



see money differently

NEDGROUP INVESTMENTS

Cash Solutions Range

Q4 2024

Marketing Communication

Nedgroup Investments Cash Solutions Range

Past performance is not indicative of future performance and does not predict future returns.

Periodic returns up to 31 December 2024	1 month	3 months	YTD 2024	1 year	3 years	Gross Est. Yield*	Modified Duration
Money Market Fund	0.71%	2.14%	8.95%	8.93%	7.78%	9.58%	0.17
Prime Money Market Fund	0.70%	2.09%	8.68%	8.67%	7.44%	8.54%	0.20
Corporate Money Market Fund	0.70%	2.11%	8.87%	8.86%	7.70%	9.59%	0.16
Core Income Fund	0.77%	2.29%	9.78%	9.76%	8.31%	9.07%	0.13
SteFI Call	0.64%	1.94%	8.16%	8.14%	6.95%		
SteFI Composite	0.66%	2.01%	8.46%	8.45%	7.23%		

All net return for the Nedgroup Investments fund's respective C classes. Source: Morningstar

*Gross estimated yields are available daily at **Cash Solutions** (nedgroupinvestments.co.za)

Macro Overview

Lower Interest Rates: On November 21, 2024, the South African Reserve Bank (SARB) reduced its primary interest rate by 25 basis points to 7.75%, reaching the lowest level since April 2023. This widely anticipated move aimed to balance weak economic growth with stable inflation expectations post the global monetary tightening cycle. While short-term inflation remains contained, the medium-term outlook suggests potential upward risks. The SARB revised its 2024 inflation forecast down to 4.5% (from 4.6%), maintained its 2025 projection at 4%, and raised the 2026 estimate to 4.6% (from 4.4%), driven by anticipated electricity price hikes.

In the United States, the Federal Reserve (Fed) reduced interest rates by 25 basis points in December 2024, setting the range at 4.25%-4.5%. This was the third consecutive cut, following reductions of 25 basis points in November and 50 basis points in September.

Volatile Exchange Rate: The South African rand came under pressure due to the Fed's hawkish tone on future rate policy. In the final week of December, the exchange rate against the US dollar fluctuated, with a low of 18.604 on December 26 and a high of 18.898 on December 31. This volatility underscores the sensitivity of emerging market currencies to external factors, such as US monetary policy shifts, which impact investor sentiment and capital flows.

Subdued Economic Performance: South Africa's GDP contracted by 0.3% in Q3 2024, following 0.3% growth in Q2. The contraction was driven by declines in the primary sector (mining and agriculture), while secondary and tertiary sectors experienced slower growth. Despite the quarterly setback, GDP in Q3 2024 was 0.3% higher compared to Q3 2023. For the full year, GDP growth is expected at approximately 0.8%, reflecting ongoing challenges such as electricity supply constraints, weak business confidence, and subdued private investment. Key sectors like mining and manufacturing were negatively impacted by global commodity price volatility and logistical inefficiencies, though resilience in agriculture and growth in renewable energy investments offered some support.

Disclaimer

WHO WE ARE

Nedgroup Collective Investments (RF) Proprietary Limited is an authorised Collective Investment Scheme and the representative of Nedgroup Investments Funds PLC in terms of the Collective Investment Schemes Control Act. It is a member of the Association of Savings & Investment South Africa (ASISA)..

OUR TRUSTEE

The Standard Bank of South Africa Limited is the registered trustee.

Contact details: Standard Bank, Po Box 54, Cape Town 8000,

Trustee-compliance@standardbank.co.za, Tel 021 401 2002.

GROSS ESTIMATED YIELD

Gross Yield: means the sum of all expected income over the next 12-months from underlying instruments in the portfolio divided by the cumulative net asset value of the fund. The expected income amounts are approximate and based on market assumptions and forecasts. Actual returns may differ, based on changes in market values, interest rates and changes in costs experienced during the investment period.

MODIFIED DURATION

Modified duration measures how sensitive a bond's price is to a change in the interest rate level and follows the concept that interest rates and bond prices move in opposite directions. In other words, it estimates by how much, measured as '% change', you can expect a bond price to fall for every 1% increase in interest rates and vice versa. The weighted average modified duration collectively measures the total portfolio's sensitivity

HOW ARE OUR FUNDS PRICED

Funds are valued daily at 15:00. Instructions must reach us before 14:00 (12:00 for Nedgroup Money Market Fund) to ensure same day value. Prices are published daily on our website and in selected major newspapers.

FEES

A schedule of fees and charges is available on request from Nedgroup Investments. One can also obtain additional information on Nedgroup Investments products on our website.

DISCLAIMER

Unit trusts are generally medium to long-term investments. The value of your investment may go down as well as up. Past performance is not necessarily a guide to future performance. Nedgroup Investments does not guarantee the performance of your investment and even if forecasts about the expected future performance are included you will carry the investment and market risk, which includes the possibility of losing capital. Our funds are traded at ruling prices and can engage in borrowing and scrip lending.

Some funds may hold foreign securities including foreign CIS funds. As a result, the fund may face material risks, which could include foreign exchange risks, market conditions and macro-economic and political conditions.

A fund of funds may only invest in other funds, and a feeder fund may only invest in another single fund, both will have funds that levy their own charges, which could result in a higher fee structure.

The Nedgroup Investments Money Market Fund offering aims to maintain a constant price of 100 cents per unit. A money market fund is not a bank deposit. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument held. In most cases the return will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of a capital loss. Excessive withdrawals from the fund may place the fund under liquidity pressures and that in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. The yield is calculated using an annualised seven day rolling average as at the relevant dates provided for in the fund fact sheet. Nedgroup Investments has the right to close its funds to new investors in order to manage it more efficiently.

NEDGROUP INVESTMENTS CONTACT DETAILS

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For further information on the fund please visit: www.nedgroupinvestments.co.za

OUR OFFICES ARE LOCATED AT

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WRITE TO US

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