

**NEDGROUP**  
INVESTMENTS

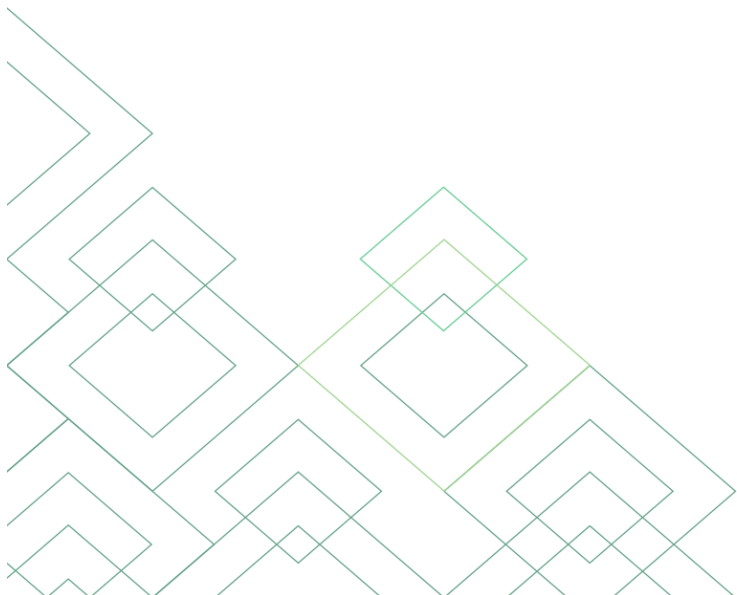
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# **NEDGROUP INVESTMENTS SA EQUITY FUND**

Quarter One, 2026





## Nedgroup Investments SA Equity Fund (Class A2)

Performance to 31 March 2026	Nedgroup Investments SA Equity <sup>1</sup>	FTSE/JSE Capped All Share
Three months	-2.2%	-0.5%
12 months	31.1%	34.1%

### Market Overview

The first quarter of 2026 ended on a highly unsettled note, with March marking an exceptionally unusual and difficult period for global markets. Geopolitical risk escalated sharply as February drew to a close, following the outbreak of conflict between the Israel–United States alliance and Iran. The conflict drew in a number of regional actors, including parts of the Gulf Cooperation Council, raising fears of broader regional instability. The key issue unsettling markets was Iran’s closure of the Strait of Hormuz, a critical chokepoint through which roughly 20% of global oil supply flows, along with significant volumes of refined products and fertiliser. Energy prices responded aggressively, with Brent crude surging sharply at points during March and driving renewed inflation concerns globally.

Global equity markets struggled to retain early quarter gains. For the quarter as a whole, MSCI World ended broadly flat in local currency terms but declined -3.4% in USD year to date (YTD), while the S&P 500 closed the quarter down -4.4% in USD. Emerging markets were disproportionately affected, reflecting tighter financial conditions driven by higher oil prices, rising real yields and a stronger US dollar. Consequently, while the MSCI Emerging Markets Index managed a positive return of +2.5% in ZAR terms, returns were more muted in USD, ending the quarter slightly negative at -0.1%.

South African equities delivered a mixed quarter to 31 March 2026. The market backdrop was initially supportive, with easing inflation, a firmer rand, steady fiscal messaging and firm commodity prices underpinning sentiment. Headline inflation eased to 3.0% by February, while the SARB kept the repo rate unchanged at 6.75% in both January and March, reinforcing its cautious approach around the new 3% inflation target. Resource counters, and gold shares in particular, benefited from the strong gold price and helped lift the FTSE/JSE All Share to a record intramonth high in March. However, risk appetite weakened during March mainly due to geopolitical tensions and higher oil price concerns, resulting in a sharp late-quarter correction.

### Fund Performance and Contributors/Detractors

The Nedgroup Investments SA Equity Fund returned -2.2% over the three months to 31 March 2026, compared with -0.5% for the FTSE/JSE Capped All Share Total Return Index. The positive stock contributors to performance over the quarter were Glencore, AngloGold Ashanti, and Anheuser-Busch InBev. The largest detractors to performance were overweight positions in Prosus and Mr Price Group and being underweight Sasol. We added to Prosus during the quarter as Tencent de-rated on AI disruption concerns whilst our view remains that Tencent is well positioned to benefit from AI deployment within its ecosystem.

Elsewhere, cyclicals such as discretionary retail and banks weighed on performance. We increased Mr Price over the quarter as we viewed the market’s reaction to the NKD transaction as overdone and believe a ~10X PE as attractive for a high-quality domestic retailer. We maintained exposure to South African consumer recovery through selected additions in Shoprite and Clicks, although the broader discretionary retail basket remained weak over the period.

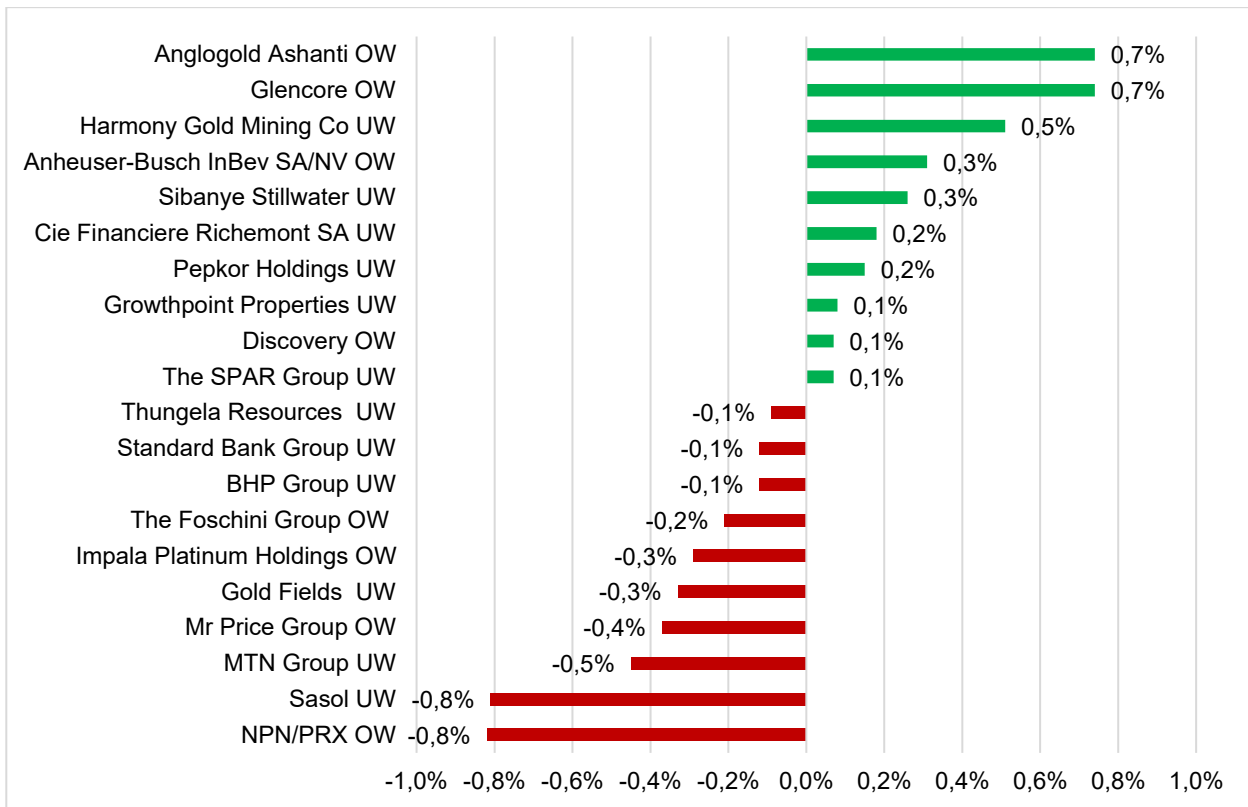
During the quarter we also switched a portion of our large overweight position in AngloGold into Gold Fields on the back of continued relative outperformance of AngloGold. The fund also increased its exposure to Glencore early in the quarter and funded this from selling down the BHP Group Ltd position.

<sup>1</sup> Net return for the Nedgroup Investments SA Equity Fund, A2 class. Source: Morningstar (monthly data series).



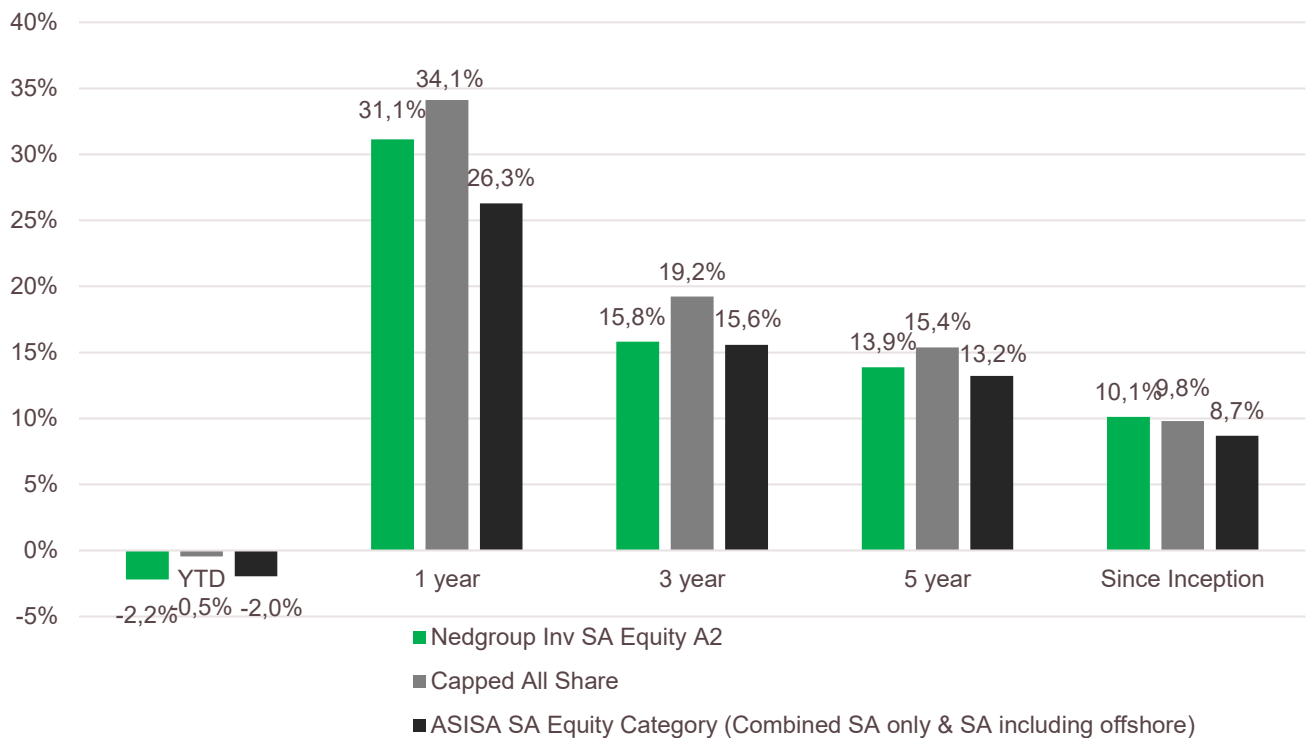


**Graph 1: Nedgroup SA Equity Fund Attribution vs. Capped All Share: Top 10 Winners and Losers Q1 2026**



Source: Laurium Capital

**Graph 2: Periodic Returns Since Inception 27 March 2014 to 31 March 2026 vs Fund Benchmark (Capped All Share) and Peer Group**



Source: Morningstar Direct





## Fund Positioning and outlook

Looking ahead, we continue to see a reasonably supportive medium-term backdrop for South African equities, even after the quarter's volatility. Inflation has moderated meaningfully, the SARB has maintained policy credibility around the 3% target, and a firmer domestic macro backdrop should be supportive for selected SA Inc exposures if foreign investor flows improve. At the same time, the quarter-end correction was a reminder that global risk appetite remains vulnerable to geopolitical shocks, trade tensions and higher energy prices.

Portfolio positioning remains balanced between resource exposure, selected SA Inc names and global Rand-hedge franchises. In resources, we retain meaningful exposure to gold through AngloGold Ashanti and Gold Fields, while continuing to actively manage relative weights across the gold complex, including rotating a portion of AngloGold into Harmony late in the quarter after significant relative outperformance. We also retain exposure to diversified miners through Glencore and Anglo American and continue to see strategic value in copper-linked optionality. In PGMs, despite weak near-term share price performance, exposure to Impala Platinum and Valterra Platinum was maintained, reflecting our view that supply remains constrained, with expected deficits across the major PGM metals.

Within SA Inc, we continue to favour banks and selected consumer names where valuations remain attractive relative to medium-term earnings potential. Absa and FirstRand remain preferred banking holdings, while we added to Shoprite, Clicks and Mr Price during the quarter where we believed the market had become too pessimistic on low inflation and consumer spending trends. We also added to Sanlam following the sell-off.

In the global consumer category, AB InBev remains attractive from a valuation perspective. Bidcorp's position in the fund was increased - the stock remains attractively valued whilst being defensive and offering broad geographic diversification. Prosus and Naspers remain important positions in the fund despite the quarter's weakness. While Tencent underperformed following concerns around the company lagging peers in the AI race, our view remains that Tencent is well positioned to deploy AI within its ecosystem, centred around its 1.4 billion WeChat user base.

Overall, we believe the portfolio remains positioned to benefit from a combination of attractive domestic valuations, selective commodity exposure and stock-specific opportunities created by the recent market pull-back.

## Responsible Investments

At Laurium Capital, we believe that high standards of corporate responsibility generally make good business sense and have the potential to protect and enhance investment returns. We incorporate Environmental, Social, Governance ("ESG") issues into our investment decision-making process in a way that is fully consistent with our long-term investment horizon.

For the quarter in review, we participated in 12 votable meetings, of which in 4 we chose to actively vote against one or more management proposals.

As a business, we support and fund the Disa Trust which recognises the obligation and imperative to act in a way that enhances and empowers communities, and to make a positive impact within South Africa and its economy. For several years we have employed a significant number of first-time job seekers via the YES program, successfully meeting the absorption targets each year.





## 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,  
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### 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](http://www.nedgroupinvestments.co.za)

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