



UNIT TRUSTS | INTERNATIONAL | RETIREMENT FUNDS

see money differently

A photograph of an open book with white pages, viewed from a high angle. A white bookmark is visible in the center. The text is overlaid on the right side of the image.

NEDGROUP INVESTMENTS

Bravata Worldwide Flexible Fund

Quarter One, 2025

PERFORMANCE

31 March 2025 (Annualised Net returns %)	1 year	3 years	5 years	7 years	10 years	Since Inception
Fund – A Class ¹	7.6	9.9	17.2	13.2	10.8	11.2
Benchmark ²	8.3	10.5	10.1	9.9	10.3	10.9

COMMENTARY

In uncertain times, it's natural for investors to ask questions about the future: what direction markets will take, where equity and bond prices will settle, and what inflation will look like. The truth is that we don't know – and we never have. In 2008, amid the global financial crisis, we didn't know. In 2020, during the COVID-19 pandemic, we didn't know. And in 2025, with the uncertainty introduced by President Trump's policies, we still don't know.

What we do know is that fundamentals matter.

For several years now, we've expressed caution about the elevated valuations in parts of the US market. While we didn't predict the specific actions taken by President Trump, we believed that historically rich valuations warranted a more defensive posture. Initially, this approach lagged the S&P 500. More recently, however, it has begun to show its value.

Our concerns about the trajectory of the US economy have deepened. The actions of President Trump, particularly around trade policy, could prove more damaging than the shocks of 2008 or 2020. The speculative enthusiasm around AI helped markets avoid a deeper selloff in 2022, but for over a decade, excess liquidity from the Federal Reserve and the US government has propped up asset prices. The can has been kicked down the road for years, and there is now very little road left.

The tariff questions we flagged three months ago have materialised rapidly. While any commentary risks being outdated within a week, given the unpredictability of US policy, one thing is clear: this level of uncertainty is deeply negative for both business and consumer confidence. Businesses are shelving investment and hiring plans. Supply chains are seizing up as companies accelerate and then cancel orders, leaving them with bloated working capital to buffer against disruption.

On the consumer side, we expect increased caution, especially in discretionary categories, which is meaningful given that roughly two-thirds of the US economy is driven by consumption. Tariffs are also inherently inflationary, exacerbating pricing pressure in an environment where inflation is already above target in most developed markets.

Our portfolios remain anchored in businesses that are unfashionable but reliable: tobacco, spirits, and beer companies with high dividend yields, modest valuations, and relatively predictable economics. These are not the stocks that dominate headlines, but they are the kinds of businesses where not much optimism is priced in, which is precisely what makes them attractive in uncertain times.

In our view, what ultimately protects investors are facts and fundamentals. Our focus remains on understanding each business deeply, estimating what its economics might look like over the next 5 to 10 years, and ensuring we aren't overpaying for that certainty. To quote one of the investing greats, the first rule of investing is: don't lose money. The second rule is: don't forget rule one. Our funds are built with these principles at the core.

We continue to hold elevated levels of cash, and while others may choose to remain fully invested, we value the optionality that cash provides. We are comfortable earning high yields on liquid assets while we wait for better buying opportunities to emerge.

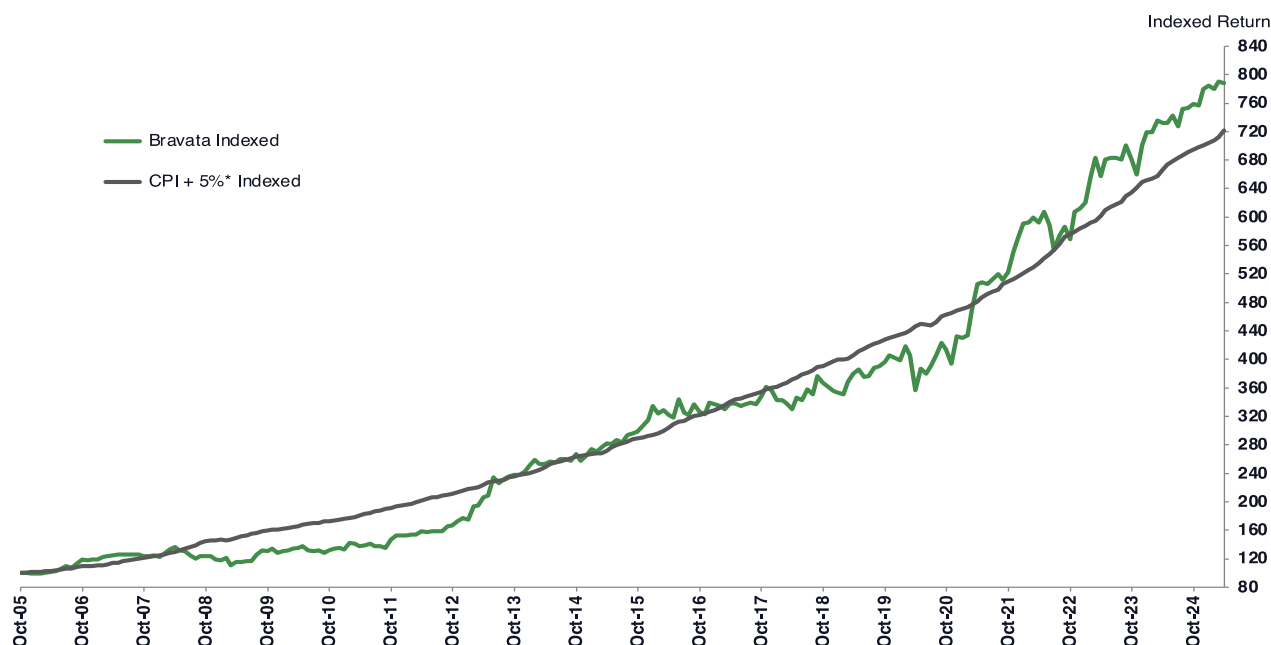
Our base case is for subdued returns as the world digests these imbalances. The adjustment process may be sharp.

¹ Net return for the Nedgroup Investments Bravata Worldwide Flexible Fund (A Class).

² Benchmark is South Africa CPI+5%

In the meantime, the high dividend yield from our equity holdings and elevated interest income from cash provide a degree of protection in what we expect to be a more difficult environment for investors.

PERFORMANCE



**Benchmark changed from CPI +4% to CPI +5% 1 January 2007. Past performance is not indicative of future performance.*

Source: Bloomberg, Stats SA, 31 March 2025

CONTRIBUTORS AND DETRACTORS

Positive Contributors	%
Berkshire Hathaway	0.6
Anheuser-Busch Inbev	0.6
SBM Offshore	0.5
British American Tobacco	0.5
Dollar General	0.5

Negative Contributors	%
Victoria's Secret & Co	-1.4
Bath & Body Works	-0.7
Sabre	-0.3
Netcare	-0.3
Southern Sun	-0.2

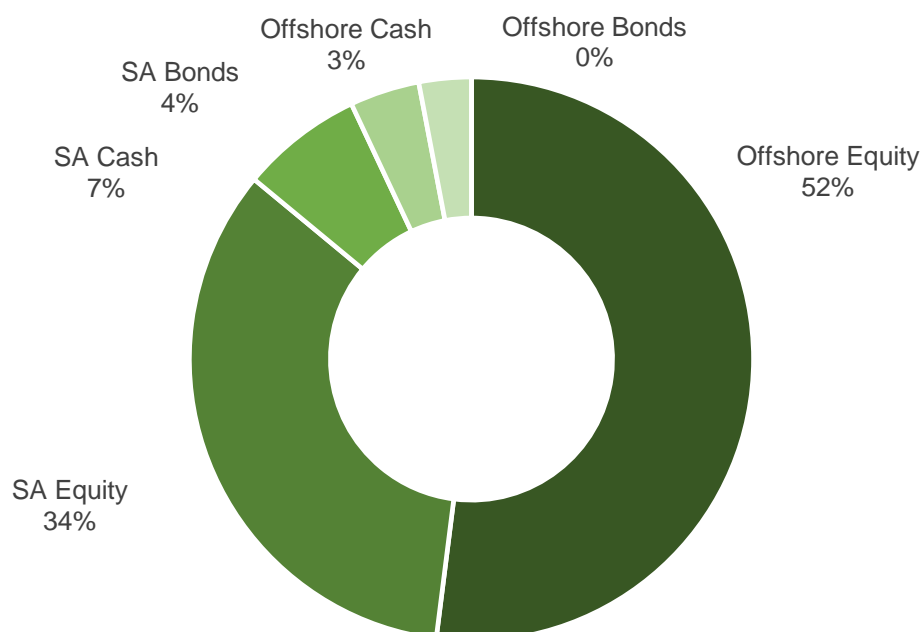
Source: Aylett & Co, from 31 December 2024 to 31 March 2025

TOP EQUITY HOLDINGS

Holdings	31 March 2025	31 December 2024	Change
	%	%	%
Aylett Global Equity Fund	8.7	8.3	0.4
Reinet Investments	6.7	6.7	0.0
Berkshire Hathaway	4.4	4.7	-0.3
British American Tobacco	4.1	3.5	0.6
We Buy Cars	4.0	4.3	-0.3
Super Group	3.8	3.1	0.7
SBM Offshore	3.5	3.0	0.5
Dollar General	3.4	2.5	0.9
AECI	3.0	2.2	0.8
Netcare	2.8	2.6	0.2
Total	44.4	40.9	

Source: Aylett & Co, as at 31 March 2025

ASSET ALLOCATION



Source: Aylett & Co, as at 31 March 2025

ACTIVITY

Entries	Change	Exits	Change
	%		%
Becle Sab de CV	1.0	SA Government Bond R2032	-7.1

Source: Aylett & Co, as at 31 March 2025

Up Weights	Traded Value as % of NAV	Down Weights	Traded Value as % of NAV
Spar	1.4	Berkshire Hathaway	-1.1
Super Group	0.7	Coca-Cola Co	-0.5
Dollar General	0.6		
AECI	0.5		

Source: Aylett & Co, from 31 December 2024 to 31 March 2025

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.

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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Tel: +27 21 416 6011 (Outside RSA)

Email: info@nedgroupinvestments.co.za

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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