



PORTFOLIO RETURNS (%)*	Portfolio	STEFI	Difference
31 January 2025	0.79%	0.66%	0.13%
3 months	2.29%	1.99%	0.30%
6 months	4.85%	4.08%	0.77%
YTD	0.79%	0.66%	0.13%
1 year Annualized	9.52%	8.42%	1.10%
2 years Annualized	9.66%	8.30%	1.36%
3 years Annualized	8.82%	7.35%	1.47%
Since Inception Annualized	7.36%	6.16%	1.20%
*Time Weighted Rate of Return			

PERFORMANCE COMMENTARY

South African bonds experienced a sell-off primarily due to global market volatility and investor risk aversion. A significant factor was the sharp global sell-off linked to advances by Chinese artificial intelligence startup DeepSeek, which led investors to question the high valuations of major U.S. technology and AI companies. A hawkish hold by the FOMC at the January meeting and strong U.S. economic indicators, strengthened the U.S. dollar which in turn exerted pressure on risk-sensitive currencies like the South African rand. These combined factors led to increased yields on South African government bonds. For the money market curve, the 3-month and 6-month Jibar rates rallied by 19 and 13 basis points respectively, while the 12-month Jibar rates rallied by 1 basis points in January. The spread between 12x15 FRA rates and 3m Jibar rates widened by 28 basis points during this period. At the last MPC meeting in January, policymakers opted for a 25 basis point cut to the repo rate. The 3-month Jibar rate being higher than the 12x15 FRA by 22 basis points meant that the derivatives market ended the month expecting the monetary policy committee to cut rates by a 25 basis points over the next 12 months. Our portfolio positioning continued producing positive alpha for the month.

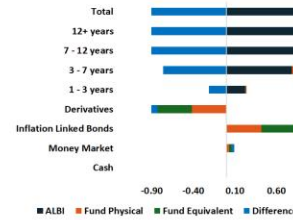
ASSET CLASS RETURNS

Equities were the best performing asset class during the month with a return of 2.32% followed closely by Cash at 0.66%. Nominal Bonds yielded a return of 0.44% while Inflation Linked Bonds (ILBs) had the lowest return of -0.32% for the month.

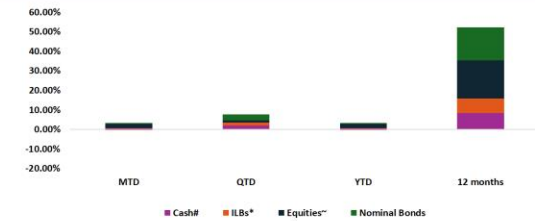
INTEREST RATE RISK: DURATION AND YIELD

Modified duration as at:	Friday, 31 January 2025
Portfolio	0.07
ALBI	5.73

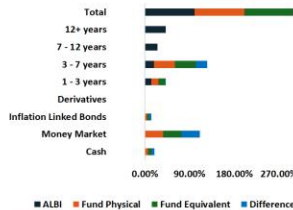
Sector	ALBI	Fund Physical	Fund Equivalent	Difference
Cash	0.00	0.00	0.00	0.00
Money Market	0.00	0.03	0.03	0.03
Inflation Linked Bonds	0.00	0.42	0.42	0.42
Derivatives	0.00	-0.42	-0.42	-0.42
1 - 3 years	0.22	0.01	0.01	-0.21
3 - 7 years	0.79	0.03	0.03	-0.76
7 - 12 years	1.48	0.00	0.00	-1.48
12+ years	3.24	0.00	0.00	-3.24
Total	5.73	0.07	0.07	-5.66



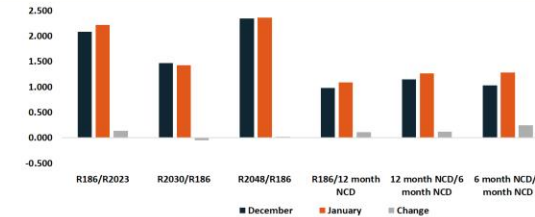
ASSET CLASS RETURNS	MTD	QTD	YTD	12 months
Cash#	0.66%	1.99%	0.66%	8.42%
ILBs*	-0.32%	1.54%	-0.32%	7.36%
Equities~	2.32%	1.06%	2.32%	19.58%
Nominal Bonds	0.44%	3.14%	0.44%	16.86%
source: RMB, INET				
* JSE ASSA Total Index Return Inflation Linked Series-IGOV				



Sector exposure	ALBI	Fund Physical	Fund Equivalent	Difference
Cash	0.00%	6.52%	6.52%	6.52%
Money Market	0.00%	36.93%	36.93%	36.93%
Inflation Linked Bonds	0.00%	4.50%	4.50%	4.50%
Derivatives	0.00%	-3.87%	-3.87%	-3.87%
1 - 3 years	13.76%	14.03%	14.03%	0.27%
3 - 7 years	18.65%	41.89%	41.89%	23.25%
7 - 12 years	25.72%	0.00%	0.00%	-25.72%
12+ years	41.87%	0.00%	0.00%	-41.87%
Total	100.00%	100.00%	100.00%	0.00%



Spread changes*	December	January	Change
R186/R2023	2.080	2.215	0.135
R2030/R186	1.470	1.425	-0.045
R2048/R186	2.345	2.360	0.015
R186/12 month NCD	0.980	1.090	0.110
12 month NCD/6 month NCD	1.150	1.270	0.120
6 month NCD/3 month NCD	1.030	1.280	0.250

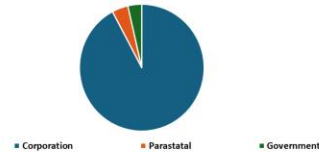




CREDIT EXPOSURE

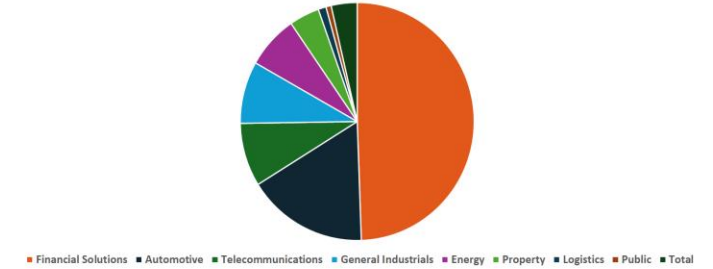
Approximately 0% of the portfolio is invested in NCD's.

Credit Exposure	% Holding
Corporation	99.37%
Parastatal	4.50%
Government	-3.87%
Total	100.00%

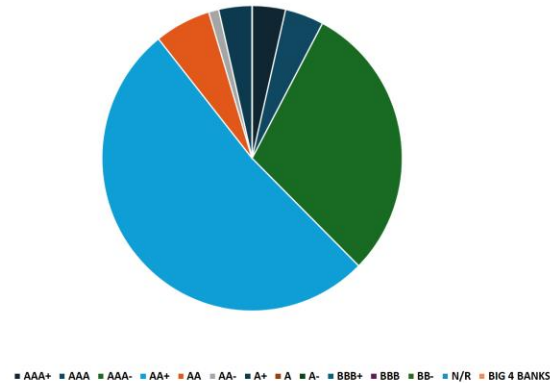


Sector Analysis

Sector Analysis	% Holding
Banking	53.27%
Financial Solutions	17.98%
Automotive	9.29%
Telecommunications	9.11%
General Industrials	7.77%
Energy	4.50%
Property	1.17%
Logistics	0.78%
Public	-3.87%
Total	100.00%



Credit exposure analysis	% Holding
AAA+	-3.87%
AAA	4.50%
AAA-	31.96%
AA+	55.87%
AA	6.52%
AA-	1.17%
A+	3.86%
A	0.00%
A-	0.00%
BBB+	0.00%
BBB	0.00%
BB-	0.00%
N/R	0.00%
BIG 4 BANKS	0.00%
Total	100.00%
Weighted Average Fund Credit Quality	AA



Top 10 Issuer Exposure (excl government)

Top 10 Issuer Exposure (excl government)	% Holding
NEDBANK LIMITED	18.81%
THE STANDARD BANK OF SOUTH AFRICA LIMITED	13.21%
ABSA BANK LIMITED	12.56%
MOBILE TELEPHONE NETWORKS HOLDINGS LIMITED	9.11%
BIDVESTCO LIMITED	7.77%
DAIMLER TRUCK SOUTHERN AFRICA LIMITED	7.74%
THEKWINI 4 LTD	6.38%
FIRSTRAND BANK LIMITED	5.16%
ESKOM HOLDINGS SOC LIMITED	4.50%
TRANSSEC (RF) LIMITED	3.86%
Total	89.10%

