



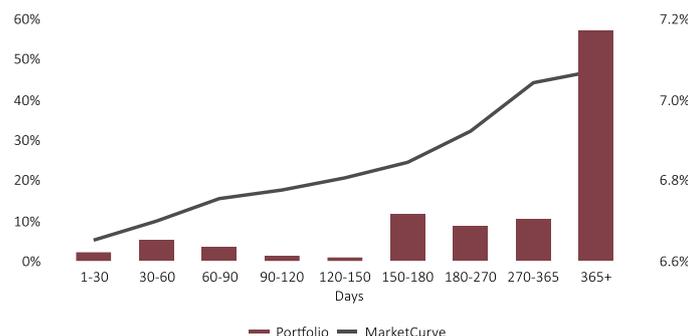


## Investment manager returns

|                              | One year | Three years | Seven years |
|------------------------------|----------|-------------|-------------|
| <b>Local cash</b>            |          |             |             |
| ALUWANI                      | 8.83%    | 9.39%       | 7.86%       |
| Momentum Enhanced Yield Fund | 9.07%    | 9.55%       |             |
| Momentum Money Market        | 8.49%    | 9.04%       | 7.40%       |

Where no returns are shown, the investment manager has a return history in this portfolio of less than the relevant period (one, three or seven years).

## Term to maturity allocation and MarketCurve



## Quarterly portfolio commentary for Q4 2025

South Africa's (SA) economy is expected to have expanded by around 1.2% in 2025, with growth projected to improve further to about 1.6% in 2026, marking a steady upward trend from the 0.5% outcome recorded in 2024. Local inflation is expected to drift slightly higher in 2026 due to base effects. But at an expected average of around 3.5% it should remain comfortably within the new 3% target with a  $\pm 1$  percentage point tolerance band, which should provide scope for the SA Reserve Bank (SARB) to support growth by cutting interest rates further without compromising price stability. The rand is supported by firmer domestic fundamentals, ongoing terms-of-trade benefits from the combination of firm gold and platinum prices and a low oil price, as well as a soft United States (US) dollar.

SA asset classes outperformed global assets in December and the 4Q25, partly due to commodity price-induced rand strength. Amongst global assets, equity returns outpaced those from fixed income in both December and 4Q25 as the Fed continued to cut interest rates, with global property providing the worst returns of all asset classes. Of all the main DM equity markets, only Europe gave higher returns in December and 4Q25 than EM equities. Within SA asset classes, nominal government bonds provided slightly higher returns than equities and ILBs in the fourth quarter, with SA cash the clear return laggard. Falling local policy rates and bond yields made SA financials the equity sector winner in the fourth quarter, although sharp commodity price rises (particularly PGMs) also supported the resources sector. In sharp contrast, SA industrial shares gave negative returns in the quarter. SA listed property was the best-performing local asset class after the platinum ETF in 4Q25, driven by falling bond yields and positive profit momentum in the sector.

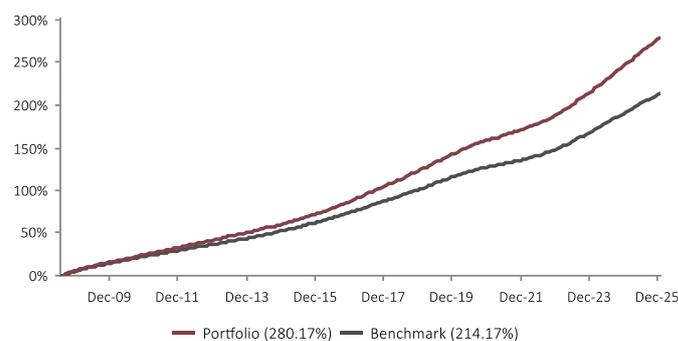
Q4 saw the consistent, but measured easing of monetary policy continue, with a 25bp cut in the repo rate in November which was the only meeting during the period. This move by the authorities takes the repo rate down to 6.75% (prime at 10.25%) and extends the total easing cycle which began in Sep 2024 to 150 bps. The traded money market saw rates move lower in response, with the 3-month jibar rate declining 25 bps to 6.75% and the 12-month rate declining a significant 40 bps to 7.10%. Based on these jibar rate levels the total return for the STeFi Composite Index was 1.75% for the quarter.

So far, the monetary authorities appear to be correct in their assessment that lowering the inflation target in a credible fashion will drive inflation expectations down, anchoring inflation, and allowing for a lower repo rate in the process. Although moving slightly higher from the lows it reached in March, headline CPI has surprised to the downside and appears to be fairly benign, allowing policy easing to continue. There has been significant progress in reducing the level and volatility of inflation, but the challenge to get it down sustainably to the 3% level is a difficult one and it will be important that inflation expectations continue to move lower, indicating buy in from labour, business and the consumer. If this plays out over the course of the year, the SARB has indicated that they will ease policy to what they consider to be neutral at the 5.75% - 6% level. From a risk perspective it is worth noting that there has been strong support of inflation from a low oil price, a strong ZAR and a large disinflationary impulse that is being exported from China to emerging markets as they switch trade away from the U.S. All these factors are worth monitoring in 2026 as they are largely exogenous but potentially have a considerable influence on our inflation outcome.

For the quarter, the building block delivered a return of 2.1% compared to 1.7% for the SteFI benchmark.

For the year, the building block delivered a return of 9.1% against the SteFI benchmark of 7.50%. It consistently met its objective of capital preservation by maintaining positive returns on a one-year rolling basis. Both investment managers had a high exposure to floating-rate notes, which provided a fair degree of liquidity, while also providing above-benchmark yields.

## Cumulative returns



The cumulative growth of the portfolio since launch compared to its Benchmark.

## The 10-largest portfolio holdings

| Holding                                    | Percentage |
|--|------------|
| Toyota Financial Services (SA) Limited FRN | 3.43%      |
| The Standard Bank of SA Limited - SSN120   | 3.32%      |
| Absa Bank Limited - MYNCD3359              | 2.45%      |
| Clindab Investments Limited - NTC38        | 2.05%      |
| Discovery Limited - DSY06                  | 1.98%      |
| Absa Bank Limited - ASC260                 | 1.91%      |
| FirstRand Bank Limited - FIFB30            | 1.84%      |
| Firststrand Bank Ltd. MYNCD3388            | 1.30%      |
| Thekwini Fund 19 (rf) Ltd, The             | 1.28%      |
| Thekwini Fund 19 (rf) Ltd, The             | 1.28%      |

The 10-largest instruments at 30 January 2026, looking through all asset classes held.



## Notes

The information used to compile the Term to maturity allocation and MarketCurve graph is lagged one month.

## Disclosures

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Investment returns for periods exceeding one year are annualised. All returns quoted are before deduction of fees, but after the deduction of performance fees on global underlying investments (where applicable). All returns are daily time-weighted returns. The return for the global component of a portfolio is generated at month-end using the global component's last known price. The return for Consumer Price Index (CPI) is to the end of the previous month.

For investments in collective investments schemes (CIS), please refer to the minimum disclosure document (MDD), which is available from the respective CIS manager. The MDD contains important information relating to investment in the respective CIS.

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Sources: Momentum Multi-Manager, Morningstar, Iress, msci.com, yieldbook.com, ft.com.

## Contact and other information

### **Momentum Multi-Manager (Pty) Ltd**

268 West Avenue, Centurion, 0157

PO Box 7400, Centurion, 0046

**T** +27 (0)12 671 8911

**F** +27 (0)12 684 5869

**Email** emailus@momentum.co.za

**Web** www.momentum.co.za/business

*Signatory of:*

