

SYNOPSIS

PERFORMANCE (TOTAL RETURN)

	<u>Portfolio</u>	<u>Benchmark</u>
Annualised (since 02/01/2014)	7.9%	9.0%
Last 12 months	14.0%	6.8 %
Last 3 months	1.8%	2.5%

PORTFOLIO VALUE

R 1 314.9 million (31/12/2024: R 1 270.4 million)

TRANSACTIONS

Net purchases of JSE equities, property and SA bonds
 Net sales of foreign assets
 Sale of commodities
 Net contributions

INVESTMENT OUTLOOK AND PORTFOLIO CONSTRUCTION

World: US economy showing signs of slowing
 Tariffs could put upward pressure on inflation
 Rate cuts to slow outside of an economic crisis
 Earnings growth decelerating
 Geopolitical tensions elevated by trade war

South Africa: Growth unlikely without structural reform
 Energy supply improving but risk of disruption remains
 Inflation moderating but with upside risks
 Pace of interest rates cuts slowing

Portfolio construction: Moderate allocation to equities
 Selective allocation to SA equities
 Favour companies with pricing power and strong balance sheets
 Low exposure to expensive US equities
 Low resource weight
 Favour inflation-linked TIPS over nominal US Treasuries
 Physical gold position hedges global risks

EFFECTIVE ASSET ALLOCATION (previous)

	<u>Portfolio</u>	
	<u>%</u>	<u>%</u>
JSE equities	28	(27)
Foreign assets	37	(38)
JSE property	3	(2)
Commodities	3	(3)
SA bonds	20	(19)
Money market	9	(11)
	<u>100</u>	

1. PORTFOLIO PERFORMANCE

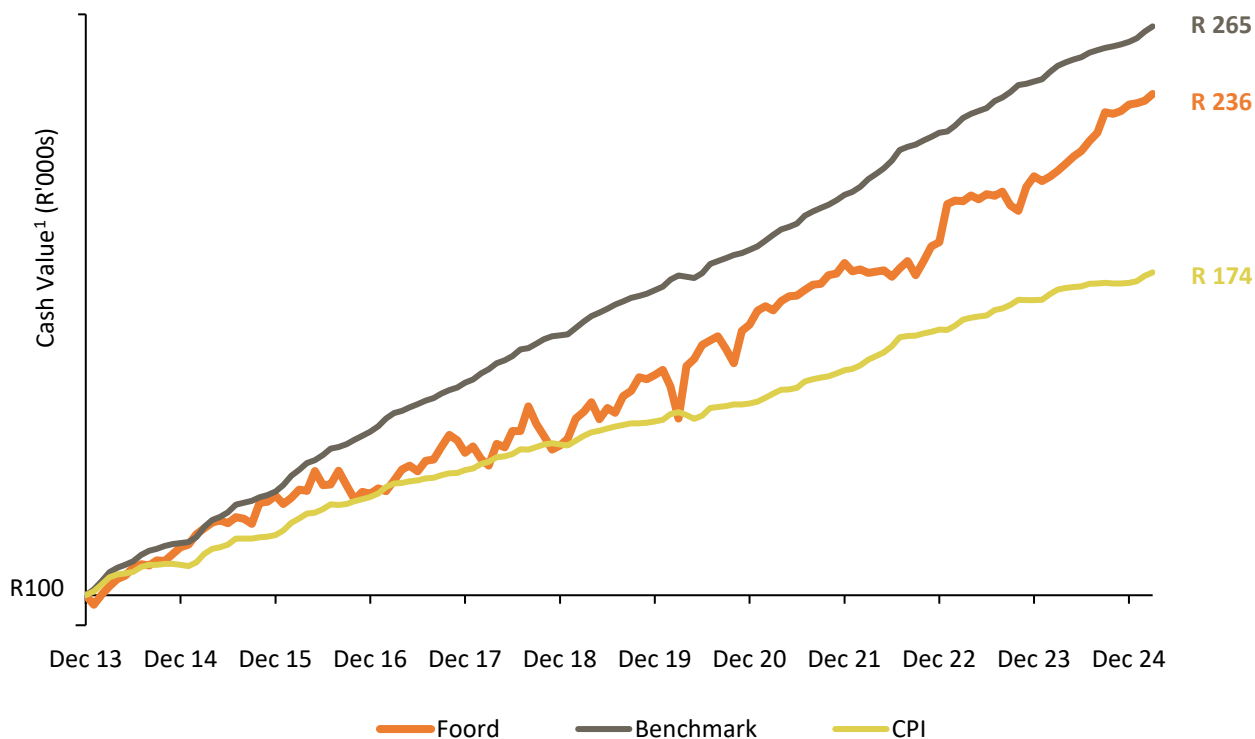
1.1 Total performance to 31 March 2025

	<u>Portfolio</u>	<u>Benchmark*</u>	<u>Variance</u>	<u>Peer Group#</u>
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
From inception (02/01/2014)	7.9	9.0	- 1.1	7.1
10 years	7.7	8.9	- 1.2	6.8
7 years	9.5	8.7	0.8	8.2
5 years	11.7	8.8	2.9	11.9
3 years	10.7	9.0	1.7	8.6
1 year	14.0	6.8	7.2	12.0
3 months	1.8	2.5	- 0.7	0.8

* CPI + 4% per annum

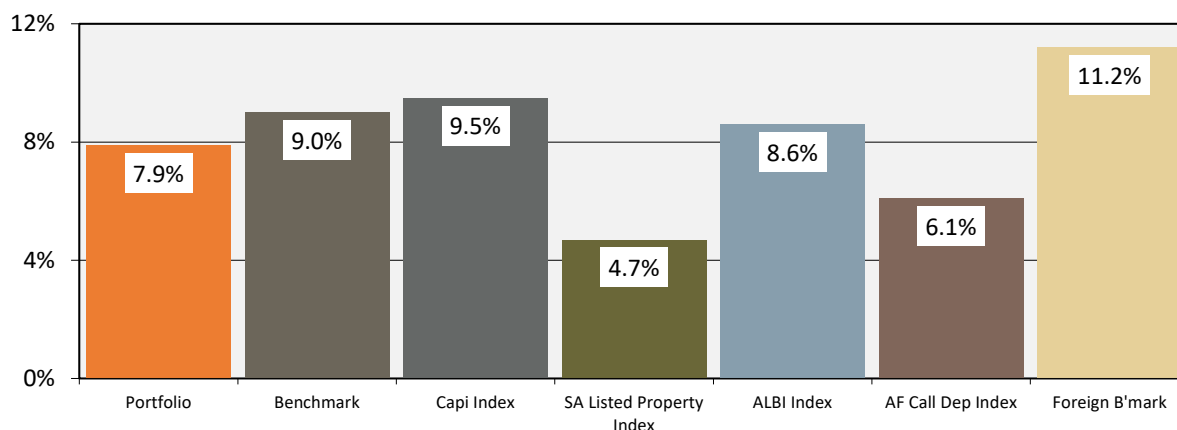
(ASISA) South Africa – Multi Asset – Medium Equity average

Daily linked total rates of return (capital and income) based on unit price. Returns in percent net of service fees and fund expenses. Returns for periods exceeding 12 months are annualised percentages.



¹ Current value of R100 000 notional lump sum invested at inception, distributions reinvested (graphically represented in R'000s above)

Performance - Since inception (p.a.)



1.2 Selection to 31 March 2025

	JSE equities		JSE property		Interest bearing			Foreign assets	
	Portfolio	Capi Index	Portfolio	SA Listed Property Index [#]	Portfolio	ALBI Index	AF Call Dep Index	Portfolio	Benchmark*
	%	%	%	%	%	%	%	%	%
From inception (02/01/2014)	7.2	9.5	3.4	4.7	8.4	8.6	6.1	9.9	11.2
10 years	5.9	9.0	0.5	1.5	8.7	8.4	6.2	9.7	10.6
7 years	9.6	10.7	8.8	2.3	8.6	8.3	6.0	12.2	12.7
5 years	20.6	19.8	14.6	19.0	11.1	11.7	5.8	8.9	9.2
3 years	16.0	9.0	17.6	11.7	10.4	9.8	7.3	8.9	11.8
1 year	25.8	22.9	24.5	19.8	15.3	20.2	8.1	6.8	2.3
3 months	-1.0	5.8	-2.1	-3.5	2.3	0.7	1.8	4.1	-2.7

The FTSE/JSE SA Listed Property Index

* 60% Morgan Stanley World Equity Index in rand and 40% FTSE World Govt Bond Index in rand

Asset class returns are calculated on a gross basis, using the modified dietz methodology (compounded monthly)

1.3 Sector contribution to 31 March 2025

(Returns x weight)

	<u>JSE equities</u>	<u>JSE property</u>	<u>Interest bearing*</u>	<u>Other assets</u>	<u>Foreign assets</u>	<u>Portfolio</u>
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
1 year	6.9	0.9	4.4	1.0	2.5	15.7
3 months	- 0.3	0.0	0.7	0.4	1.5	2.3

* Bonds and cash combined

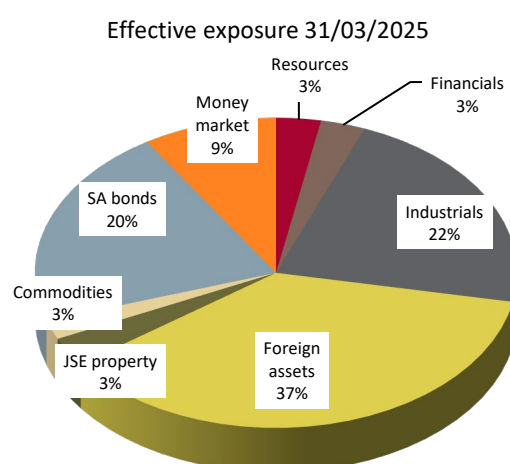
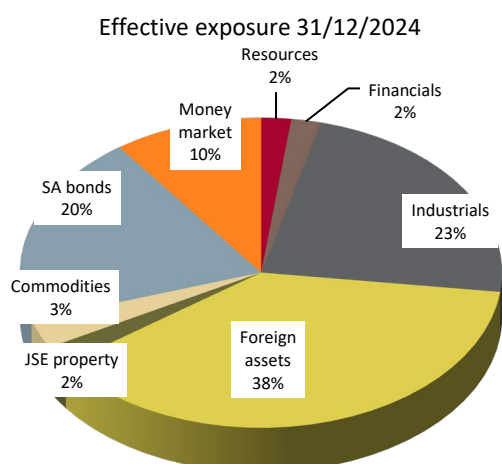
Returns in percent, calculated on a gross basis

Quarterly performance comment:

- Global equities contributed positively to rand returns despite a selloff in global markets — while global markets were down, this impact was more than offset by Foord's conservative positioning within the global funds and a weakening rand
- South African equities added to returns with the local bourse up strongly — gold and platinum producers led the charge, while Prosus/Naspers was buoyed by the Chinese government's efforts to boost domestic consumption
- SA bonds contributed positively to returns, with the All Bond Index delivering modest gains — the yield curve steepened, with yields driven down on the short end given rate cut expectations, while longer-dated yields rose to reflect a rising country risk premium
- US bonds contributed to returns — investors seeking safety turned to US bonds, driving yields lower across the US yield curve
- Limited holdings in listed property detracted slightly from performance — interest rate-sensitive property stocks responded negatively to rising bond yields
- Cash continued to enhance absolute returns with yields remaining elevated — despite inflation moderating, the SARB maintains their cautious approach to monetary policy
- The fund continued to benefit from its allocation to gold — the gold price crossed the \$3,000 per ounce milestone given rising geopolitical tensions and persistent inflation concerns, reinforcing its safe-haven status

2. PORTFOLIO STRUCTURE

Mandate (%)	Portfolio Effective exposure		FTSE/JSE Capped ALSI Weightings
	31/12/2024	31/03/2025	
	%	%	%
JSE equities: resources	2	3	7
JSE equities: financials (ex property)	2	3	8
JSE equities: industrials	23	22	13
0 - 60 JSE equities*	27	28	28
0 - 45 Foreign assets	38	37	
Foord International Fund	17	17	
Foord Global Equity Fund	14	13	
Currencies	4	5	
Corporate debt	3	2	
0 - 25 JSE property	2	3	
0 - 10 Commodities	3	3	
0 - 100 SA bonds	19	20	
0 - 100 Money market	11	9	
	100	100	
Total portfolio	R 1 270.4m	R 1 314.9m	
*Size distribution of JSE equities	%	%	%
Large capitalisation	54	56	87
Mid capitalisation	9	14	8
Small capitalisation	37	30	5
	100	100	100
<u>Exposure analysis</u>	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
	%	%	%
Equities	28	21	49
Listed property	3	1	4
Corporate bonds	0	3	3
Government bonds	20	2	22
Commodities	3	1	4
Money market	9	9	18
	63	37	100



3. PORTFOLIO CONSTRUCTION

- Exposure to South African equities increased slightly — holdings in domestically-focused businesses were trimmed given an uninspiring budget and rising uncertainty regarding the future of the GNU, with future outperformance still reliant on long term structural economic growth
- The weighting in foreign assets remains elevated at 37% of the portfolio — measured together with non-rand earnings of JSE-listed companies, total foreign economic exposure is even higher on a look-through basis
- Foreign equities are focused on companies with pricing power which are best placed to protect investor capital from higher inflation — direct investment in US equities remains low in relative terms, given potential earnings risks arising from an economic slowdown
- An allocation to SA inflation-linked bonds was increased given attractive real yields on SA inflation-linked government bonds — we continue to avoid SA credit assets where we believe risk to be mispriced
- Listed property is limited to a low weighting, given poor fundamentals for the asset class, despite optically attractive yields — sector risks include excess capacity, weak rental trend, consumer headwinds and rapidly escalating municipal costs
- The allocation to foreign government bonds remains low, comprising of short-duration US Treasuries with a preference for inflation-linked bonds — while listed property also remains low, given sector risks and unattractive valuations
- Physical gold position was maintained given supportive fundamentals, a weaker US dollar and the likelihood of nominal interest rates being at a peak — the position provides attractive portfolio diversifying properties during periods of market stress
- Our effective asset allocation is:

Policy parameters		Portfolio at	
		31/12/2024	31/03/2025
		%	%
0 - 60	JSE equities	27	28
0 - 45	Foreign assets	38	37
	Foord International Fund*	17	17
	Foord Global Equity Fund	14	13
	Currencies	4	5
	Corporate Debt	3	2
0 - 25	JSE property	2	3
0 - 10	Commodities	3	3
0 - 100	SA bonds	19	20
0 - 100	Money market	11	9
		100	100

* Currently 50% in equities, property 4%, commodities 8%, government bonds 13%, corporate bonds 3% and money market 22%

N BALKIN/ N HOSSACK/W MURRAY
MARCH 2025

4. EFFECTIVE EXPOSURE AND PORTFOLIO SENSITIVITY

4.1 Effective exposure

Asset class	Market value R'000	Option exposure R'000	Effective exposure R'000	Effective exposure %
JSE equities	365,919		365,919	27.8%
Foreign assets	489,773		489,773	37.3%
JSE property	41,946		41,946	3.2%
Commodities	33,169		33,169	2.5%
Other assets	8,409		8,409	0.6%
SA bonds	261,121		261,121	19.9%
Money market	114,526		114,526	8.7%
Total	1,314,863		1,314,863	100.0%

4.2 Sensitivity report

JSE EQUITIES**Change in portfolio equities**

Resultant equity change *

Resultant portfolio value *

Resultant portfolio change (%)

	-20.0%	-10.0%	-5.0%	0.0%	5.0%	10.0%	20.0%
Resultant equity change *	-73,184	-36,592	-18,296	0	18,296	36,592	73,184
Resultant portfolio value *	1,241,679	1,278,271	1,296,567	1,314,863	1,333,159	1,351,455	1,388,047
Resultant portfolio change (%)	-5.6%	-2.8%	-1.4%	0.0%	1.4%	2.8%	5.6%

FOREIGN ASSETS**Change in R/\$ exchange rate**

R/\$ exchange rate

Resultant for. assets change *

Resultant portfolio value *

Resultant portfolio change (%)

	-20.0%	-10.0%	-5.0%	0.0%	5.0%	10.0%	20.0%
R/\$ exchange rate	21.9872	20.1550	19.2388	18.3227	17.4066	16.4904	14.6582
Resultant for. assets change *	97,955	48,977	24,489	0	-24,489	-48,977	-97,955
Resultant portfolio value *	1,412,818	1,363,840	1,339,352	1,314,863	1,290,374	1,265,886	1,216,908
Resultant portfolio change (%)	7.4%	3.7%	1.9%	0.0%	-1.9%	-3.7%	-7.4%

JSE PROPERTY**Change in portfolio property**

Resultant property change *

Resultant portfolio value *

Resultant portfolio change (%)

	-20.0%	-10.0%	-5.0%	0.0%	5.0%	10.0%	20.0%
Resultant property change *	-8,389	-4,195	-2,097	0	2,097	4,195	8,389
Resultant portfolio value *	1,306,474	1,310,668	1,312,766	1,314,863	1,316,960	1,319,058	1,323,252
Resultant portfolio change (%)	-0.6%	-0.3%	-0.2%	0.0%	0.2%	0.3%	0.6%

SA BONDS**Change in yields**

Resultant fixed income change *

Resultant portfolio value *

Resultant portfolio change (%)

	-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%
Resultant fixed income change *	22,265	14,112	6,717	0	-6,112	-11,681	-16,765
Resultant portfolio value *	1,337,128	1,328,975	1,321,580	1,314,863	1,308,751	1,303,182	1,298,098
Resultant portfolio change (%)	1.7%	1.1%	0.5%	0.0%	-0.5%	-0.9%	-1.3%

*[R'000]

5. RESPONSIBLE INVESTMENT SUMMARY

Voting resolutions for Q4 2024

Portfolio	Total count	For	Against	Abstain
Adopt Financials	3	67%	33%	0%
Auditor/Risk/Social/Ethics related	50	100%	0%	0%
Buy Back Shares	6	100%	0%	0%
Director Remuneration	20	100%	0%	0%
Issue Shares	1	0%	100%	0%
Loan / Financial Assistance	5	40%	60%	0%
Other	5	100%	0%	0%
Re/Elect Director	25	96%	4%	0%
Remuneration Policy	11	64%	36%	0%
Shares under Director Control	1	0%	100%	0%
Signature of Documents	3	100%	0%	0%

Foord Global Equity Fund	Total count	For	Against	Abstain
Adopt financials	9	89%	11%	0%
Auditor/risk/social/ethics related	3	100%	0%	0%
Buy back shares	1	100%	0%	0%
Dividend related	1	100%	0%	0%
Issue shares	1	0%	100%	0%
Political expenditure/donation	1	100%	0%	0%
Re/elect director or members of supervisory board	44	100%	0%	0%
Remuneration policy including directors' remuneration	9	67%	22%	11%
Signature of documents/ratification	8	75%	25%	0%

Foord International Fund	Total count	For	Against	Abstain
Adopt financials	8	88%	13%	0%
Auditor/risk/social/ethics related	1	100%	0%	0%
Dividend related	1	100%	0%	0%
Re/elect director or members of supervisory board	25	100%	0%	0%
Remuneration policy including directors' remuneration	5	60%	20%	20%
Signature of documents/ratification	4	100%	0%	0%

General comments:

- There are few abstentions. We apply our minds to every single resolution put to shareholders. When there is an abstention it would typically be intentional or for strategic reasons
- We typically vote against any resolution that could dilute the interests of existing shareholders. Examples include placing shares under the blanket control of directors, providing loans and financial assistance to associate companies or subsidiaries and blanket authority to issue shares. On the rare occasion, we have voted in favour of such resolutions, we were able to gain the required conviction in the specifics of the strategic rationale for such activities and could gain comfort that such activities are indeed to be used to the reasons stated
- The firm also has a strong philosophy regarding management remuneration models. We believe in rewarding good managers with appropriate cash remuneration on achievement of relevant performance metrics that enhance long-term shareholder value. We are generally not in favour of share option schemes given the inherent asymmetry between risk and reward typical of such schemes. In addition, we do not believe that existing shareholders should be diluted by the issuing of new shares to management as is the case with most option schemes. We are in favour of the alignment created between management and shareholders when management has acquired its stake in the company through open market share trading and paid for out of management's own cash earnings

IMPORTANT INFORMATION FOR INVESTORS:

Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Performance is calculated for the portfolio. Individual investor performance may differ as a result of the actual investment date, the date of reinvestment and withholding taxes. Performance may be affected by changes in the market or economic conditions and legal, regulatory and tax requirements. Neither Foord nor Foord Unit Trusts provide any guarantee either with respect to the capital or the performance return of the portfolio. Unit trusts are traded at ruling prices and can engage in borrowing. Foord Unit Trusts does not engage in scrip lending. Commission and incentives may be paid and if so, this cost is not borne by the investor. A schedule of fees and charges and maximum commissions is available on request. Distributions may be subject to mandatory withholding taxes. A feeder fund portfolio is a portfolio that, apart from assets in liquid form, consists solely of units in a single portfolio of a single investment scheme. A fund of funds invests only in other Collective Investment Schemes, which may levy their own charges, which could result in a higher fee structure for these portfolios. Foord Unit Trusts is authorised to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

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