Interactive PORTFOLIOS

Q2 2026 · INTERACTIVE MARKET REVIEW

Resilience, Concentration, Balance

The quarterly investment newsletter of Interactive Portfolios

Q2 2026

Investment Market Review

Sections included in this issue.

01 · EXECUTIVE SUMMARY

Three Points That Shaped The Quarter

1 A global rebound met a local whipsaw

A negotiated ceasefire in the Middle East reset the course of markets. As the naval blockade of the Strait of Hormuz was lifted and crude retreated, global equities delivered their strongest quarter since 2020, the S&P 500 advancing 15.20%, the MSCI World about 12% and emerging markets about 24% in dollars. South Africa lived the same shock in reverse: the oil spike lifted inflation and forced the Reserve Bank into its first rate hike since 2023, before the de-escalation unwound much of the move and the rand recovered to about R16.39 to the dollar.

2 The Interactive funds continued to deliver relative to peer groups

Beneath a headline decline of about 4% in the FTSE/JSE All Share Index, leadership rotated sharply from the precious-metals miners, which surrendered roughly 22%, to the banks and listed property, which held firm. That rotation is visible in the fund range: the Global Equity Fund led, outperforming its benchmark by 5.60% over one year, and the Balanced and Income funds stayed ahead of their objectives, while the SA Equity Fund gave back ground as its mining holdings corrected.

3 The central risk we identified last quarter duly materialised

We cautioned in the previous edition that stubborn inflation could postpone the interest-rate relief markets had come to expect. That is precisely how the quarter unfolded, at home and abroad. Inflation proved more persistent than the consensus assumed, the incoming Federal Reserve chair Kevin Warsh struck a hawkish tone, and index returns abroad remained concentrated in a narrow band of AI-linked mega-caps even as the broader market began to reassert itself.

QUARTER SET-UP Oil shock and relief → Sticky inflation, first SARB hike → Rotation beneath the JSE → **Cheap SA, global concentration**

02 · MARKET BACKDROP

Asset Class Returns in Rand

Dispersion was the quarter's defining feature. Listed property and bonds comfortably outpaced local equity, while gold and platinum fell sharply. A spread of outcomes this wide is precisely what rewards a genuinely diversified portfolio, one not beholden to any single asset class.

Asset class (ETF proxy, rand)	Quarter %	YTD %	1 Year %
Emerging-market equity	17.30	20.86	29.10
SA listed property	10.15	4.18	28.15
Global equity	8.97	8.49	11.73
SA bonds	7.61	4.15	20.78
SA cash (money-market proxy)	1.80	3.60	7.30
SA equity, large cap	-3.25	-3.91	18.37
Gold	-15.98	-9.08	12.34
Platinum	-19.97	-29.65	7.86

Total returns in rand to 30 June 2026, each asset class represented by a tracking exchange-traded fund used as a proxy for the index. See the basis of market data in the disclosures. Past performance is not a guide to future returns.

02 · MARKET BACKDROP

The Quarter in Three Moves

1

A ceasefire changed the direction of markets

The United States, Israel and Iran concluded a memorandum of understanding on 17 June that established a sixty-day ceasefire and restored shipping through the Strait of Hormuz. Brent crude, which had spiked towards $120 to $126 a barrel at the height of the hostilities, fell roughly 21% in June to about $73 a barrel, though it remained above its pre-conflict level. With the immediate threat to supply removed, global equities staged a forceful recovery, rallying close to 19.50% from their late-March lows.

2

The Fed turned hawkish while the Reserve Bank hiked

Investors read the first meeting chaired by Kevin Warsh as a clear signal that the Federal Reserve would hold policy restrictive, keeping its range at 3.50% to 3.75% until inflation was decisively contained. In South Africa the response was more direct: the Reserve Bank moved pre-emptively against second-round inflation, raising the repo rate to 7.00% on a 4-to-2 vote, its first increase since 2023.

3

South Africa was a market of two distinct halves

The split beneath the surface mattered more than the headline. The FTSE/JSE All Share Index fell about 4% over the quarter, but the damage was concentrated in the precious-metals miners, which surrendered roughly 22% as gold and platinum retreated from record highs. Domestic-facing shares told the opposite story: banks advanced about 10.6% over the first half and listed property, up about 6.3% year to date, was the best-performing local asset class. The rand strengthened from about R17.19 to R16.39 as oil eased, and bonds rallied into the close after a punishing first quarter.

02 · MARKET BACKDROP

Inflation Returns and the Fed Turns

1 Inflation reasserted itself as the pre-eminent risk to markets

Global managers broadly raised their year-end core inflation forecasts above 3%, pointing to persistent services inflation, higher energy costs in the wake of the Middle East conflict, and the delayed pass-through of tariffs, with United States price growth reaching a multi-year high in May.

2 South Africa's experience was more acute

The oil spike lifted fuel inflation 11.4% in April, the steepest move since August 2024, and drove headline CPI from 3.1% in March to 4.0% in April and 4.5% in May. The Reserve Bank raised the repo rate 25 basis points to 7.00% on 28 May, taking prime to 10.50%, framing the move as pre-emptive management of second-round effects rather than a reaction to first-round fuel prices. It lifted its 2026 average inflation forecast to 4.4%, trimmed growth to 1.2%, and reaffirmed its intention to return inflation to a new 3% target by 2028.

3 Central banks removed the prospect of near-term easing

Under new and more hawkish leadership, the Federal Reserve reaffirmed the primacy of its inflation mandate and held rates steady, prompting managers to withdraw their expectations of cuts in 2026. Several local houses argued that if oil settles in the $70 to $80 range the conversation could return to resuming the cutting cycle under the new 3% framework, but for now both central banks have signalled patience.

RATES & INFLATION AT A GLANCE

SA CPI, May	**4.5%**
SARB repo rate	**7.00% (+25 bp, 28 May)**
Rand vs US dollar	**16.39 (rand +4.9%)**
US core inflation, year-end view	**Above 3%**
Market pricing, end Q2	**From cuts to a possible hike**
US dollar	**One-year high**

02 · MARKET BACKDROP

The Rebound Was Real, but Narrow

AI investment remained the dominant force in global markets

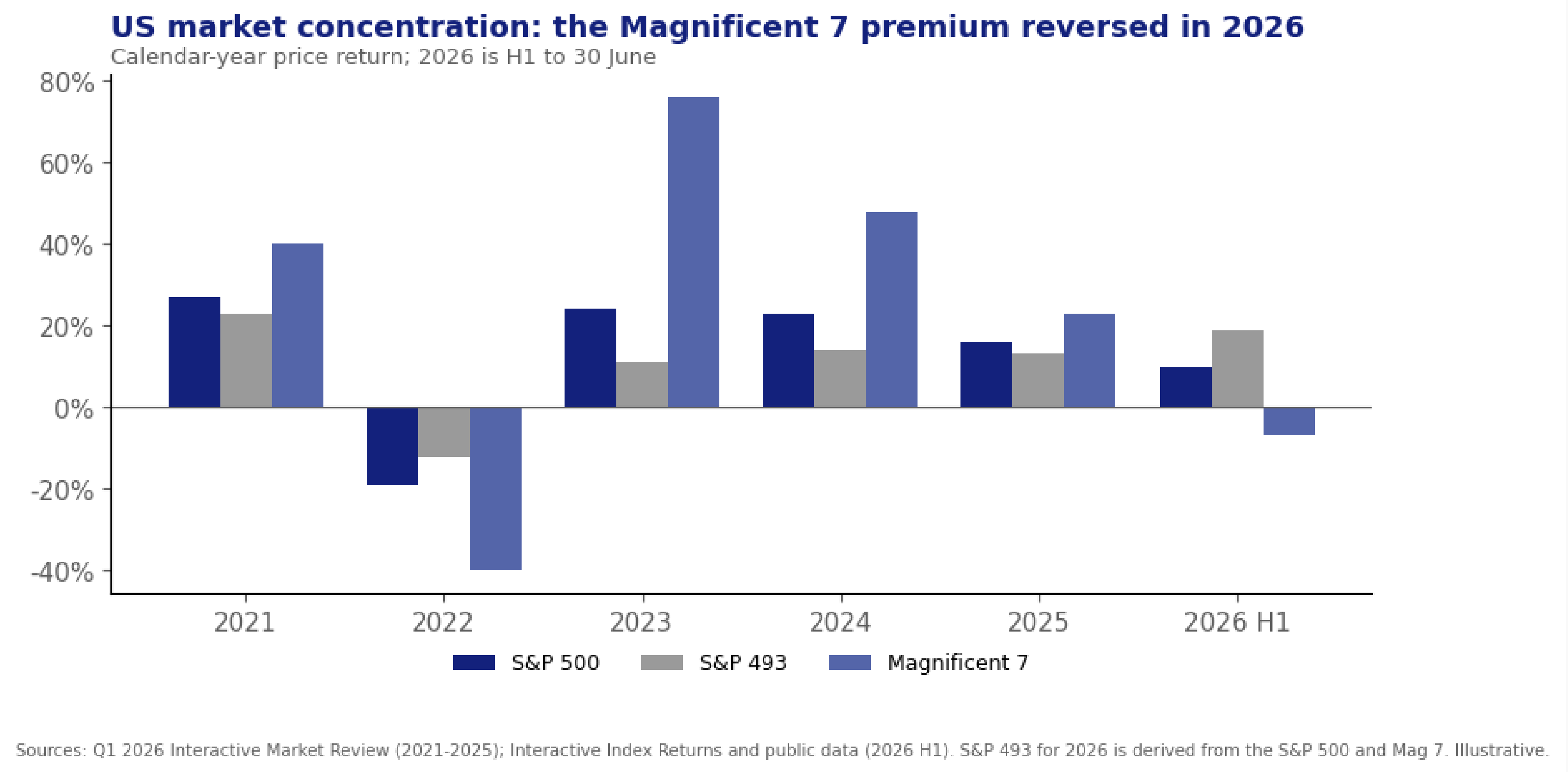
The four large US hyperscalers, Amazon, Microsoft, Alphabet and Meta, collectively expect capital spending of close to $700 billion in 2026, a build-out that underpinned confidence in the AI cycle. Emerging markets surged about 24% in dollars, their strongest quarter since 2009, led by the semiconductor and AI supply-chain names of Korea and Taiwan.

A remarkably small number of companies produced most of the gain

In the second quarter, five companies alone, Alphabet, Nvidia, Amazon, Broadcom and Apple, generated more than half of the entire return of the S&P 500, with the semiconductor complex a particular source of strength, even as first-quarter earnings across global equities grew some 24% year-on-year and consensus estimates for United States earnings were revised materially higher.

Viewed over the full first half, that concentration began to unwind

The Magnificent Seven declined roughly 7% over the six months, even as the rest of the index, the S&P 493, advanced strongly and well ahead of the mega-caps, the first period since 2022 in which the seven lagged. Because they still command roughly a third of the index by market capitalisation, their influence on headline returns remains decisive; but a market whose gains are broadening is, in our view, a healthier one.



02 · MARKET BACKDROP

South Africa in Focus: Shock, Response, Relief

The quarter in one arc

Q2 2026 was defined by a single macro event and its aftermath. The Iran conflict effectively closed the Strait of Hormuz and spiked Brent towards $120 to $126 a barrel in April; for a net energy importer the transmission was immediate. The 17 June memorandum of understanding allowed the Strait to reopen, Brent fell roughly 21% in June to near $72, and the rand recovered from about R17.19 near the peak of the crisis to about R16.39 at quarter-end.

Bonds, foreign flows and the sovereign

The All Bond Index fell about 7% in March as the market repriced from expected cuts towards possible hikes, then recovered to sit about 4.2% higher year to date. Foreign flows swung violently: at the height of the war selloff, non-residents sold a record R41.3 billion of local government bonds in a single week, a flow that had reversed to net buying by early July. The sovereign enjoyed a run of good news, with Moody's moving its outlook to positive, S&P affirming with a positive outlook and Fitch upgrading South Africa to BB, each citing fiscal consolidation and a third consecutive primary surplus.

Growth held up, but the fuel levy looms

First-quarter GDP grew 0.5% quarter on quarter and 1.9% year on year, a sixth consecutive expansion led by finance and agriculture. Temporary fuel-levy relief softened the blow during the quarter, but the full levy returns from 1 July, which delays rather than removes part of the inflation impact into the second half.

Q2 2026 AT A GLANCE

SARB repo rate	**7.00% (+25 bp)**
SA CPI, May	**4.5%**
Rand to the dollar	**R16.39**
Brent crude	**About $72**
Gold	**About $4,028/oz**
MSCI World / EM, dollars	**+12% / +24%**

02 · MARKET BACKDROP

Consensus by Region

Region	Consensus	Commentary
South Africa	Cautious, but cheap	The quarter divided sharply by asset class: the precious-metals miners fell about 22%, while banks, up about 10.6% over the half, and listed property, up about 6.3% year to date, held firm. In dollars the local market eased 1.73% and is 4.88% lower year to date, a reflection of its sensitivity to the global commodity and rate cycle. The SARB raised the repo rate to 7.00% as CPI reached 4.5%, but ratings momentum turned positive and non-resource shares look inexpensive after lagging for years.
United States	Cautiously optimistic	The S&P 500 delivered its strongest quarter since 2020, rising 15.20% to stand 10.21% higher year to date, led by the large technology and communications sectors. Valuations remain elevated, and a hawkish Fed with a compressed equity risk premium raises the bar for further gains, even as earnings momentum persists. Consumer sentiment sits near historic lows, yet spending has held up, supported disproportionately by higher-income households.
Europe and UK	Cautious to neutral	Developed European equities rose 11.53% and the FTSE 100 4.71% in the quarter, the latter aided by its commodity weighting and a weaker pound. Europe remains the region most exposed to the energy shock, though it entered it with inflation near the 2% target.
China and emerging markets	Mixed and selective	Emerging markets surged about 24% in dollars, led by Korea and Taiwan on their AI supply-chain position, while MSCI China fell 6.57% in the quarter. With the dollar firmer, a rising currency no longer translates automatically into broad emerging-market weakness; selectivity has become the decisive consideration.

Index returns to 30 June 2026. S&P 500 total return; regional MSCI indices in US dollars.

Theme 1 When the Risk We Flagged Actually Arrives

The caution in our previous edition proved well founded

Three months ago we warned that higher oil and stubborn services inflation could postpone the interest-rate cuts on which markets were relying. That is precisely how events unfolded, and the same script played out in South Africa. Headline inflation climbed to a multi-year high, and the debate shifted from when rates would be cut to whether they might have to rise.

New central-bank leadership recalibrated expectations

Investors read the first meeting under Kevin Warsh as clearly hawkish, repricing the forward path for interest rates and lifting the dollar to a one-year high, while the Reserve Bank delivered the same message directly through its increase to 7.00%. Both central banks made clear that returning inflation to target takes precedence over supporting growth in the near term.

The appropriate response is disciplined positioning, not prediction

We make no attempt to forecast each policy decision. In an environment in which rates are likely to remain higher for longer, we favour shorter-duration income assets, which are less sensitive to rising rates, alongside high-quality companies distinguished by genuine pricing power, conservative balance sheets and dependable earnings, precisely the characteristics our quality mandate is constructed to own.

WHAT CHANGED THIS QUARTER

Inflation	**Multi-year high**
Rate expectations	**Cuts → possible hike**
US dollar	**One-year high**

PORTFOLIO RESPONSE

- Shorter duration
- Pricing power
- Low debt

03 · TOPICAL THEMES

Theme 2 The Concentration Question

Leadership remains narrow, though broadening is now visible

A narrow market, one in which a small number of shares account for the bulk of the gains, is inherently fragile. In the second quarter, a small group of AI-linked mega-caps again produced more than half of the S&P 500's return; yet across the first half the seven largest of them fell around 7%, while the rest of the index rose strongly. With the Magnificent Seven still representing roughly a third of the index by value, they continue to set its direction, but the balance is beginning to shift.

The gains behind the market's leaders rest on solid foundations

Their ascent has been underpinned by tangible earnings growth and by sustained, large-scale investment in AI infrastructure, rather than by speculation, which separates the present cycle from the valuation excesses that preceded earlier market peaks.

A broadening of leadership is a constructive development

The Magnificent 7 contributed 63% of the index's return in 2023 and 55% in 2024; in the first half of 2026 that contribution turned negative as the S&P 493 carried the market higher. South African managers cited exactly this concentration as a reason to diversify offshore holdings rather than crowd into a single global theme. The implication is not to shun growth, but to resist undue dependence on any one theme or cluster of shares.

>50% of the Q2 return came from AI-linked mega-caps, even as the Magnificent 7 lagged over the half year

THE 2026 REVERSAL

Magnificent 7, H1 2026	**About -7%, first lag of the S&P 493 since 2022**
S&P 493 (broad market excluding Mag 7), H1 2026	**Advanced strongly**
Mag 7 share of S&P 500 value	**About a third**

03 · TOPICAL THEMES

Theme 3 The Precious-Metals Reversal Beneath the JSE

The trade that led the JSE reversed hard

The gold and platinum rally that drove the market's first-quarter leadership went sharply into reverse, the single most-discussed dynamic of the quarter in local commentary. Precious-metals miners fell about 22% over the three months as gold retreated roughly 25% from its January peak to around $4,028 an ounce and platinum eased to about $1,605.

Domestic-facing shares told the opposite story

Banks rose about 3% in June, for a first-half gain near 10.6%, and the broader domestic basket gained around 8% year to date. Financials and industrials stayed positive for the year while resources gave back most of their earlier gains, a rotation that rewarded balanced, diversified portfolios over a concentrated bet on the mining complex.

Manager views on what comes next diverged, and instructively so

Some houses remained constructive on the miners, reading the war-driven selloff as mispricing that active managers can exploit; others judged gold to have become too speculative and deliberately trimmed precious-metals exposure, while a few retained selective platinum picks within a balanced book. For advisers, the genuine difference is position sizing in resources, not a binary decision to be in or out.

-22% precious-metals miners over the quarter, after leading the JSE in Q1

JUNE ALONE

Gold miners	About -15%
Platinum miners	About -23%
Banks	About +3%

FOR ADVISERS

The real difference between houses is position sizing in resources, not a binary decision to be in or out.

Theme 4 Income Is Worth Owning Again

Higher yields have made income genuinely competitive

The rise in interest rates has lifted the yields on bonds and other income assets to levels that, on a risk-adjusted basis, once more bear comparison with the returns expected from equities. In South Africa the repricing was violent, with the All Bond Index falling about 7% in March before recovering to about 4.2% higher year to date; higher starting yields are the reward that followed.

Selectivity and duration are where managers express conviction

With inflation stubborn and central banks disinclined to ease, managers are holding duration carefully. Globally they favour below-benchmark duration in their credit; locally, several houses favoured the long end of the South African curve on the argument that the move to a 3% inflation target creates room for eventual cuts and that short-dated bonds look expensive, with some adding ten-year debt on valuation grounds.

This is the environment for which the Income Fund was designed

The fund aims to deliver a dependable yield and preserve capital through shorter-dated, lower-risk instruments, a stable, defensive core that limits sensitivity to changing interest rates when the rate path is uncertain.

INCOME FUND VS CPI + 3%

+1.07% over one year

+2.67% over three years and +1.94% since inception. Income is not guaranteed.

Manager duration stance	**Below benchmark**

03 · TOPICAL THEMES

Theme 5 Cheap South Africa Versus Offshore Diversification

Domestic South Africa looks inexpensive and has lagged

Managers consistently flagged that non-resource South African shares, spanning banks, retailers and industrials, look cheap after lagging for years. Several houses are overweight local equity and listed property, and some argue that GDP growth could exceed 3% on a three-to-five-year view if reform momentum holds.

The counterweight is a portfolio-construction argument, not a market call

Other managers cautioned that rising populism justifies a permanent South African risk premium, and that over-exposure to local assets is risky even where valuations are attractive. The concentration risk in the global AI trade was cited on the other side of the ledger. The debate is less about direction than about how much to hold.

Our framing: cheap, and worth hedging

South Africa is inexpensive, and diversification remains the appropriate hedge against the very risks that make it so: hold quality local assets at sensible valuations, but pair them with offshore and defensive exposure so that no single outcome, at home or abroad, comes to dominate the portfolio.

THE CASE FOR LEANING IN

- Banks, retailers and industrials cheap after years of lagging
- Positive ratings momentum and a third primary surplus
- The 3% inflation target, a landmark policy reform

THE COUNTERWEIGHT

- A persistent South African risk premium
- Over-exposure to any single market, home or abroad, is the real hazard

CORE MESSAGE

Investors need not abandon growth. What they must avoid is an excessive reliance on a single trade, a single region or a small group of richly valued shares, a discipline that carries all the more weight now that the direction of interest rates has turned.

04 · LOOKING AHEAD

Three Things to Watch Next

The rate path, at home and abroad

The next Reserve Bank meeting is on 23 July. If oil settles in the $70 to $80 range, the local conversation can turn back to resuming rate cuts under the 3% framework; the Fed, by contrast, is expected to stay on hold, with some members pencilling in a hike. The full fuel levy returns from 1 July, a distinct later-year inflation risk.

Fiscal momentum, reform and ratings

The Medium-Term Budget Policy Statement, the durability of the primary surplus and follow-through on the positive ratings outlooks are the key fiscal markers. Operation Vulindlela milestones in electricity and logistics, including the Transnet port concessions, remain the medium-term growth swing factor.

Commodities, breadth and foreign flows

Whether the gold and platinum pullback proves a pause or a trend is the central question for JSE leadership. Globally, the market's health rests on whether gains continue to broaden beyond the AI leaders. And whether the late-quarter return of foreign buying in local bonds persists will shape both the currency and the rate path.

Interest rates and inflation

The 23 July MPC decision; the full fuel levy returns from 1 July.

Market breadth beyond AI

Durability of the rotation into industrials, defensives and small-caps.

Middle East ceasefire and oil

Oil still above pre-conflict levels; a breakdown reopens the inflation channel.

SA reform, ratings and foreign flows

MTBPS, Vulindlela milestones and whether foreign bond buying persists.

CORE MESSAGE

The conflict has eased, but the inflationary pressure it created has not. With market leadership narrow abroad, cheap but concentrated at home, and the direction of policy rates reversed, the case for discipline, quality and diversification is stronger, not weaker.

04 · LOOKING AHEAD

A Note of Caution: Markets Move in Cycles

A decade of strong returns, but markets move in cycles

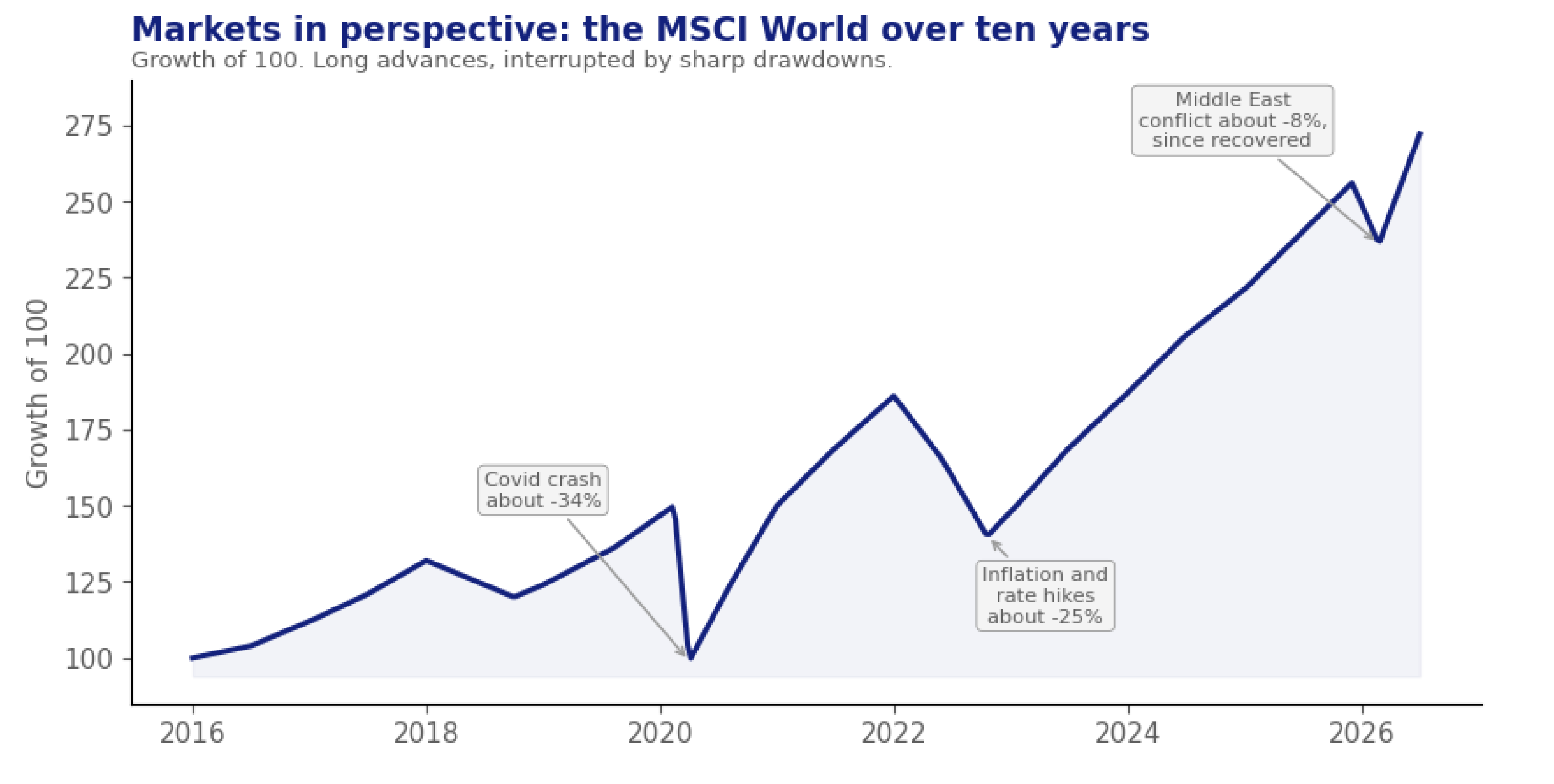
Global equities, measured by the MSCI World Index, have delivered a decade of exceptional returns. Those gains, however, have not accrued in a straight line: markets move in cycles, and prolonged advances are punctuated, often with little warning, by sharp drawdowns, as this quarter's whipsaw in oil, rates and the miners made plain.

The chart is a reminder, not a forecast

The Covid crash, the 2022 inflation and rate-hike selloff and the 2026 Middle East conflict show how quickly sentiment can turn. Each drawdown felt severe at the time, yet the long-term trend stayed intact for diversified, patient investors.

Today's risks sit alongside today's optimism

The enthusiasm surrounding AI and the broad recovery in earnings is, in large measure, well founded; but a resurgence of inflation, rising rates and the possibility that AI valuations have outrun their fundamentals are equally real. The hazard lies not in growth itself, but in over-concentration, whether in a single global theme or a single local sector such as the miners.



Illustrative, based on the MSCI World NR USD index to 30 June 2026. Replace with the actual index series for publication. Past performance is not a guide to future returns.

CORE MESSAGE

This is precisely why we construct balanced, structured portfolios: diversification neither removes risk nor prevents short-term losses, but it tempers the impact of the cycle's turns, allowing clients to participate in rising markets while avoiding dangerous over-exposure when conditions change.

05 · FUND PERFORMANCE

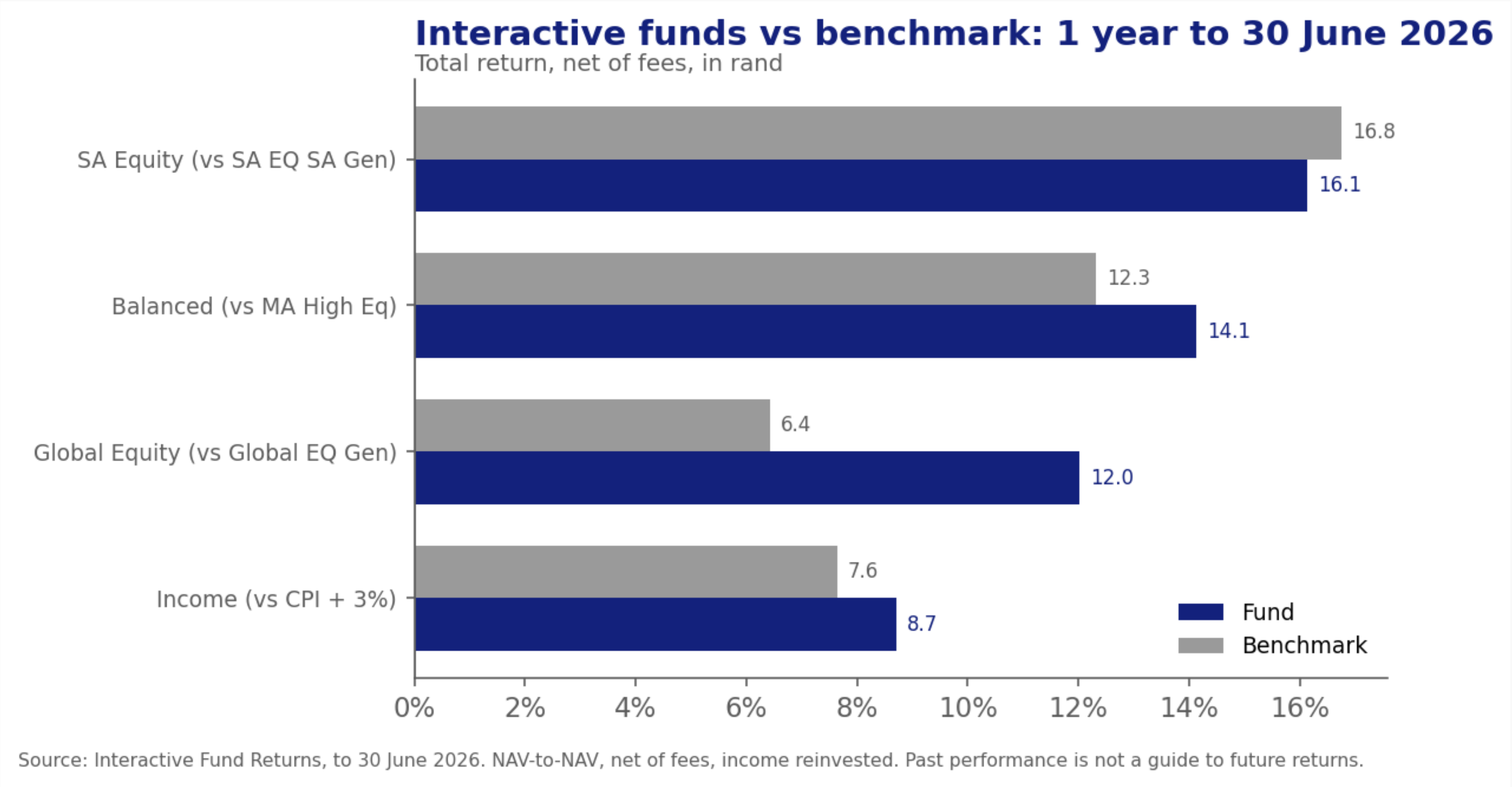
Interactive Funds Snapshot

The Interactive funds against their benchmarks, one year to 30 June 2026.

Performance is calculated NAV-to-NAV, net of all ongoing fees, with income reinvested, to 30 June 2026. Class C figures against the benchmark shown on each fund page; the six-month and year-to-date figures coincide at mid-year. Past performance is not necessarily a guide to future performance.

Fund, 1 year	Fund %	Benchmark %	Difference
Global Equity FoF	**12.02**	6.42	**+5.60**
Balanced FoF	**14.13**	12.32	**+1.81**
Income (vs CPI + 3%)	**8.71**	7.64	**+1.07**
SA Equity	**16.13**	16.75	**-0.62**

Three of the four funds sit ahead of their benchmarks over one year; the SA Equity Fund's modest lag reflects the quarter's mining correction, set out on its page.



05 · FUND PERFORMANCE

SA Equity Fund

Interactive Equity Prescient Fund C · vs (ASISA) South African Equity, SA General · to 30 June 2026

FUND, 1 YEAR	BENCHMARK	DIFFERENCE
16.13%	16.75%	-0.62%

A sharp, sector-wide correction in mining shares weighed on the fund

The gold and platinum shares that led the fund over the past year retreated in concert with the underlying metals, gold falling about 16% and platinum about 20% in rand terms. Gold Fields declined about 26%, Impala Platinum 25% and Northam Platinum 29%, the dominant influence on the quarter's return.

Financials and rand hedges provided support

FirstRand, Standard Bank, Capitec, MTN, Richemont and AB InBev all advanced over the quarter, a meaningful offset that demonstrated the value of a balanced book over a concentrated wager on a single sector.

The longer-term case still holds

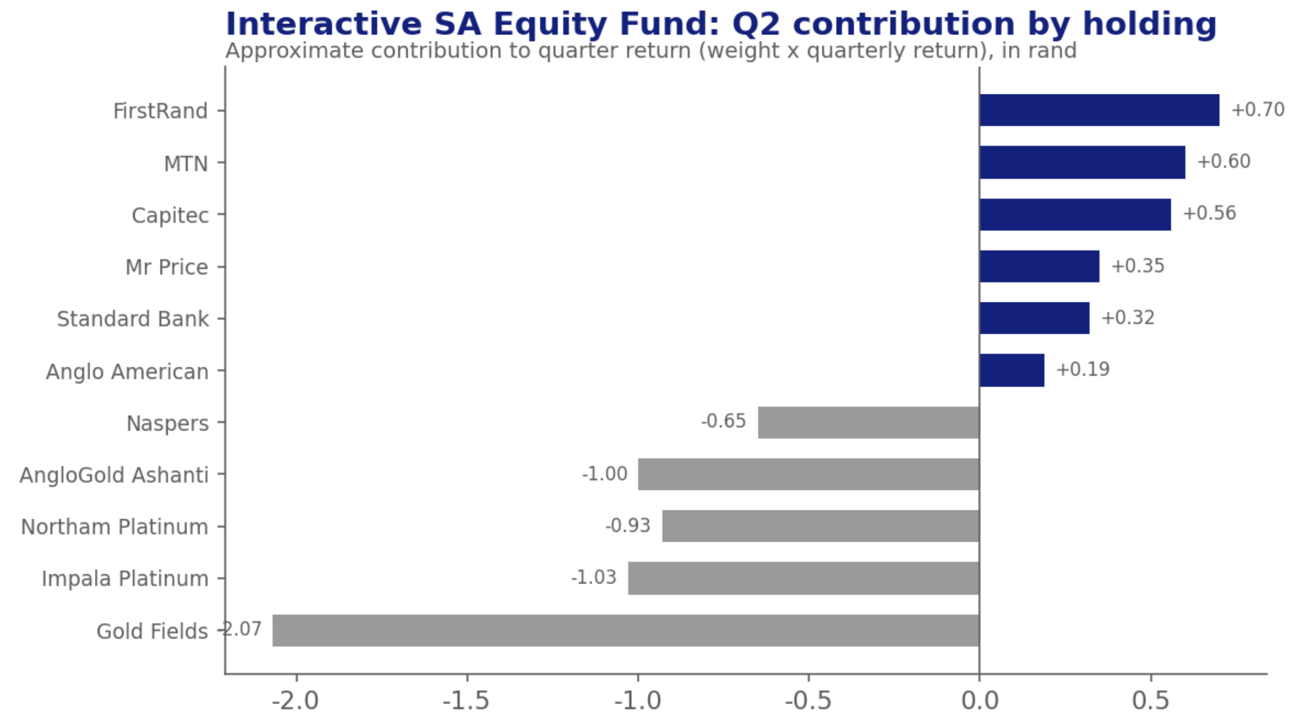
Those same miners drove exceptional one-year gains, with AngloGold up about 91% and Gold Fields about 48% over the year. Owning durable, sensibly valued businesses steadies a resource-heavy local index through commodity swings.

Period	Fund %	Benchmark %	Difference
3 months	-4.82	-2.24	-2.58
6 months / YTD	-5.93	-3.10	-2.83
1 year	16.13	16.75	-0.62
Since common inception (17 Apr 2025)	20.04	20.33	-0.29

TOP HOLDINGS BY WEIGHT

- Satrix Top 40 · 9.4%
- Gold Fields · 7.8%
- Naspers · 6.9%
- AngloGold · 6.5%
- FirstRand · 6.2%
- Standard Bank · 4.8%
- Impala Platinum · 4.1%
- Capitec · 3.9%

Holdings are shown for information only and are not a recommendation.



Source: Interactive Fund Returns holdings, to 30 June 2026. Approximate, weight x 3-month return. Illustrative.

05 · FUND PERFORMANCE

Balanced Fund

Interactive Balanced Prescient FoF C · vs (ASISA) South African MA High Equity · to 30 June 2026

FUND, 1 YEAR	BENCHMARK	DIFFERENCE
14.13%	12.32%	+1.81%

Diversification delivered where it matters

The fund outperformed its high-equity peer group by 1.81% over one year and stayed ahead over three years, exactly the periods that matter for a multi-asset investor.

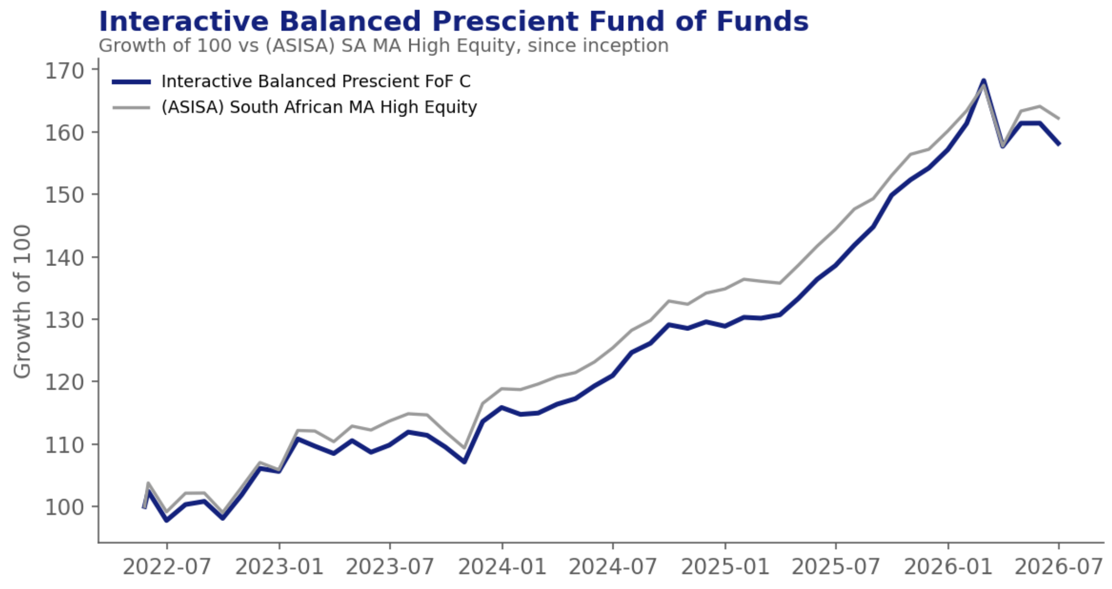
The softer quarter reflected the fund's mix and weak local equity

The fund lagged over three months because its largest building block, the SA Equity Fund, eased with the miners and detracted 3.16% from the quarter's return. The Global Equity Fund added 2.19% and listed property a further 0.46%, so returns came from across the building blocks rather than from a single call.

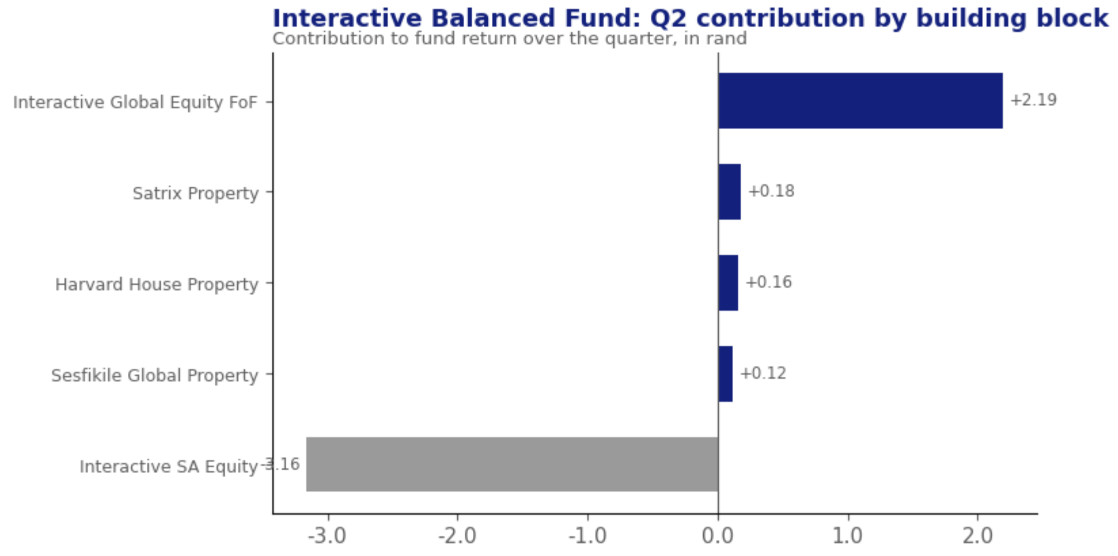
The fund is built to stay competitive without unnecessary benchmark risk

A peer-aligned strategic allocation keeps the fund close to its category over the full cycle; quality and income do the rest.

Period	Fund %	Benchmark %	Difference
3 months	0.30	2.83	-2.53
6 months / YTD	0.65	1.29	-0.64
1 year	14.13	12.32	+1.81
3 years	12.92	12.58	+0.34
Since inception (1 Jun 2022)	11.23	11.56	-0.33



Source: Interactive Fund Returns, to 30 June 2026. NAV-to-NAV, net of fees, income reinvested. Past performance is not a guide to future returns.



Source: Interactive Fund Returns, to 30 June 2026. Rescaled weight x quarterly return.

05 · FUND PERFORMANCE

Global Equity Fund

Interactive Global Equity Prescient Fund C · vs (ASISA) Global EQ General · to 30 June 2026

FUND, 1 YEAR	BENCHMARK	DIFFERENCE
12.02%	6.42%	+5.60%

Multi-factor exposure drove strong relative returns

Blending quality, dividend, wide-moat and market-cap strategies helped the fund outperform its global peer group by 5.60% over one year and 5.88% year to date, while staying ahead over three years and since inception.

Diversification beyond the mega-caps helped

The quality and dividend holdings, from the MSCI USA Quality Factor and Wide Moat ETFs to Schwab US Dividend, left the fund less dependent on the narrow group of AI winners than many global peers, even as the Nasdaq-heavy holdings also contributed.

Currency shaped the rand investor's experience

The rand strengthened from 17.20 to 16.39 per US dollar, about 4.9%, which is why the fund's 7.67% rand return sat below the roughly 15% dollar return of global equity.

Period	Fund %	Benchmark %	Difference
3 months	7.67	8.16	-0.49
6 months / YTD	10.11	4.22	+5.88
1 year	12.02	6.42	+5.60
3 years	10.35	9.90	+0.45
Since common inception (30 Jun 2023)	10.84	10.21	+0.63

LARGEST HOLDINGS AT QUARTER END

FTSE All-World ex-US	28.2%
MSCI USA Quality Factor	12.1%
Dividend Appreciation	12.0%
Wide Moat	11.8%
Invesco QQQ	11.8%
US Dividend Equity	11.7%
Core S&P 500	11.7%

CURRENCY EFFECT

Rand +4.9%

16.39 vs 17.20 per US dollar over the quarter. A stronger rand trims offshore returns for a local investor.

05 · FUND PERFORMANCE

Income Fund

Interactive Income Prescient Fund C · vs CPI + 3% · to 30 June 2026

FUND, 1 YEAR	CPI + 3%	DIFFERENCE
8.71%	7.64%	+1.07%

The fund delivered real income above inflation

The fund outperformed its CPI plus 3% target by 1.07% over one year, 2.67% over three years and 1.94% since inception.

An attractive yield with low volatility

The fund offers a forward yield of 8.81% at a duration of just 1.91 years. Favouring shorter-duration income assets limits the rate sensitivity that causes large drawdowns, which matters as central banks, including the SARB, turn hawkish.

A conservative role, honestly framed

Against the broader ASISA income peer group the fund sat modestly behind over one year (8.71% versus 10.74%), consistent with its conservative, capital-first mandate. Its job is stability and real income, not maximum yield.

Period	Fund %	CPI + 3%	Difference
3 months	3.02	3.16	-0.14
6 months / YTD	3.51	4.71	-1.20
1 year	8.71	7.64	+1.07
3 years	9.96	7.29	+2.67
Since inception (1 Mar 2023)	9.55	7.62	+1.94

VS ASISA INCOME PEERS, 1 YEAR

8.71% vs 10.74%

Modestly behind the peer average, consistent with the conservative, capital-first mandate.

FUND CHARACTERISTICS

Forward yield	8.81%
Duration	1.91 years
Avg term to maturity	5.27 years

Disclaimer

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Basis of market data. Market and index returns referred to in this review are sourced from third-party data providers and from manager and market commentary, and are indicative. Where asset-class returns are shown, the return of a representative exchange-traded fund tracking the relevant market has been used as a proxy for the index; a fund's return may differ from the index it tracks owing to fees and tracking differences. South African cash is represented by a short-term money-market proxy.