



PORTFOLIOMETRIX QUARTERLY INSIGHTS

SOUTH AFRICAN PORTFOLIOS
MARCH 2026

PORTFOLIOMETRIX

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MARKET COMMENTARY

Global markets entered 2026 on a positive note. Investor sentiment was constructive, supported by easing inflation, resilient economic data and expectations that major central banks would continue lowering interest rates over time. Equity markets reflected that optimism, with several major indices reaching record or near-record highs during January and February. Bond markets were also supported by softer inflation trends and hopes for further policy easing later in the year.

That backdrop changed sharply towards the end of February. The conflict involving the U.S., Israel and Iran disrupted shipping through the Strait of Hormuz and pushed oil prices sharply higher. This brought inflation concerns back into focus just as markets had been expecting a more supportive rate environment. Investors became more cautious, global equities came under pressure and expectations for further rate cuts were scaled back. Bond yields also moved higher as markets reassessed the outlook for inflation and growth.

South African markets also started the year well. Inflation had continued to ease, the rand was relatively firm and local bonds extended the gains seen late in 2025. However, the global shift in sentiment created a tougher backdrop for local assets. As risk appetite faded and oil prices rose, the rand weakened, bond yields rose sharply from their late-February lows and domestic equities were pulled into the broader sell-off across emerging markets.

Taken together, the quarter was a story of two distinct phases: a positive opening period, followed by a sharp reversal as higher energy prices pushed markets into a more defensive mood. By quarter-end, investors were no longer focused mainly on when the next rate cuts might arrive, but on whether higher oil prices would keep inflation elevated and make central banks more cautious.

Developed Equity

Developed market equities had a strong start to the quarter. Europe and the UK built on the momentum of a strong 2025, U.S. equities remained well supported, and Japanese shares also moved higher through February. That strength faded quickly in March. Rising oil prices and renewed inflation concerns weighed on sentiment, while markets became less confident that interest rates would fall as quickly as expected.

Emerging Equity

Emerging market equities also felt the shift in sentiment. The asset class had entered the year on a firmer footing, supported by improving risk appetite and a weaker U.S. dollar. That backdrop became far less supportive in March. Higher oil prices, tighter financial conditions and a firmer dollar all weighed on returns, leaving the asset class under pressure by quarter-end.

Global Fixed Income

Global fixed income delivered a more mixed quarter than many investors had expected. Early on, bonds were supported by moderating inflation and the prospect of further policy easing. That changed when higher oil prices introduced a fresh inflation risk. Rather than acting as a clear safe haven, bond markets became more unsettled as yields moved higher and expectations for rate cuts were pushed out. Major central banks generally kept rates unchanged in March as they assessed the impact of the shock.

Global Real Assets

Real assets delivered mixed results, with energy clearly dominating the story. The disruption to transit through the Strait of Hormuz created a significant supply shock, and oil prices rose sharply as markets priced in the risk of tighter global energy supply. Other real assets were more mixed, especially as higher bond yields and more cautious rate expectations created a less supportive backdrop.

Looking Ahead

As we move into the second quarter, markets have at least received some encouraging news. A two-week ceasefire has been announced, and transit through the Strait of Hormuz has reopened. Even so, conditions remain fragile, and the next phase will depend on whether the ceasefire holds, whether energy supply continues to normalise and how much of the recent oil shock feeds through into inflation. In this environment, diversification, discipline and a long-term mindset remain as important as ever.

INDEX RETURNS & MARKET INDICATORS

As of 31/03/2026						
South African Asset Returns (Rand)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
SA Equities	-0.5	-0.5	34.1	19.2	15.4	9.7
SA Bonds	-3.4	-3.4	19.2	14.3	12.2	10.4
SA Property	-4.9	-4.9	28.6	22.9	17.9	3.6
SA Cash	1.7	1.7	7.3	8.0	6.8	6.8
SA Equity Sector Returns (Rand)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
SA Financials	-0.9	-0.9	28.9	23.2	20.1	8.6
SA Industrials	-8.4	-8.4	5.0	9.6	10.0	7.7
SA Resources	8.0	8.0	91.0	27.3	18.9	21.2
SA Equity Segment Returns (Rand)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
SA Large Cap	-0.6	-0.6	35.2	18.5	15.9	12.3
SA Mid Cap	-1.2	-1.2	29.4	18.3	14.4	8.2
SA Small Cap	-2.3	-2.3	27.7	21.1	20.3	10.8
Global Asset Returns (Rand)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Global Equities	-0.1	-0.1	11.5	15.1	12.7	13.0
Global Bonds	2.5	2.5	-3.0	1.1	0.9	1.7
Global Property	3.8	3.8	-3.8	3.6	4.6	4.9
Global Infrastructure	11.9	11.9	10.7	10.9	11.9	10.2
Global Asset Returns (USD)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Global Equities	-3.3	-3.3	19.8	16.5	9.4	11.3
Global Bonds	-0.8	-0.8	4.2	2.4	-2.0	0.2
Global Property	0.5	0.5	3.3	4.9	1.6	3.4
Global Infrastructure	8.3	8.3	18.9	12.2	8.6	8.6
Global Equity Regional Returns (USD)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
North American Equities	-4.5	-4.5	17.8	17.9	11.1	13.4
UK Equity	0.8	0.8	24.6	16.2	10.5	7.7
Europe ex-UK Equities	-4.2	-4.2	17.5	12.5	8.0	8.7
Japan Equities	1.4	1.4	26.2	15.9	6.5	8.4
Pacific ex-Japan Equities	3.9	3.9	25.3	10.3	5.3	7.8
EM Equities	-0.6	-0.6	28.1	14.3	3.9	8.1
Currency Returns						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
USD/ZAR	3.3	3.3	-6.9	-1.2	3.0	1.5
GBP/ZAR	1.3	1.3	-4.9	1.0	2.1	0.7
EUR/ZAR	1.3	1.3	-0.7	0.8	2.6	1.6
Commodity Returns (USD)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
Brent Crude	94.5	94.5	61.7	14.1	13.2	11.6
Gold Spot	7.8	7.8	48.5	33.1	22.2	14.2

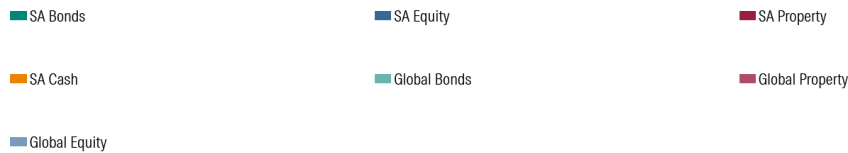
Source: Morningstar Direct

Past performance is not a reliable indicator of future performance

ASSET CLASS PERIODIC TABLE

Asset Class Performance (ZAR)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	YTD	QTD
Best	SA Bonds 15.4	SA Property 17.2	Global Bonds 14.9	Global Equity 22.9	Global Equity 21.7	Global Property 43.3	SA Cash 5.2	Global Equity 31.3	SA Property 29.0	SA Equity 42.6	Global Property 3.8	Global Property 3.8
	SA Property 10.2	SA Equity 16.5	Global Property 10.2	Global Property 22.8	Global Bonds 14.6	SA Property 36.9	SA Equity 4.4	Global Property 16.9	Global Equity 20.9	SA Property 30.6	Global Bonds 2.5	Global Bonds 2.5
	SA Cash 7.4	Global Equity 12.1	SA Bonds 7.7	SA Bonds 10.3	SA Bonds 8.7	Global Equity 28.8	SA Bonds 4.3	Global Bonds 13.0	SA Bonds 17.2	SA Bonds 24.2	SA Cash 1.7	SA Cash 1.7
	SA Equity 5.2	SA Bonds 10.2	SA Cash 7.2	SA Cash 7.3	SA Cash 5.4	SA Equity 27.1	SA Property 0.5	SA Property 10.1	SA Equity 13.4	SA Cash 7.5	Global Equity -0.1	Global Equity -0.1
	Global Equity -4.7	SA Cash 7.5	Global Equity 5.6	SA Equity 6.8	SA Equity 0.6	SA Bonds 8.4	Global Bonds -11.9	SA Bonds 9.7	SA Cash 8.5	Global Equity 7.3	SA Equity -0.5	SA Equity -0.5
	Global Property -6.8	Global Property -1.2	SA Equity -10.9	Global Bonds 3.6	Global Property -1.8	SA Cash 3.8	Global Equity -12.6	SA Cash 8.1	Global Property 3.3	Global Bonds -5.3	SA Bonds -3.4	SA Bonds -3.4
Worst	Global Bonds -9.9	Global Bonds -3.1	SA Property -25.3	SA Property 1.9	SA Property -34.5	Global Bonds 2.4	Global Property -20.5	SA Equity 7.9	Global Bonds 1.3	Global Property -6.5	SA Property -4.9	SA Property -4.9



Source: Morningstar Direct

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PORTFOLIO PERFORMANCE

PMX Building Block Performance

PMX Fund and Benchmark Performance (Rand)						
	QTD	YTD	1 Year	3 Years	5 Years	10 Years
PMX BCI Income Fund	1.5	1.5	10.1	10.5	9.2	—
STeFI +1%	1.9	1.9	8.3	9.1	7.8	7.8
PMX BCI SA Bond Fund	-2.9	-2.9	22.4	15.6	13.4	—
SA Bonds	-3.4	-3.4	19.2	14.3	12.2	10.4
PMX BCI SA Property	-5.0	-5.0	30.5	24.8	18.3	—
SA Property	-4.9	-4.9	28.6	22.9	17.9	3.6
PMX BCI SA Equity Fund	-2.3	-2.3	27.5	16.3	13.9	10.7
SA Equities	-0.5	-0.5	34.1	19.2	15.4	9.7
PMX BCI Global Equity FoF	-2.4	-2.4	9.2	12.8	10.5	11.3
Global Equities	-0.1	-0.1	11.5	15.1	12.7	13.0
PMX BCI Gibl Property FoF	3.0	3.0	-1.8	4.4	4.3	—
Global Property	3.8	3.8	-3.8	3.6	4.6	4.9
PMX BCI Global Bond FoF	1.6	1.6	-3.8	0.7	0.8	—
Global Bonds	2.5	2.5	-3.0	1.1	0.9	1.7

Excess Returns over Funds' Benchmark

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
PMX BCI Income Fund	-0.4	-0.4	1.7	1.4	1.3	—
PMX BCI SA Bond Fund	0.4	0.4	3.2	1.3	1.2	—
PMX BCI SA Property	-0.1	-0.1	1.8	1.9	0.3	—
PMX BCI SA Equity Fund	-1.9	-1.9	-6.6	-2.9	-1.5	1.0
PMX BCI Global Equity FoF	-2.4	-2.4	-2.5	-2.4	-2.3	-1.8
PMX BCI Gibl Property FoF	-1.9	-1.9	-2.5	-1.8	-1.5	—
PMX BCI Global Bond FoF	-0.6	-0.6	-0.8	-0.7	-0.7	—

Source: Morningstar Direct.

Past performance is not a reliable indicator of future performance

Regulation 28 Portfolios

PMX Reg 28 Profile Performance

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
PMX Reg 28 Profile 1	0.2	0.2	12.1	11.3	9.6	8.6
PMX Reg 28 Profile 2	-0.5	-0.5	13.6	12.0	10.2	8.7
PMX Reg 28 Profile 3	-1.3	-1.3	15.3	12.8	10.9	9.1
(ASISA) South African MA Low	-1.0	-1.0	13.2	11.2	9.6	7.7
PMX Reg 28 Profile 4	-2.0	-2.0	16.8	13.6	11.6	9.5
PMX Reg 28 Profile 5	-2.4	-2.4	17.7	14.0	12.0	9.8
(ASISA) South African MA Med	-1.2	-1.2	15.4	11.9	10.2	7.9
PMX Reg 28 Profile 6	-2.5	-2.5	17.8	14.2	12.3	9.9
PMX Reg 28 Profile 7	-2.5	-2.5	17.8	14.3	12.4	9.8
(ASISA) South African MA High	-1.5	-1.5	16.2	12.6	10.7	8.1

Source: Morningstar Direct.

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Discretionary Portfolios

PMX Discretionary Profile Performance

	QTD	YTD	1 Year	3 Years	5 Years	10 Years
PMX Discretionary Profile 1	0.0	0.0	12.6	11.5	9.8	8.6
PMX Discretionary Profile 2	-0.8	-0.8	14.3	12.3	10.4	8.7
PMX Discretionary Profile 3	-1.6	-1.6	16.0	13.2	11.1	9.1
(ASISA) South African MA Low	-1.0	-1.0	13.2	11.2	9.6	7.7
PMX Discretionary Profile 4	-2.2	-2.2	17.2	13.8	11.5	9.4
PMX Discretionary Profile 5	-2.4	-2.4	17.6	14.1	11.8	9.7
(ASISA) South African MA Med	-1.2	-1.2	15.4	11.9	10.2	7.9
PMX Discretionary Profile 6	-2.5	-2.5	17.7	14.4	11.9	9.5
PMX Discretionary Profile 7	-2.4	-2.4	17.1	14.2	11.8	9.4
(ASISA) South African MA High	-1.5	-1.5	16.2	12.6	10.7	8.1

Source: Morningstar Direct.

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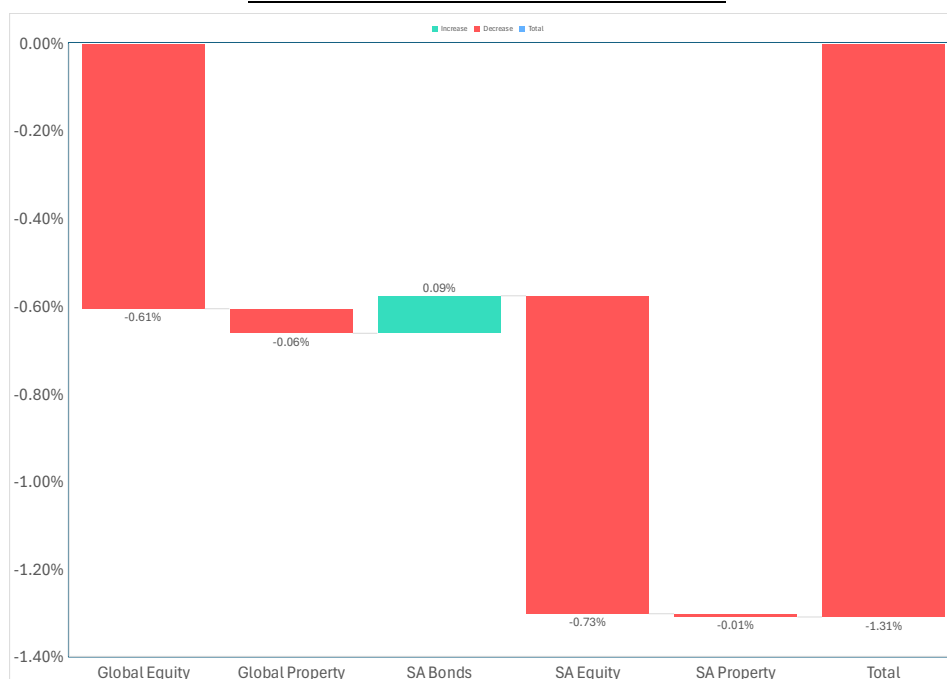
Contributors & Detractors

Over the quarter, global property and global bonds were the strongest contributors to performance, both delivering positive absolute returns. Global property generated returns in excess of 2.8%, while the PMX Global Bond fund returned 1.5% with the iShares Global Government Bond exposure (1.8%) providing support in a mixed environment. Global equity as an asset class was broadly flat over the period, however the PMX feeder fund lagged its benchmark, reflecting a challenging backdrop for relative positioning.

South African income also contributed positively, delivering stable absolute returns over the quarter. This was supported by the underlying active implementations, which were all positive over the period and provided consistent income generation within portfolios. Taquanta Active Income (2.7%) and Sasfin High Yield (2.2%) were the standout performers.

South African equities experienced a volatile quarter, characterised by strong performance followed by significant drawdowns, where some recovery occurred toward the quarter end. Returns remained slightly negative in absolute terms, but dispersion across managers was notable. The 36One SA Equity Fund was the strongest performer (+2.1%) within the building block, while the Stanlib Enhanced Multi-Style strategy was the worst performer (-2.0%).

Waterfall Chart- PMX Balanced fund of funds



Source: Morningstar Direct.

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South African bonds detracted from performance over the quarter, with a challenging environment for fixed income. Underlying manager returns were clustered in the range of -3.3% to -3.9%, with the Stanlib Bond Fund the weakest implementation and the only strategy to underperform the ALBI benchmark.

Listed South African property was the worst performing asset class over the quarter, declining by approximately 4.9% and acting as a drag on overall performance. Both active managers thus detracted from performance, Sesfikile (-5.0%) and Amplify (-4.8%), mirroring the broader weakness across the sector.

As illustrated on the previous page, active positioning in both SA and Global Equities were dominant detractors of performance, particularly in high risk profiles.

PORTFOLIO CHANGES

Strategic Asset Allocation

Following the Q4 2025 rebalance, South African asset classes continued to produce robust results, supported by a stronger rand. This led to portfolios drifting away from their strategic target allocations, prompting a review and update of the strategic asset allocation framework to better align with shifting market conditions.

These revisions established a refreshed foundation for portfolio rebalancing. The asset allocation changes were moderate, with an emphasis on maintaining an appropriate risk-return profile, improving diversification, and ensuring portfolios stay consistent with long-term objectives through thorough risk management.

Our disciplined framework of rebalancing involved systematically taking profits from areas of strong performance and reallocating capital to those that have lagged, reflecting our pragmatic approach towards portfolio management. We focus on maintaining balance rather than taking a view on future market movements. Adjustments to portfolios included reducing South African income allocations and increasing South African bond allocations within low to medium risk portfolios. While in, higher-risk Regulation 28-compliant portfolios, a marginal increase in South African bond exposure occurred alongside the removal of global bond allocations.

Equity Portfolio Changes

At the end of the quarter, our SA Equity building block underwent a considered refinement. The Segregated Mandate, previously managed by Ninety One under its earnings revision philosophy, has been transitioned to Oyster Catcher. Ninety One remains a highly regarded manager, particularly for its strength and focus on earnings revisions. As part of our ongoing portfolio evolution, this change reflects our intention to introduce a manager with differentiated characteristics, while maintaining an explicit risk-integrated approach.

Oyster Catcher is positioned as a core holding, underpinned by a disciplined, benchmark-aware investment process that combines deep fundamental research with robust portfolio construction and a clearly defined active risk budget. The approach emphasises diversified stock selection and deliberate relative positioning, with a strong focus on managing unintended macro, sector, and single-stock exposures.

This adjustment retains the existing portfolio construction framework while refining the core equity allocation with its role in a concentrated South African market. The portfolio continues to operate within a disciplined active risk framework, ensuring diversification while allocating active risk to a curated selection of strategies.

Fixed Income Portfolio Changes

There were no changes made within this asset class over the quarter.

Real Asset Changes

There were no changes made within this asset class over the quarter.

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