

**FACT SHEET**
**INVESTMENT OBJECTIVE**

The fund seeks to outperform the FTSE/JSE Capped All Share Index by 1% per annum over a rolling 3 year period.

**INVESTMENT STRATEGY**

The fund aims to generate in excess of 1% above the benchmark returns on a consistent long-term basis through both top down and bottom up analysis. The Fund uses a four factor model, namely; Macro-Economic Model, a Fundamental Accounting Value Model, a Behavioural Model, and a Technical Analysis Model. The models are blended to ensure consistency of performance and lower fund volatility versus the benchmark.

**FUND INFORMATION**

Fund Classification	South African - Equity - General
Benchmark	FTSE/JSE Capped All Share Index
Risk Profile	Aggressive
Fund Managers	Fannuel Tigere, Sandelee Van Wyk
Inception Date	01 November 2018
Fund Size	R1176 million
Currency	SA Rands
Administration	Balondolozzi Investment Services (Pty) Ltd
Trustees	Nedbank
Regulator	Financial Sector Conduct Authority (FSCA)
Regulation 28	Compliant

**FEES**

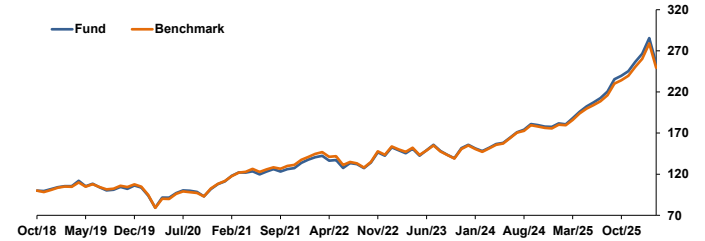
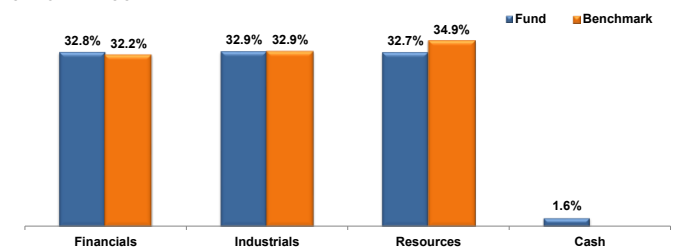
Initial & Exit Fees	Nil
Total Investment Charge	0.50%
Portfolio TER	0.50%
Management Fees	0.50%
Transaction Costs	0.00%
Audit Fees	0.00%
Other Costs	0.00%
Vat	15.00%
Pricing	Daily at 17:00

**RISK RATIOS**

	<b>Fund</b>	<b>Benchmark</b>
Annualised Return	13.44%	13.12%
Sharpe Ratio	0.43	0.42
Sortino Ratio	0.59	0.55
Max Drawdown	-15.57%	-16.69%
Drawdowns	34	33

**PERFORMANCE (Gross of fees)**

	<b>Fund</b>	<b>Benchmark</b>
Mar-26	-10.78%	-10.55%
Year to Date	-0.76%	-0.45%
Rolling 12 months	35.41%	34.12%
Return p.a. since inception	13.44%	13.12%
Return since inception	154.71%	149.50%
Highest Rolling 1-year Return	58.06%	55.34%
Lowest Rolling 1-year Return	-24.83%	-24.53%

**GROWTH OF R100 INVESTED AT INCEPTION**

**SECTOR ANALYSIS**

**FUND COMMENTARY**

Global growth at the start of 2026 remains resilient but uneven across regions, as escalating geopolitical tensions (particularly the Iran conflict and disruption in the Strait of Hormuz) pose material downside risks. The resulting rise in energy prices is adding inflationary pressure, prompting major central banks to hold policy rates steady while assessing uncertainty and potential prolonged supply-side shocks.

Equities returned -10.55% (FTSE/JSE Capped All Share); nominal bonds delivered -6.83% (ALBI); inflation linked bonds returned -5.73% (CILI) and cash returned 0.57% as indicated by the STeFi Call Index in March 2026. Within equities, the financial services sector delivered -9.79% (FINI 15), the industrial sector -5.02% (INDI 25) and the resources sector -16.52% (RESI 20).

During the same period, near term volatilities ticked up by +9.5% (SAVI) to 27.28% whilst the historic price to earnings (P/E) ratio for the FTSE/JSE Capped Top 40 edged lower by -5.12 points to close at 31.74. Yields for 12-month negotiable certificates of deposits rose by +8.3 bps to close the month at 7.63%.

The fund returned -10.78% against the benchmark of -10.55% (FTSE/JSE Capped All Share) resulting in a negative alpha of -0.23% for the month.

The local equity market experienced a pullback in March, marking a period of correction following the strong rally observed over the previous year and into the first two months of 2026. This weakness occurred against a backdrop of heightened global geopolitical risks, particularly the escalation of conflicts in the Middle East, which raised concerns around oil-driven inflation, ongoing commodity price volatility, and shifting interest rate expectations. The JSE Capped All Share Index came under pressure in March, declining by -10.55%. Resources led the declines over the month, driven by weakness in commodity prices and softer global growth expectations. Financials also came under pressure, while Industrials were relatively resilient and recorded the smallest decline. Active underweight exposures in mining counters delivered mixed results. Anglo American contributed positively to performance, while African Rainbow Minerals also marginally contributed positively over the month of March. In contrast, coal producer Thungela Resources detracted from performance, as global energy markets experienced a sharp rally triggered by escalating Middle East tensions. This geopolitical instability led to a surge in crude oil and natural gas prices, which in turn increased demand and price of thermal coal as a substitute power generation fuel, among other factors.

In March, Balondolozzi participated in proxy voting for Vukile Property Fund (VKE) and Pan African Resources (PAN), supporting all resolutions. VKE sought approval for director control over unissued shares after a R2.65 billion capital raise funding strategic acquisitions and preserving European expansion flexibility. PAN's resolutions covered capital management, including using profits for the 2024 dividend and cancelling the share premium to boost reserves safely. On the corporate action front, dividend reinvestment plans were offered by BHP Group (BHG), Anglo American (AGL), Hammerson (HMN) and Mondi (MNP), allowing shareholders to elect cash (default) or reinvest via Letters of Allocation. Lighthouse Properties (LTE) provided a choice between cash or scrip distribution, while NEPI Rockcastle (NRP) offered either a capital repayment (default) or a cash dividend. MAS (MSP) launched a voluntary Dutch auction tender, with PK Investments seeking to acquire additional MSP shares. For all actions, we elected the default options: receiving cash where applicable, opting for a capital repayment for NRP, and taking no action to retain our shares in MSP.

After registering a value of 3.5% in January 2025, headline inflation for February 2026 was 3% (consensus 3.5%). On the same note, the price for Brent crude oil rose by 63.29%, to end the month at \$118.35 per barrel and the Rand depreciated against the Dollar by -6.31% to close at R16.94 per dollar. The seasonally adjusted Kagiso Purchasing Managers' Index (PMI) declined by -1.3 index points to reach 47.4 in February 2026.

Economic data from the US point to an economy that is still expanding but facing mixed signals from prices and activity.

The Federal Reserve kept the federal funds rate unchanged at 3.5%–3.75% in March for a second consecutive meeting, as expected, and slightly raised its 2026 growth forecast to 2.4% from 2.3%. Headline inflation has continued to ease, with the annual CPI rate holding at 2.4% in February, and close to the Fed's 2% goal, but producer price data show that underlying cost pressures are not yet fully resolved, with core PPI up 0.5% for the month. At the same time, the Manufacturing PMI rose to 52.4 in March, supported by stronger new orders and stabilising export demand, while the Services PMI slipped to 51.1, indicating the softest pace of expansion in nearly a year as weaker demand, margin pressures and geopolitical uncertainty weighed on hiring and confidence. Overall, while the Fed continues to signal a gradual easing path, the risk of energy-driven inflation from disruptions in the Strait of Hormuz alongside softening demand dynamics raises the prospect of a more stagflationary backdrop, leaving policy increasingly constrained and reactive.

Growth in the Euro Area remains positive but subdued as the region continues to face renewed external price pressures from energy. More recently, inflation has increased above the European Central Bank's target, with the annual rate rising to 2.5% in March from 1.9% in February, the highest since January 2025, driven mainly by a 4.9% jump in energy prices linked to the Middle East conflict. Business surveys show a clear split between sectors with the Manufacturing PMI climbing to 51.4 in March, the strongest pace of expansion in almost four years, supported by rising orders and a rebound in purchasing activity, but also accompanied by renewed supply chain delays, falling inventories and higher input costs, while the Services PMI fell to 50.1, signalling near stagnation as weaker demand and rising cost pressures weighed on activity. The ECB faces a challenging trade-off between fragile growth and re-emerging inflation risks and is likely to remain cautious about policy easing.

China entered 2026 with preliminary signs of stronger near term activity but ongoing structural challenges. Headline CPI inflation increased to 1.3% in February from 0.2% in January, mainly reflecting Lunar New Year related price increases, and the CPI index itself rose to 104.90 from 103.90. Despite this, the People's Bank of China kept the one year and five-year Loan Prime Rates unchanged at 3.0% and 3.5% respectively for a tenth straight month, signalling a preference for stability as it balances higher oil prices and geopolitical risks against a lower 2026 growth target of 4.5%–5%. Retail sales grew by 2.8% year on year in the first two months of 2026, up from 0.9% in December and above expectations, while the official NBS Manufacturing PMI returned to expansion at 50.4 in March, its strongest reading since March 2025, supported by early year fiscal measures and resilient AI related exports. However, input and output price indices within the PMI have surged to four-year highs on the back of higher oil and metal prices, and the economy still faces challenges from a weak property sector, cautious hiring, soft sentiment, and ongoing trade frictions. As a result, the recovery appears to be improving in the near term but remains vulnerable to both domestic and external shocks.

South Africa's latest data show an improving inflation picture but continued pressure on real activity. Annual CPI inflation fell to 3.0% in February, its second consecutive decline and the lowest rate since June 2025, although higher global oil prices and the March fuel price increases are likely to push inflation higher again in the near term. In response to the shock from the Iran war and surging oil prices, the government announced a temporary reduction of the general fuel levy by R3 per litre in April to cushion households and businesses, partly offsetting the impact of higher pump prices. Against this backdrop, the SARB kept the repo rate unchanged at 6.75% at its March meeting and now expects headline inflation to rise to around 4% in the second quarter before easing back towards 3% by late 2027, with only one rate cut anticipated over the forecast period. The trade surplus widened sharply to ZAR 36.9 billion in February, pointing to firm export performance, but the Absa PMI remained in contractionary territory at 47.4 amid weak demand, port delays and localised power outages, even though the expectations component improved. Risks of stagflation rise as higher energy costs strain growth despite moderating inflation.

The global economy remains fragile with uneven growth, policy uncertainty, and rising risks continuing to challenge the path to sustained recovery.