PORTFOLIOMETRIX ACTIVE INCOME PRESCIENT AMETF (PMXINC)

FUND PROFILE AND MARKET UPDATE

September 2026

MARKET UPDATE AND OUTLOOK – SEPTEMBER 2026

The **PMXINC Active Income AMETF (PMXINC) returned 0.4%** in September 2026. The month was characterised by renewed pressure on global bond markets as oil prices rose sharply and major central banks responded to persistent inflation risks. The fund is up +13.4% over the past 12 months.

Since inception, PMXINC has generated a cumulative return of +46.3%, outperforming peers (+27.5%) and its benchmark* (21.9%).

MARKET & ECONOMIC HIGHLIGHTS:

- **Global rates move higher:** The Federal Reserve raised rates by 25bps to 3.75%–4.00%, citing resilient economic activity and still-elevated inflation. Longer-dated US Treasury yields also moved sharply higher during the month as persistent inflation concerns, large fiscal deficits and heavy government borrowing continued to weigh on global bond markets.

- **Oil shock returns:** Brent crude moved back above US$100/bbl during September as renewed US-Iran tensions and disruptions to Middle Eastern shipping revived concerns around global energy supply. While oil flows began to improve towards month-end, prices remained elevated and continued to pose an important upside risk to global inflation.

- **SARB resumes tightening:** The SARB raised the repo rate by 25bps to 7.25% in September as the inflation outlook deteriorated amid higher fuel prices and persistent services inflation. Domestic rate expectations subsequently shifted higher, with markets pricing the possibility of further tightening despite a weak domestic growth backdrop.

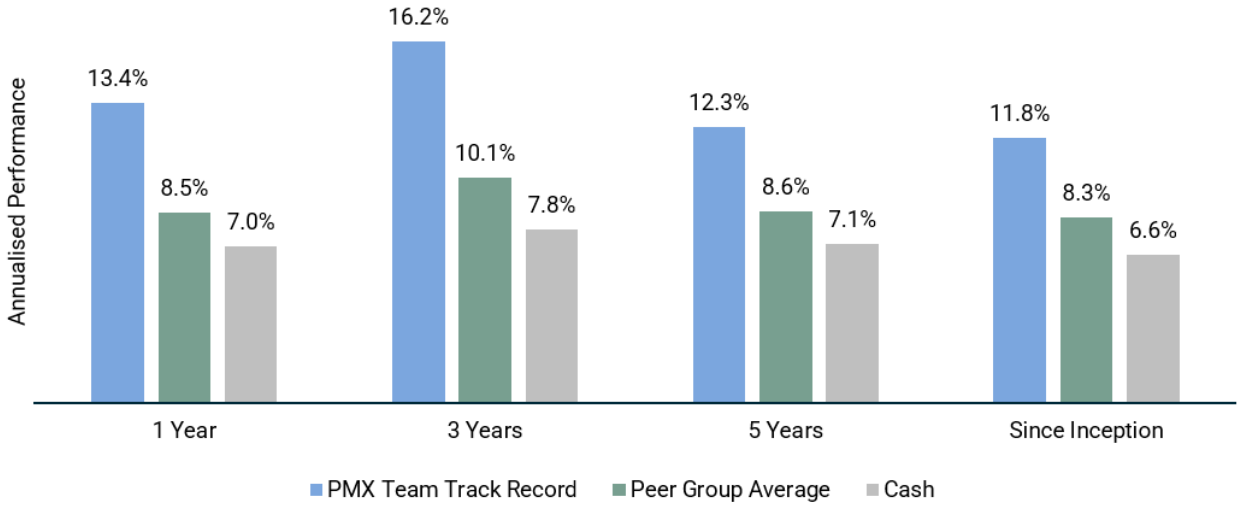
- **SA growth disappoints**: The economy contracted by 0.2% q/q in Q2, with manufacturing, mining and trade weighing on activity. The current account also moved from a 2.3% of GDP surplus in Q1 to a 2.6% deficit in Q2, largely reflecting the impact of higher energy import costs.

- **SA bonds attract demand despite the sell-off:** Local bonds came under pressure as global yields and domestic rate expectations moved higher, but demand remained resilient at cheaper levels. Nominal bond auctions towards month-end attracted exceptionally strong bidding, with investors using elevated yields to add duration, while attractive real yields continued to support the investment case for local fixed income.

PORTFOLIO UPDATES

- Real yields across a range of instruments remain attractive, and the portfolio is well positioned to benefit from elevated short-term interest rates while retaining exposure to longer-term rate declines.
- We continue to maintain a high level of liquidity to take advantage of opportunities should further volatility and weakness occur.
- The AMETF's **current gross yield** ** **of 9.5% remains attractive** relative to short and long-term expectations for cash and inflation.

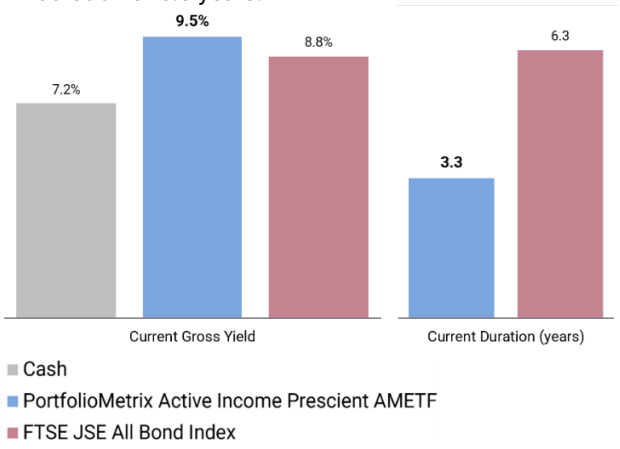
*Inception date of the PMXINC AMETF is 2024/01/26. Inception date of the PortfolioMetrix Team Track Record is 2020/12/21.
All performance is on a Net of Fees basis. **Peer Group Average = ASISA SA MA Income Category Average, Benchmark = Cash = STeFI Composite**.
Source: Morningstar, PortfolioMetrix
** The current gross yield is indicative and fluctuates daily and therefore not guaranteed. As of 2026/09/30. Source: JSE, PortfolioMetrix
Market commentary is based on publicly available market data and PortfolioMetrix analysis as at 30 September 2026.



The PortfolioMetrix Team Track Record is the composite of similar fixed income mandates managed since 21 December 2020. Details of this performance track record are available upon request. All performance is on a Net of Fees basis. Data longer than a period of one year has been annualised, unless otherwise stated. **Peer Group Average = ASISA SA MA Income Category Average, Benchmark = Cash = STeFI Composite**.
Source: Morningstar, PortfolioMetrix. **Past performance is not a reliable indicator of future performance.**

ETF POSITIONING

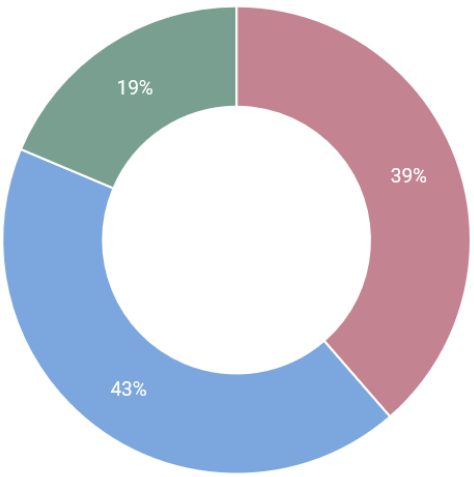
- The ETF's current gross yield** of 9.5% remains relatively high in both absolute terms and relative to current inflation and cash rates.
- The aggregate duration is currently 3.3, which indicates an interest rate volatility of just over half that of the All Bond Index, which has a current duration of 6.3 years.



**The indicated current gross yield is indicative and fluctuates daily and therefore not guaranteed. As of 2026/09/30.
Source: JSE, PortfolioMetrix

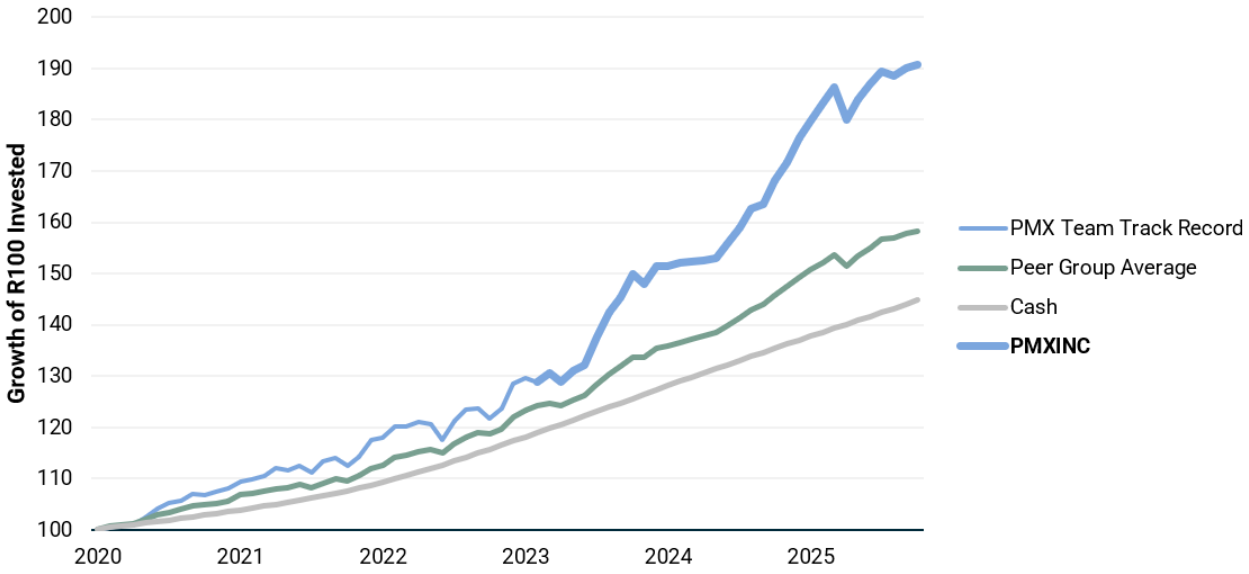
ASSET ALLOCATION

- More than half of the portfolio is invested in money market and floating-rate instruments, which continue to benefit from current high interest rates.
- The fixed rate bond exposure of approximately 39% is providing high yields for investors by locking in rates at current high levels.
- We continue to maintain a high level of liquidity in the fund to be able to manage risk in a volatile market environment and take advantage of investment opportunities as they present themselves.



Source: PortfolioMetrix

PERFORMANCE TRACK RECORD



The PortfolioMetrix Team Track Record is the composite of a similar fixed income mandate, the PortfolioMetrix BCI Dynamic Income Fund A, managed since December 2020, identified in the performance chart as a thin-weight timeseries. Thereafter, the performance is the live PMXINC AMETF performance since its inception date of 2024/01/26, identified by a thick-weight time series. Details of this performance track record are available upon request. All performance is on a Net of Fees basis. Data longer than a period of one year has been annualised, unless otherwise stated. **Peer Group Average = ASISA SA MA Income Category Average, Benchmark = Cash = STeFI Composite**. Source: Morningstar, PortfolioMetrix. **Past performance is not a reliable indicator of future performance.**

September 2026	PMXINC AMETF	Peer Group Average	All Bond Index	Cash
1 Month	0.4%	0.3%	0.0%	0.6%
3 Months	0.7%	1.0%	-0.7%	1.7%
6 Months	5.9%	4.4%	7.1%	3.4%
YTD	6.0%	4.9%	3.5%	5.1%
1 Year	13.4%	8.5%	12.8%	7.0%
2 Years	12.8%	8.7%	13.7%	7.4%
Since Inception	15.3%	9.5%	16.3%	7.7%
Cumulative Since Inception	46.3%	27.5%	49.9%	21.9%

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PORTFOLIOMETRIX FIXED INCOME TEAM

- An experienced Fund Management team with a multiple award-winning track record.
- The team works closely with the global PortfolioMetrix Asset Management team that collectively manages more than R100bn in assets under management.



PHILIP BRADFORD, CFA®



LIAM DAWSON, CFA®



RICCARDO PERETTI, CFA®

FUND OBJECTIVE AND SUITABILITY CONSIDERATIONS

- To provide a high level of income for investors with a focus on capital preservation.
- The fund may be suitable for lower risk investors with an investment horizon of 1 to 3 years.

DYNAMIC MANDATE

- The team manages the AMETF by dynamically investing across the broad universe of income generating investments, whilst actively managing the risk.
- The AMETF provides investors with diversified exposure to conservative, high income yielding investments typically only accessible by large institutional investors.
- We aim to generate a similar return to the ALBI with less volatility.
- The Fund is Regulation 28 compliant.

DISCLAIMERS

This portfolio operates as a white label fund under the Prescient ETF Scheme, which is governed by the Collective Investment Schemes Control Act (No.45 of 2002) (CISCA).

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CISs are traded at the ruling price and can engage in scrip lending and borrowing. The portfolio may borrow up to 10% of its net assets on a temporary basis. Such borrowings are permitted only to meet the portfolio's obligations in relation to the administration of the portfolio relating to purchase or sale transactions, and/or the redemption or cancellation of participatory interests in the portfolio. Borrowings in relation to the administration of purchase or sale transactions are permitted for a period of up to 8 calendar days, while borrowings for redemption or cancellation of participatory interests are limited to a period of 61 calendar days. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate.

CIS prices are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage, and service fees. Forward pricing is used.

Investment performance, including bond yields, is for illustrative purposes only and has been calculated using net NAV to NAV numbers with income reinvested. Where a current yield has been included for Funds that derive its income primarily from interest bearing income, the yield is a weighted average yield of all underlying interest-bearing instruments as at the last day of the month. This yield is subject to change as market rates and underlying investments change. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income, as well as dividend withholding tax.

The Fund's Total Expense Ratio (TER) reflects the percentage of the average NAV of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year. Transaction Costs (TC) is the percentage of the value of the Fund incurred as costs relating to the buying and selling of the Fund's underlying assets. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, investment decisions of the investment manager and the TER.

A schedule of fees, charges and maximum commissions is available on request from the Manager. The Manager retains full legal responsibility for any third party named portfolio. Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks, and potential limitations on the availability of market information. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees.

For any additional information such as fund prices, brochures and application forms please go to www.prescient.co.za.

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