatum Life Future Quality Equity	12.17%	EUR
4.6%	Mandatum Life Nordic Equity	12.72%	EUR
4.4%	DB X-TRACKERS S&P 500 ETF	12.73%	USD
3.9%	MGI Eurozone Equity Fund	10.90%	EUR

This investment basket review does not constitute a recommendation to subscribe for or redeem units in the investment basket. In compiling the investment basket review, every attempt has been made to ensure that the information contained in it is correct. However, Mandatum Life is not accountable for the correctness of the information. The investment basket's past performance is no guarantee of future returns. The value of investments may increase or decrease and investors risk losing the assets they originally invested.

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