

**SYNOPSIS****PERFORMANCE (TOTAL RETURN)**

	<b>Portfolio</b>	<b>Benchmark</b>
Annualised (since 02/01/2014)	8.1%	9.0%
Last 12 months	14.4%	7.0%
Last 3 months	3.8%	1.7%

**PORTFOLIO VALUE**

R 1 382.6 million (31/03/2025: R 1 314.9 million)

**TRANSACTIONS**

Net purchases of JSE equities, foreign assets, JSE property, SA bonds  
 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 stable but risk of disruption remains  
 Inflation at cyclical lows but with upside risks  
 Pace of interest rate cuts slowing

*Portfolio construction:* Moderate allocation to equities  
 Increasing staple food producers and retailers  
 Favour companies with pricing power and strong balance sheets  
 Low exposure to expensive US equities  
 Increased resources but remains low  
 Favour inflation-linked bonds over nominal  
 Physical gold position hedges global risks

**EFFECTIVE ASSET ALLOCATION (previous)**

	<b>Portfolio</b>	
	<b>%</b>	<b>%</b>
JSE equities	30	(28)
Foreign assets	38	(37)
JSE property	4	(3)
Commodities	2	(3)
SA bonds	20	(20)
Money market	6	(9)
	<u>100</u>	

## 1. PORTFOLIO PERFORMANCE

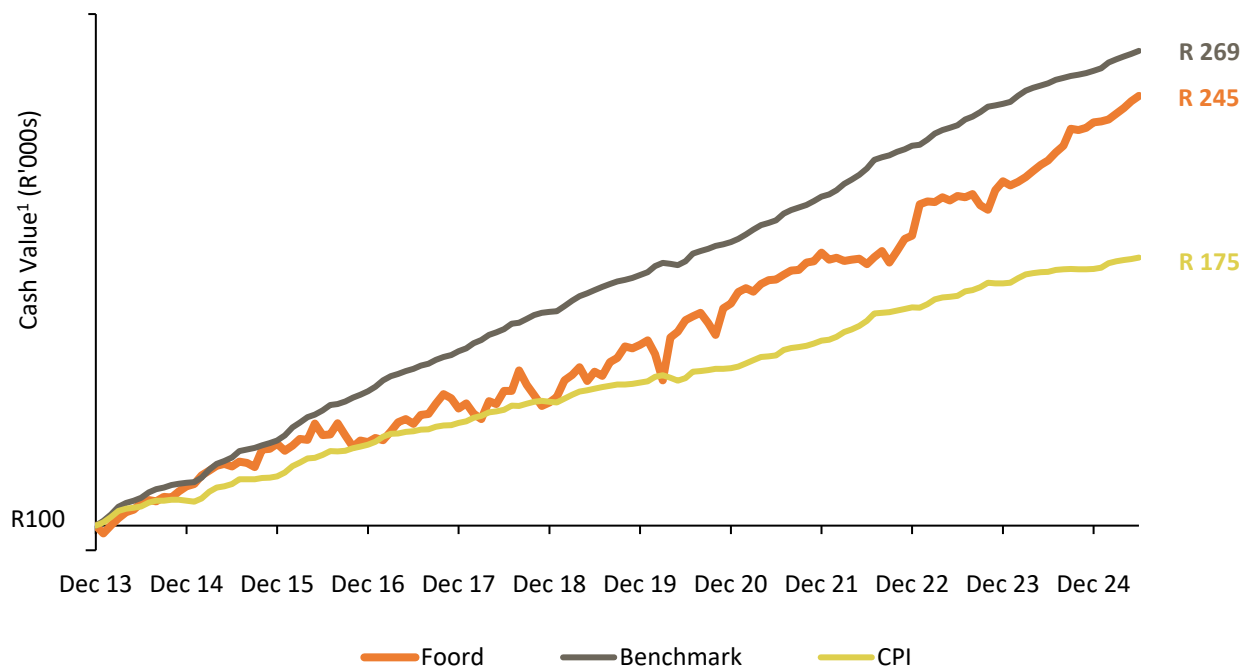
## 1.1 Total performance to 30 June 2025

	<u>Portfolio</u>	<u>Benchmark*</u>	<u>Variance</u>	<u>Peer Group<sup>#</sup></u>
	%	%	%	%
From inception (02/01/2014)	8.1	9.0	- 0.9	7.5
10 years	8.0	8.8	- 0.8	7.4
7 years	9.2	8.6	0.6	8.6
5 years	9.8	9.1	0.7	10.7
3 years	12.4	8.5	3.9	12.4
1 year	14.4	7.0	7.4	14.2
6 months	5.7	4.3	1.4	6.5
3 months	3.8	1.7	2.1	5.7

\* CPI + 4% per annum

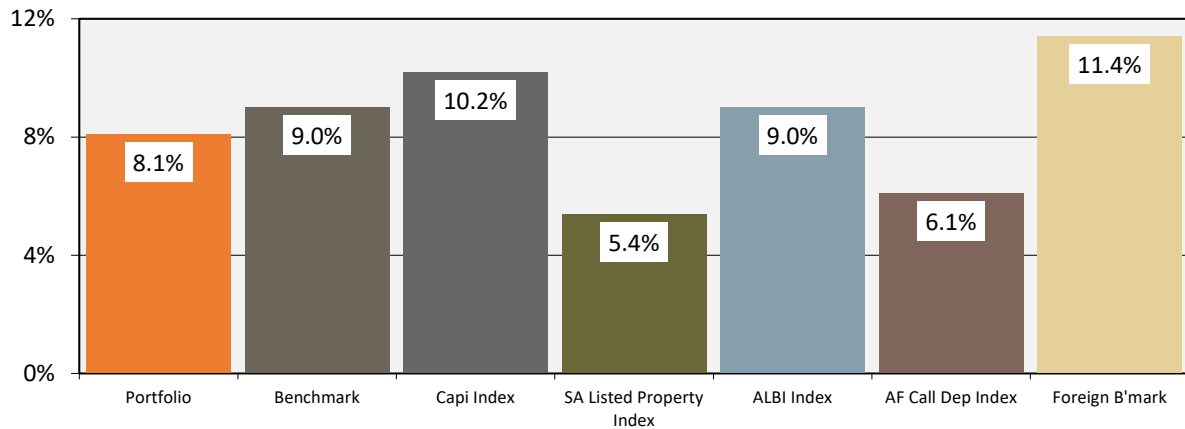
<sup>#</sup> (ASISA) South Africa – Multi Asset – Medium Equity average

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.



<sup>1</sup> 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 30 June 2025

	JSE equities		JSE property		Interest bearing		Foreign assets		
	Portfolio	Capi Index	Portfolio	SA Listed Property Index <sup>#</sup>	Portfolio	ALBI Index	AF Call Dep Index	Portfolio	Bench-mark*
	%	%	%	%	%	%	%	%	%
From inception (02/01/2014)	7.6	10.2	4.3	5.4	8.5	9.0	6.1	9.9	11.4
10 years	6.6	10.1	2.3	3.0	8.8	9.2	6.2	9.7	11.2
7 years	9.7	11.8	10.2	3.9	9.3	9.8	6.1	10.2	11.2
5 years	18.1	17.1	15.7	16.6	9.5	10.9	6.0	6.6	8.4
3 years	20.2	17.1	27.4	19.8	11.9	13.4	7.5	8.9	15.0
1 year	22.3	24.6	29.6	23.9	13.2	18.4	7.8	11.1	10.5
6 months	5.8	16.1	8.5	5.3	5.2	6.6	3.7	6.5	2.3
3 months	6.9	9.7	10.8	9.1	2.8	5.9	1.8	2.3	5.2

<sup>#</sup> 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 30 June 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	6.2	1.0	3.7	1.1	4.2	16.2
6 months	1.7	0.3	1.5	0.5	2.5	6.5
3 months	2.0	0.4	0.8	0.0	0.9	4.1

\* Bonds and cash combined

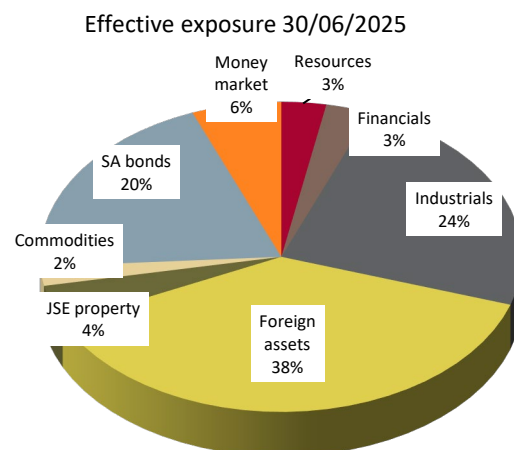
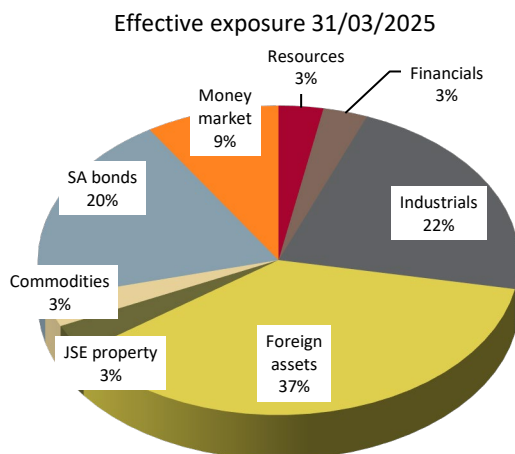
*Returns in percent, calculated on a gross basis*

Quarterly performance comment:

- Global equities contributed positively to rand returns despite rand strength — global equities rallied to double-digit gains, with US bourses recouping Q1 losses on robust earnings and moderating inflation
- South African equities delivered a solid contribution to returns, with the local market posting strong gains — while resource stocks continued to advance, industrial and financial counters were also up strongly, resulting in a broad-based rally
- SA bonds contributed positively to returns, with the All Bond Index delivering modest gains — South African bonds rallied, boosted by resilient demand amid stable inflation and a dovish SARB outlook
- US government bonds contributed to returns — Global government bond yields continued to moderate on expectations of lower real interest rates despite fiscal headwinds
- Selective holdings in listed property also added to returns — listed property stocks rallied, supported by falling interest rates and contributions from offshore assets, particularly in the UK
- The fund's holding in pharmaceuticals group Aspen was a detractor from returns — Aspen's share price fell following a profit warning related to a contractual dispute with Moderna, despite reporting modest earnings growth
- Cash continued to enhance absolute returns with yields remaining fairly elevated — the SARB maintained their cautious approach, cutting interest rates by only 25 basis points despite inflation moderating to cyclical lows
- The fund continued to benefit from its allocation to gold — the gold price rose further driven by ongoing US dollar weakness, heightened geopolitical tensions supporting safe-haven demand, and continued central bank buying

## 2. PORTFOLIO STRUCTURE

Mandate (%)		Portfolio Effective exposure		FTSE/JSE Capped ALSI Weightings
		31/03/2025	30/06/2025	
		%	%	%
	JSE equities: resources	3	3	8
	JSE equities: financials (ex property)	3	3	9
	JSE equities: industrials	22	24	13
0 - 60	JSE equities*	28	30	30
0 - 45	Foreign assets	37	38	
	Foord International Fund	17	17	
	Foord Global Equity Fund	13	13	
	Currencies	5	5	
	Corporate debt	2	3	
0 - 25	JSE property	3	4	
0 - 10	Commodities	3	2	
0 - 100	SA bonds	20	20	
0 - 100	Money market	9	6	
		<b>100</b>	<b>100</b>	
	<b>Total portfolio</b>	<b>R 1 314.9m</b>	<b>R 1 382.6m</b>	
	*Size distribution of JSE equities	%	%	%
	Large capitalisation	56	55	88
	Mid capitalisation	14	19	7
	Small capitalisation	30	26	5
		<b>100</b>	<b>100</b>	<b>100</b>
	<u>Exposure analysis</u>	<u>Domestic</u>	<u>Foreign</u>	<u>Total</u>
		%	%	%
	Equities	30	22	52
	Listed property	4	1	5
	Corporate bonds	0	2	2
	Government bonds	20	2	22
	Commodities	2	1	3
	Money market	6	10	16
		<b>62</b>	<b>38</b>	<b>100</b>



### 3. PORTFOLIO CONSTRUCTION

- Holdings in South African equities were increased — the indiscriminate market sell-off after Trump's Liberation Day speech provided an opportunity to deploy cash into select high-quality, domestically-oriented businesses
- The weighting in foreign assets remains elevated at 38% 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 remain 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 high valuations
- Holdings in a longer-dated South African nominal government bonds were trimmed — a rally in longer-dated bonds move into expensive territory with yields falling below levels sufficient to compensate for the risk premium
- 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 ETF position maintained given supportive fundamentals, a weaker US dollar and its status as a safe haven asset — the position provides attractive portfolio diversifying properties during periods of market stress
- Our effective asset allocation is:

Policy parameters		Portfolio at	
		31/03/2025	30/06/2025
%		%	%
0 - 60	JSE equities	28	30
0 - 45	Foreign assets	37	38
	Foord International Fund*	17	17
	Foord Global Equity Fund	13	13
	Currencies	5	5
	Corporate Debt	2	3
0 - 25	JSE property	3	4
0 - 10	Commodities	3	2
0 - 100	SA bonds	20	20
0 - 100	Money market	9	6
		<b>100</b>	<b>100</b>

\* Currently 57% in equities, property 5%, commodities 7%, government bonds 9%, corporate bonds 3% and money market 19%

N BALKIN/N HOSSACK/W MURRAY  
JUNE 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	407,815		407,815	29.5%
Foreign assets	531,372		531,372	38.4%
JSE property	53,033		53,033	3.8%
Commodities	31,074		31,074	2.2%
Other assets	11,889		11,889	0.9%
SA bonds	276,258		276,258	20.0%
Money market	71,202		71,202	5.2%
<b>Total</b>	<b>1,382,643</b>		<b>1,382,643</b>	<b>100.0%</b>

**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%
-81,563	-40,781	-20,391	0	20,391	40,781	81,563
1,301,080	1,341,862	1,362,252	1,382,643	1,403,034	1,423,424	1,464,206
-5.9%	-2.9%	-1.5%	0.0%	1.5%	2.9%	5.9%

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%
21.2542	19.4830	18.5974	17.7118	16.8262	15.9406	14.1694
106,274	53,137	26,569	0	-26,569	-53,137	-106,274
1,488,917	1,435,780	1,409,212	1,382,643	1,356,074	1,329,506	1,276,369
7.7%	3.8%	1.9%	0.0%	-1.9%	-3.8%	-7.7%

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%
-10,607	-5,303	-2,652	0	2,652	5,303	10,607
1,372,036	1,377,340	1,379,991	1,382,643	1,385,295	1,387,946	1,393,250
-0.8%	-0.4%	-0.2%	0.0%	0.2%	0.4%	0.8%

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%
20,136	12,732	6,046	0	-5,478	-10,451	-14,971
1,402,779	1,395,375	1,388,689	1,382,643	1,377,165	1,372,192	1,367,672
1.5%	0.9%	0.4%	0.0%	-0.4%	-0.8%	-1.1%

\*[R'000]

**5. RESPONSIBLE INVESTMENT SUMMARY****Voting resolutions for Q2 2025****Portfolio**

Adopt Financials  
Auditor/Risk/Social/Ethics related  
Buy Back Shares  
Director Remuneration  
Disapply Preemptive Rights  
Dividend Related  
Issue Shares  
Loan / Financial Assistance  
Other  
Political Expenditure/Donation  
Re/Elect Director  
Remuneration Policy  
Shares under Director Control

Total count	For	Against	Abstain
7	100%	0%	0%
53	100%	0%	0%
7	100%	0%	0%
32	100%	0%	0%
4	0%	100%	0%
2	100%	0%	0%
5	0%	100%	0%
4	50%	50%	0%
19	79%	21%	0%
2	0%	100%	0%
62	100%	0%	0%
19	68%	32%	0%
2	0%	100%	0%

**Foord Global Equity Fund**

Adopt financials  
Auditor/risk/social/ethics related  
Buy back shares  
Issue shares  
Re/elect director or members of supervisory board  
Remuneration policy including directors' remuneration  
Signature of documents/ratification  
Others

Total count	For	Against	Abstain
32	100%	0%	0%
52	79%	21%	0%
14	93%	7%	0%
23	4%	96%	0%
268	100%	0%	0%
43	37%	63%	0%
5	100%	0%	0%
35	86%	14%	0%

**Foord International Fund**

Adopt financials  
Auditor/risk/social/ethics related  
Buy back shares  
Issue shares  
Political expenditure/donation  
Re/elect director or members of supervisory board  
Remuneration policy including directors' remuneration  
Signature of documents/ratification  
Others

Total count	For	Against	Abstain
25	100%	0%	0%
40	80%	20%	0%
17	94%	6%	0%
21	14%	86%	0%
2	100%	0%	0%
222	100%	0%	0%
40	55%	45%	0%
7	57%	43%	0%
24	75%	25%	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.

**FOREIGN INVESTMENT RISK:**

The portfolio may include underlying foreign investments. Fluctuations or movements in exchange rates may cause the value of underlying foreign investments to go up or down. The underlying foreign investments may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls that may be imposed by the relevant authorities in the relevant countries.

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