

**BALONDOLOZI PASSIVE BOND FUND**

August 31, 2026

FACT SHEET**INVESTMENT OBJECTIVE**

This fund seeks to perform in line with the All Bond Index (ALBI).

INVESTMENT STRATEGY

This fund seeks out a high level of income which is consistent with the preservation of capital over the medium term. To meet its objective, the fund actively allocates between South African money market instruments, government bonds, corporate bonds and hybrid instruments. Although the fund aims to preserve capital over the medium term, capital depreciation is a possibility over the short term. Quantitative techniques such as the use of derivatives are employed to fine tune strategy and hedge risk factors.

FUND INFORMATION

Fund Classification	South African - Interest Bearing - Variable Term
Benchmark	ALBI
Risk Profile	Moderately Conservative
Fund Managers	Fannuel Tigere, Sindisiwe Mahlangu
Inception Date	01 July 2019
Fund Size	R29 million
Currency	SA Rands
Administration	Prescient Management Company (RF) (Pty) Ltd
Trustees	Standard Bank
Regulator	Financial Sector Conduct Authority (FSCA)
Regulation 28	Compliant

FEES

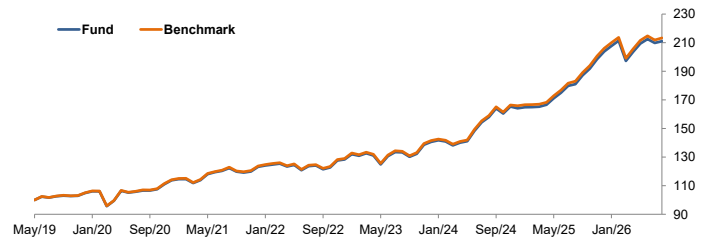
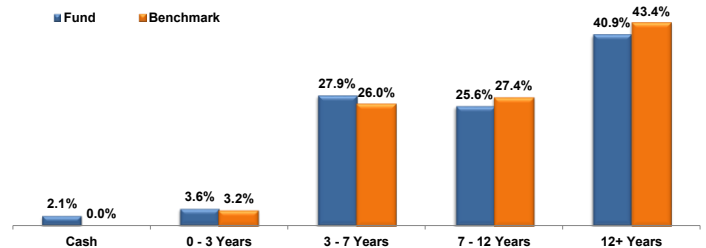
Initial & Exit Fees	Nil
Total Investment Charge	0.18%
Portfolio TER	0.16%
Management Fees	0.15%
Transaction Costs	0.02%
Audit Fees	0.00%
Other Costs	0.01%
Vat	15.00%
Pricing	Daily at 17:00

RISK RATIOS

	<i>Fund</i>	<i>Benchmark</i>
Annualised Return	10.85%	11.01%
Sharpe Ratio	0.52	0.54
Sortino Ratio	0.56	0.57
Max Drawdown	-9.78%	-9.75%
Drawdowns	23	23

PERFORMANCE (Gross of fees)

	<i>Fund</i>	<i>Benchmark</i>
Aug-26	0.56%	0.69%
Year to Date	3.51%	3.50%
Rolling 12 months	16.56%	16.52%
Return p.a. since inception	10.85%	11.01%
Return since inception	111.02%	113.27%
Highest Rolling 1-year Return	28.15%	28.19%
Lowest Rolling 1-year Return	0.30%	0.32%

GROWTH OF R100 INVESTED AT INCEPTION**SECTOR ANALYSIS****FUND COMMENTARY**

Global markets were shaped by escalating US fiscal intervention, cautious Fed signalling, and renewed geopolitical risk. Treasury Secretary Bessent's surprise move to double bond buybacks failed to hold down yields, Fed Chair Warsh's Jackson Hole address struck an inflation-wary tone without a clear rate path, and the expiry of the Iran-US ceasefire reignited concerns over Strait of Hormuz shipping. South African assets were comparatively resilient, with the rand firming and local bonds rallying on cooling inflation and strong non-resident inflows.

Nominal government bonds returned 0.7% (GOVI); vanilla credit bonds delivered 0.64% (OTH1); inflation linked bonds returned 0.99% (CIL1) and cash returned 0.57% as indicated by the STeFi Call Index in August 2026. Overall, the ALBI (All Bond Composite Index) returned 0.69% for the month.

During the same period; the yield for the R2035 (benchmark bond) rose by +0.5 basis points to end the month at 8.58%.

Concurrently, the R2048/R2030 spread ticked up by +0 basis points to 138 bps whilst medium-term break-evens tightened by -0.18% to 4.24%. Foreigners bought bonds worth +R1.3 billion as yields sold-off during the month of August 2026.

After registering a value of 5% in June 2026, headline inflation for July 2026 was 4.3% (consensus 4.3%). On the same note, the price for Brent crude oil rose by 1.24%, to end the month at \$91.24 per barrel and the Rand appreciated against the Dollar by 2.44% to close at R16.13 per dollar. The seasonally adjusted Kagiso Purchasing Managers' Index (PMI) declined by -0.5 index points to reach 46.8 in July 2026.

Overall, the fund delivered 0.56% for the month against the benchmark return of 0.69%.