

FACT SHEET
INVESTMENT OBJECTIVE

The fund seeks to outperform CPI (inflation) plus 5% over a rolling 3 year period.

INVESTMENT STRATEGY

This is a Global Asset Allocation Fund that blends strategies employed in the Balondolozzi Money Market, Bonds, and Active Equity Funds. The equity benchmark is the FTSE/JSE Capped All Share Index, the bond benchmark is the All Bond Index (ALBI), the property benchmark is the South Africa Listed Property Index (SAPY), the international benchmark is 60% the MSCI World Index in Rands and 40% the Overnight US Libor Rate Index in Rands, and the cash benchmark is STeFi Call.

FUND INFORMATION

Fund Classification	South African - Multi Asset - High Equity
Benchmark	CPI + 5%
Risk Profile	Moderate
Fund Managers	Fannuel Tigere, Sandelee van Wyk, Karabo Matsepe, Sindsiswe Mahlangu
Inception Date	01 October 2014
Fund Size	R587 million
Currency	SA Rands
Administration	Balondolozzi Investment Services (Pty) Ltd
Trustees	RMB
Regulator	Financial Services Regulatory Authority (FSRA)
Regulation 28	Not Applicable

FEES

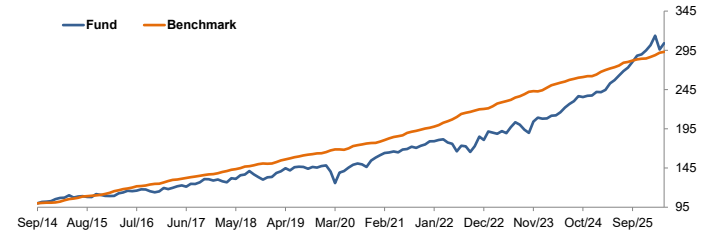
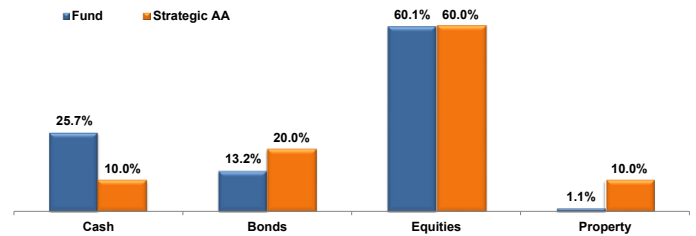
Initial & Exit Fees	Nil
Total Investment Charge	0.08%
Portfolio TER	0.08%
Management Fees	0.08%
Transaction Costs	0.00%
Audit Fees	0.00%
Other Costs	0.00%
Vat	15.00%
Pricing	Daily at 17:00

RISK RATIOS

	<i>Fund</i>	<i>Benchmark</i>
Annualised Return	10.07%	9.73%
Sharpe Ratio	0.41	2.22
Sortino Ratio	0.55	12.61
Max Drawdown	-10.52%	-0.28%
Drawdowns	47	6

PERFORMANCE (Gross of fees)

	<i>Fund</i>	<i>Benchmark</i>
Apr-26	2.67%	0.42%
Year to Date	3.06%	2.99%
Rolling 12 months	20.20%	7.83%
Return p.a. since inception	10.07%	9.73%
Return since inception	203.93%	193.08%
Highest Rolling 1-year Return	31.01%	13.13%
Lowest Rolling 1-year Return	-10.73%	6.92%

GROWTH OF R100 INVESTED AT INCEPTION

SECTOR ANALYSIS

FUND COMMENTARY

In April 2026, global markets were marked by heightened uncertainty and cautious sentiment amid geopolitical tensions and mixed data. Equities were volatile but resilient, supported by strong technology earnings and increased defensive positioning. Oil prices showed sharp volatility due to Middle East supply concerns, fuelling inflation worries. Overall sentiment remained risk-aware, with investors balancing resilience against persistent global instability.

Equities returned 1.65% (FTSE/JSE Capped All Share); nominal bonds delivered 3.27% (ALBI); inflation linked bonds returned 4.32% (CIL) and cash returned 0.53% as indicated by the STeFi Call Index in April 2026. Within equities, the financial services sector delivered 4.3% (FINI 15), the industrial sector 3.05% (INDI 25) and the resources sector -2.59% (RESI 20).

During the same period; near term volatilities ticked down by -2.16% (SAVI) to 25.12% whilst the historic price to earnings (P/E) ratio for the FTSE/JSE Capped Top 40 drifted higher by +0.31 points to close at 32.05. Yields for 12-month negotiable certificates of deposits rose by +8.3 bps to close the month at 7.7%.

Overall, the fund delivered 2.67% for the month. Local equities returned 1.45%; international equities returned 9.56%; cash returned 0.86%; local bonds returned 2.72% while international bond exposure delivered 0.38%. Property exposure returned 4.61%. Cash outperformed, supported by high-yielding, shorter-dated non-bank fixed-term deposits. There is currently value in floating instruments as the SARB is expected to begin hiking rates. Bonds underperformed due to sector allocation and property underperformed the overall property benchmark as the outperformance from Vukile was unable to offset the underperformance from MAS Real Estate and Nepi Rockcastle.

During April, Balondolozzi participated in proxy voting sessions including Anglo American (AGL) and British American Tobacco (BTI) in tobacco, reviewing 123 resolutions and supporting 87%. The resolutions not supported mainly related to the disapplication of pre-emption rights, where share issuance without proportional offering to existing shareholders raised concerns over potential dilution of ownership and economic rights for current investors.

Transnet Port Terminals will introduce a fuel-linked container handling surcharge as geopolitical disruptions increase operating costs, while preparing for the 2026 citrus export season following a 22% rise in volumes last year. Operations will run 24/7, supported by infrastructure investment, with the sector generating over R39 billion in 2025 export earnings. Eskom reported a stronger winter 2026 outlook, with improved plant performance, lower demand and reduced unplanned outages at 22.88%, alongside no load shedding since May 2025. It also reached a provisional tariff agreement with Samancor Chrome and the Glencore-Merfate Chrome Venture, pending regulatory approval, aimed at stabilising industrial demand that has contributed to a 5.7% decline in electricity sales.

After registering a value of 3% in February 2026, headline inflation for March 2026 was 3.1% (consensus 3.1%). On the same note, the price for Brent crude oil fell by -3.67%, to end the month at \$114.01 per barrel and the Rand appreciated against the Dollar by 1.59% to close at R16.67 per dollar. The seasonally adjusted Kagiso Purchasing Managers' Index (PMI) nudged up by 1.6 index points to reach 49 in March 2026.

The U.S. economy navigated a complex environment in April 2026, balancing resilient growth against emerging inflationary pressures linked to geopolitical tensions. GDP expanded at an annualised rate of 2.0% in the first quarter, rebounding from a fourth quarter impacted by a government shutdown. However, growth fell short of expectations due to softer consumer spending. Labour market conditions remained exceptionally tight. The Federal Reserve maintained its policy rate at 3.75%, opting to hold rates steady despite rising inflation risks. This decision followed a surge in fuel prices to their highest levels since 2022, driven by escalating tensions involving Iran. National Economic Council Director Kevin Hassett cautioned against tightening monetary policy in response to what may be a temporary energy shock. President Donald Trump maintained a naval blockade of Iranian ports, contributing to elevated oil prices amid limited progress toward a diplomatic resolution. The administration also explored measures to boost domestic oil production in the near term, working closely with producers to offset potential supply disruptions.

The Eurozone economy faced rising inflation and increased uncertainty in April 2026, prompting debate among policymakers regarding the appropriate monetary response. Headline inflation rose to 3.0% year-on-year, largely driven by higher energy prices linked to the Middle East crisis. The European Central Bank held its deposit rate at 2.0%, although this decision followed extensive internal discussions. President Christine Lagarde noted that policymakers had "debated at length and in depth" the possibility of a rate hike, but ultimately decided unanimously to keep rates unchanged. Economic growth remained uneven across member states. Spain outperformed the broader Euro Area, with GDP expanding by 0.6% in the first quarter, supported primarily by strong household consumption. Despite the uncertain macroeconomic backdrop, European equity markets performed well, recording a 4.8% gain in April, its strongest monthly performance since January 2025.

China continued to pursue strategic economic initiatives in April 2026, focusing on trade expansion, technological development, and managing complex relations with the United States. The country announced a zero-tariff policy for 53 African nations, effective from May, expanding coverage from the previous 33 least-developed countries. The policy excludes Eswatini due to its diplomatic ties with Taiwan. Inflation moderated, with annual CPI easing to 1.0% in March 2026 from 1.3% in February, falling below market expectations. Food price inflation slowed significantly, particularly in fresh produce, while pork prices declined further. Non-food inflation remained relatively stable, with moderate increases in categories such as clothing, healthcare, and education. Transport costs rebounded, while housing costs continued to decline slightly. Core inflation eased to 1.1% year-on-year, indicating subdued underlying price pressures. On a monthly basis, CPI declined by 0.7%, marking the first contraction since November. In response to rising global oil prices, China introduced controls on domestic fuel prices to cushion households and businesses.

South Africa's economy in April 2026 was characterised by fiscal resilience, energy-related trade disruptions, and evolving political dynamics ahead of local elections. The South African Reserve Bank maintained the policy rate at 6.75%, following its most recent adjustment in March, as it balanced inflation risks stemming from global energy price shocks. Trade data reflected the impact of Middle East tensions, with South Africa recording a preliminary trade surplus of R31.9 billion in March, narrowing slightly from a revised R35.9 billion in February. Imports of fuel surged particularly from the United States as disruptions in the Strait of Hormuz constrained traditional supply routes. Elevated prices for precious metals, along with strong vehicle exports, helped sustain the trade surplus. Fiscal indicators presented a mixed picture, with the budget deficit widening to R45.6 billion in March, exceeding expectations. However, analysts at Goldman Sachs noted improved fiscal performance for the 2025/26 financial year, supported by stronger-than-expected revenue. Inflation expectations increased, with the 10-year breakeven rate rising to 4.95% in April, reflecting growing concerns about future price pressures. Bond markets signalled caution, suggesting the possibility of further monetary tightening. President Cyril Ramaphosa announced that municipal elections will be held on 4 November, marking a significant test of voter support for the ANC following its loss of an outright majority in the 2024 elections and subsequent role in a coalition government.

At the end of April, developed market equities remained elevated from a valuation perspective, with uncertainty around the timing of interest rate cuts, elevated oil prices and ongoing geopolitical tensions and supply constraints fuelling inflation uncertainty and periodic risk repricing. Emerging market equities, including domestic assets, continued to offer relatively attractive valuations, although performance was uneven due to divergent growth trends, China-related uncertainty, and varying sensitivity to global liquidity conditions. Purchasing power parity (PPP) indicators still suggest the rand is undervalued, providing potential medium-term support, while near-term performance remains linked to global risk appetite, commodity prices, and capital flows.

Against this backdrop, the fund maintained a neutral equity stance, balancing stabilising growth and evolving rate expectations with persistent geopolitical and valuation risks.

Fund managers remain vigilant, seeking to capture short-term volatility-driven opportunities while preserving a long-term focus on value, diversification, and risk-adjusted returns across both local and global allocations.