30 June 2026

Umthombo Moderate Fund

UMTHOMBO WEALTH

FUND OBJECTIVES

The Fund represents Umthombo Wealth's best equity house view with constraints relative to a specific benchmark. The Fund aims to outperform the Capped SWIX TR over a rolling three year period.

ABOUT THE FUND

The Fund is actively managed on a discretionary basis to provide returns in excess of the benchmark with reasonable amount of risk. The Fund is expected to have a tracking error in excess of 2% with a cap of 5%

PORTFOLIO INFORMATION

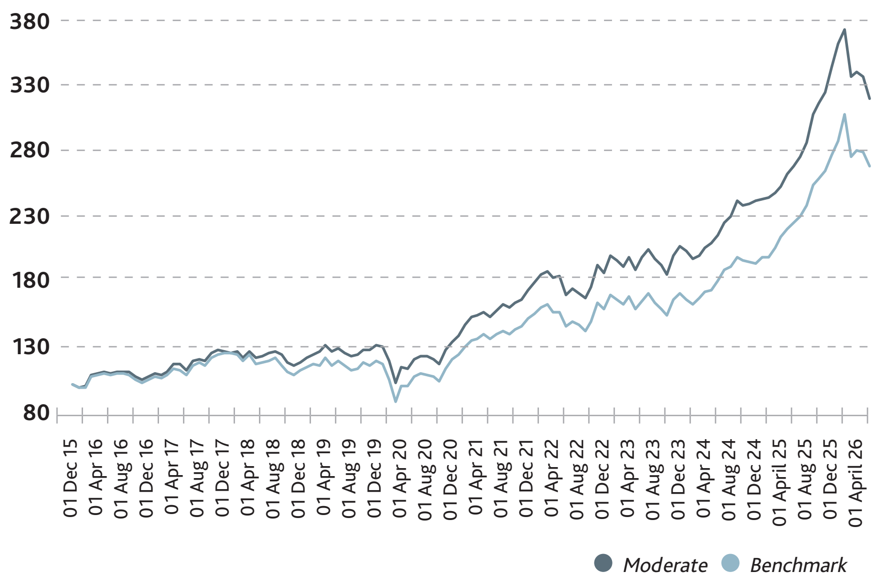
Portfolio Managers:	Portfolio Management Team
Benchmark:	JCAPAL Total Return
Inception date:	01 January 2016
Investment vehicle:	Segregated
Size:	R8.12bn (invested within Moderate strategy)
Risk Level:	Moderate
Equity Team:	Alexander Duys, CFA, CAIA, Chief Investment Officer
	Lauren Zunckel, CFA, Portfolio Manager & Analyst
	Nyiko Mnisi, CFA, FRM, Assistant Portfolio Manager & Analyst
	Jandre Pieterse, Assistant Portfolio Manager & Analyst
	Talya Ginsberg, Equity & ESG Analyst
	Bulelwa Ndara, ESG Analyst

RETURN SINCE INCEPTION

(Gross of fees)

	Portfolio	Benchmark
1 Month	-4,97%	-3,68%
3 Months	-4,84%	-2,36%
6 Months	-6,76%	-2,80%
1 Year	19,28%	19,38%
2 Years (annualised)	21,90%	21,94%
3 Years (annualised)	17,43%	17,84%
4 Years (annualised)	17,22%	16,73%
5 Years (annualised)	15,97%	14,70%
Since Inception	220,03%	168,20%
Since Inception (Annualised)	11,72%	9,85%

PERFORMANCE - SINCE INCEPTION



RISK MEASURES - SINCE INCEPTION

	Portfolio	Benchmark
Downside deviation	2,14%	2,39%
Volatility	3,89%	4,19%
Sortino ratio	2,21	1,20
Sharpe ratio	1,21	0,68
Tracking error	3,33%	
Information ratio (since inception)	0,56	

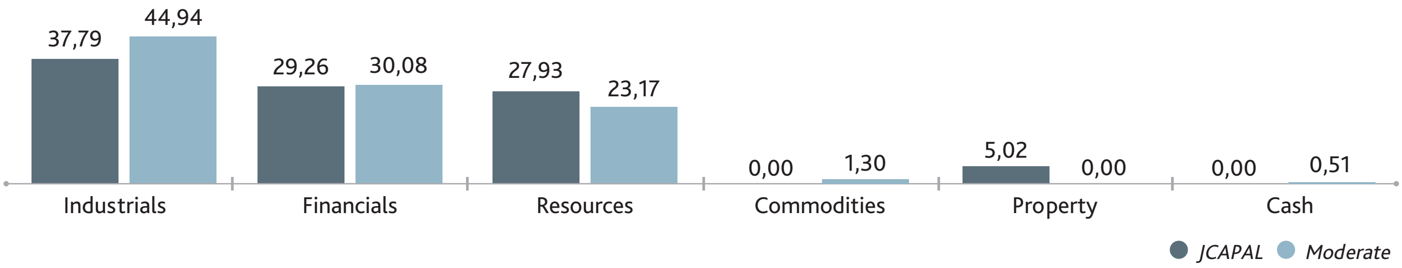
TOP 5

(Alphabetically)

OVERWEIGHTS		UNDERWEIGHTS
Absa	01	AngloAmerican
Prosus	02	AngloGold
Remgro	03	Capitec
Stadio	04	Goldfields
Standard Bank	05	Valterra

SECTOR ALLOCATION

(Umthombo Wealth internal classification)



FUND COMMENTARY

By now, most readers are probably tired of the hype, the buzzwords and the repetitive commentary around AI. But it is impossible to ignore, not least because of the knock-on effects it is already having on the real economy. Naturally, this is also creating distortions across both the economy and markets. The rush to build AI capacity has triggered a sharp increase in demand for semiconductors, data-centre equipment and related hardware, as multiple firms attempt to secure the same inputs at the same time. The result has been bottlenecks across the supply chain, with technology manufacturers facing substantial order backlogs. Prices have responded accordingly: Computer prices have risen by roughly 89%, while semiconductor prices are up around 119%.

As the adage goes, bad news happens fast while good news happens slowly. And despite the seemingly endless perils of the domestic economy, reinforced by the constant stream of “the downfall of Joburg” videos that may or may not plague your YouTube algorithm, South Africa is, slowly but surely, making progress, irrespective of what the latest interest-rate hike may suggest. The rand remained resilient despite global uncertainty, while first-quarter GDP came in at an encouraging, if not exactly exciting, 0.5%. On an annualised basis, this translates into growth of 1.9%.

We are navigating markets at a time when the narrative of a stable global order is fundamentally unravelling. In this rapidly shifting landscape, secular inflation is unlikely to prove “transitory,” while wealth inequality is set to widen further. In such an environment, the future will increasingly favour those who own productive assets.

Taken together, these themes point to a market regime that will remain more volatile, more inflation-prone, and more geopolitically fragile than the one investors grew accustomed to in the decade following the global financial crisis. The assumptions that underpinned the post-war order no longer hold, while the broader economic payoffs of the current AI investment boom remain more promise than reality. Against this backdrop, investors must balance a healthy respect for macroeconomic risk with the conviction to look through short-term noise—remaining anchored in high-quality assets capable of preserving purchasing power and compounding value over time.

CONTACT PERSON/DETAILS:

CIO: Alexander Duys, CFA, CAIA | E: info@umthombow.com T: +27 11 318 0171
www.umthombowealth.co.za