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Investing for a
world of change

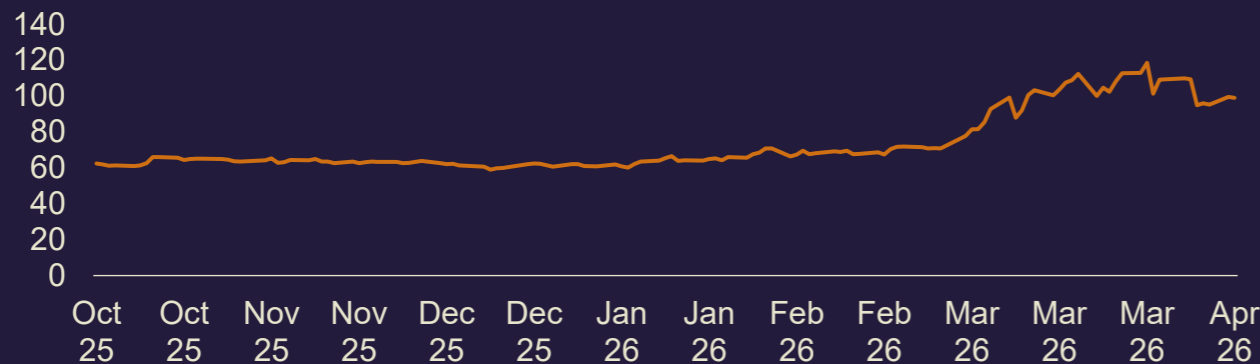
What lies ahead for fixed income investors

Adam Furlan
May 2026

Middle East tensions | The Oil Channel

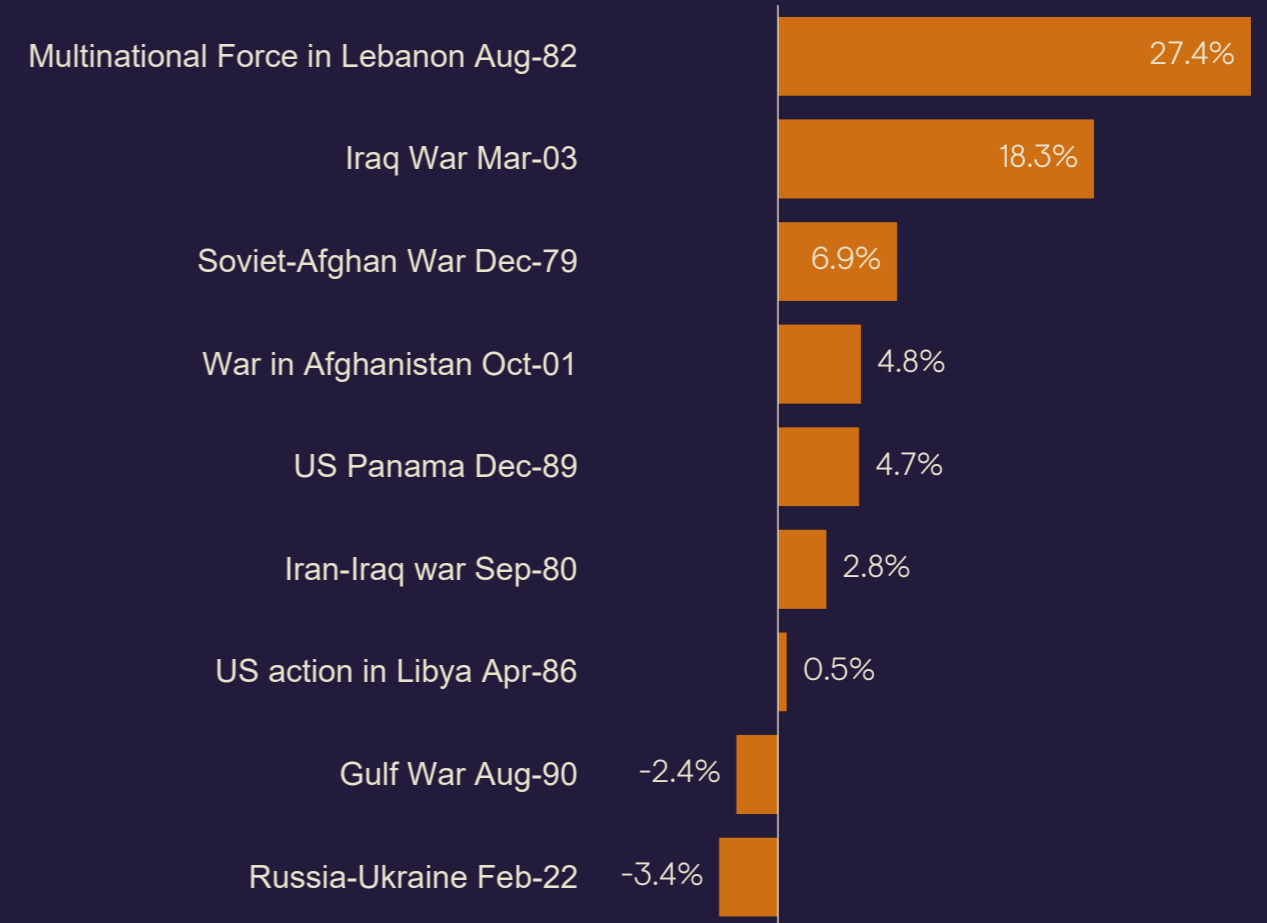


Brent crude oil as at 14 April 2026



Sources: ASR Ltd / LSEG Datastream; Trading Economics 14 April 2026

S&P 500 returns 6 months after crisis event

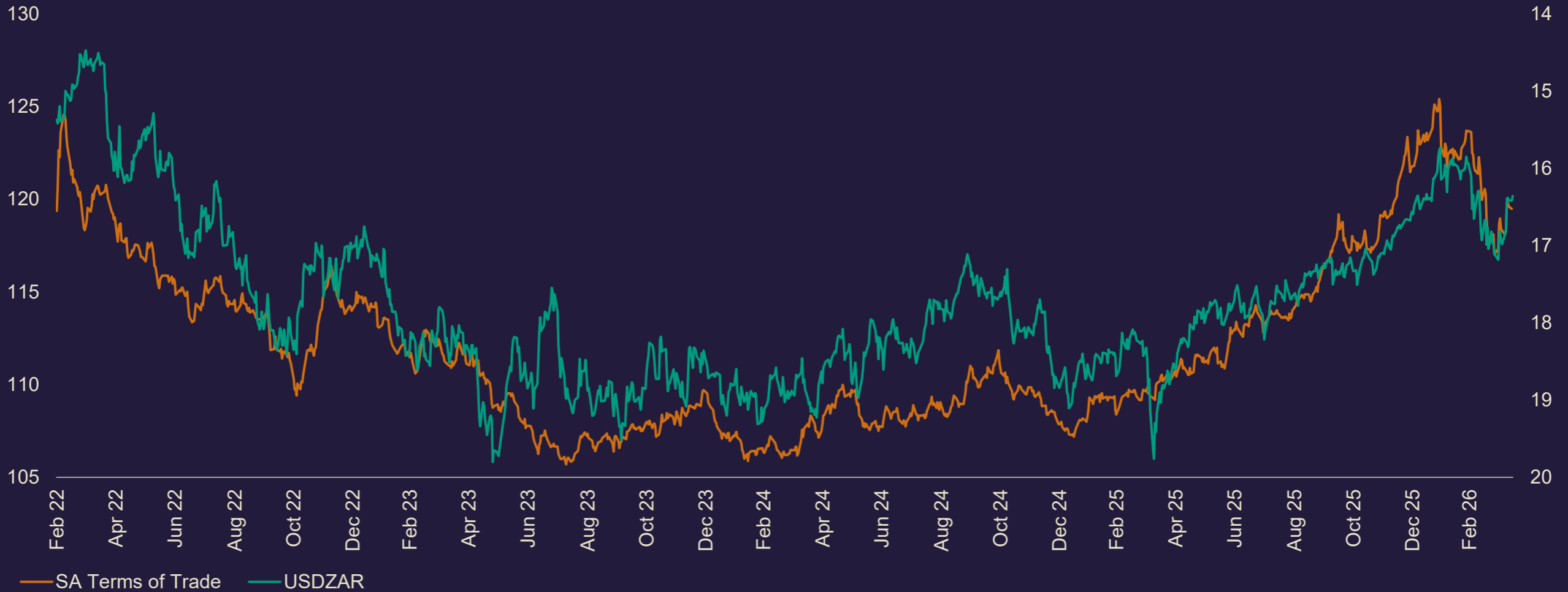


*1m changes from initial event date – MSCI ACWI Index Post 1986 / Datastream Global Index pre-1986
Global equity price response to geopolitical events (+1m)



The rand strengthened on improving terms of trade last year

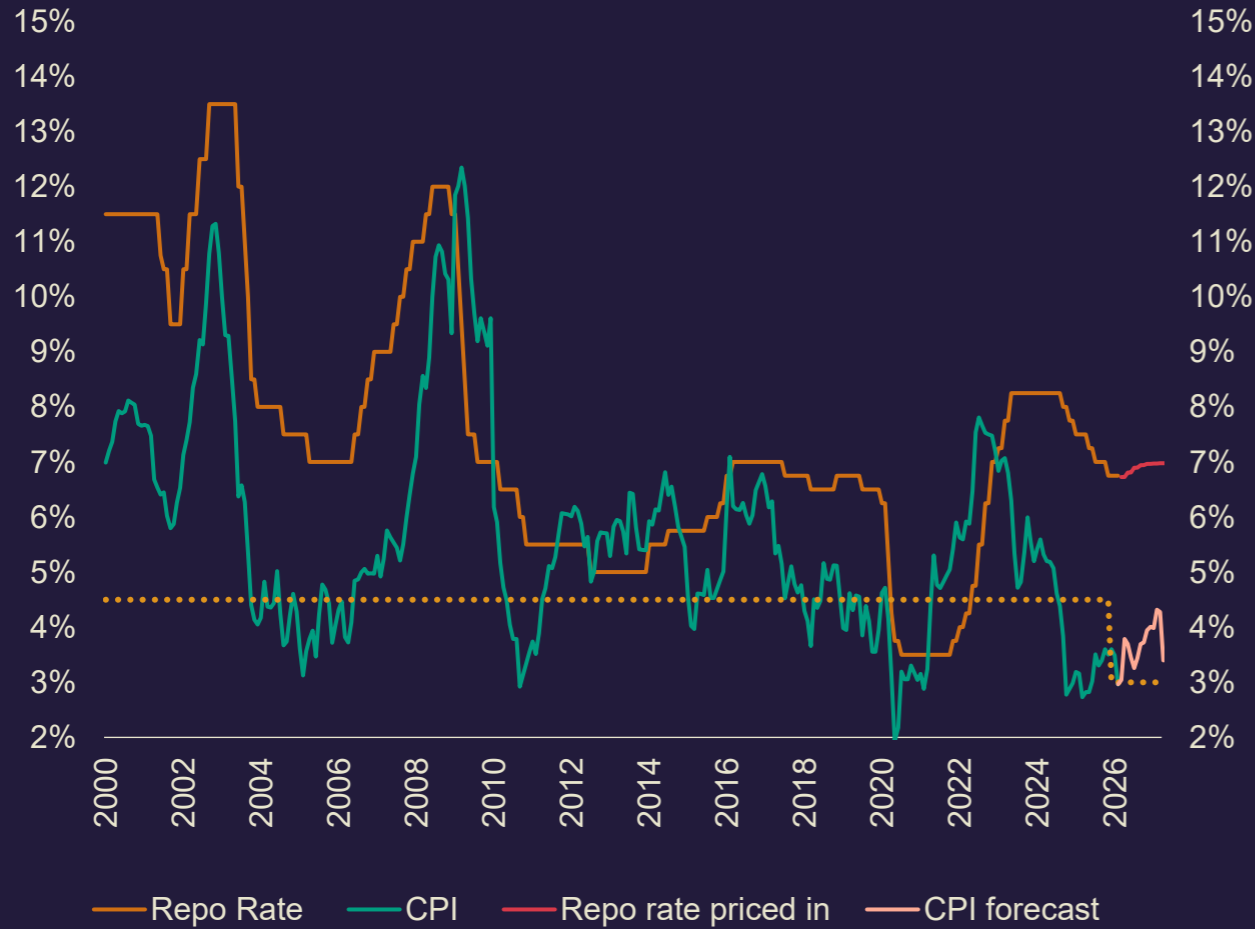
The recent spike in the oil price has resulted in some deterioration



Inflation has risks to the upside

South Africa

SA inflation & repo rate outlook



Our inflation scenarios

2026

Rand

	Brent	15.0	15.5	16.0	16.5	17.0	17.5	18.0	18.5	19.0	19.5
72		2.1%	2.4%	2.7%	3.0%	3.3%	3.6%	3.9%	4.2%	4.5%	4.8%
77		2.2%	2.5%	2.9%	3.2%	3.5%	3.8%	4.1%	4.4%	4.7%	5.0%
82		2.4%	2.7%	3.0%	3.3%	3.6%	3.9%	4.2%	4.5%	4.9%	5.2%
87		2.5%	2.8%	3.1%	3.5%	3.8%	4.1%	4.4%	4.7%	5.0%	5.3%
92		2.7%	3.0%	3.3%	3.6%	3.9%	4.2%	4.6%	4.9%	5.2%	5.5%
97		2.8%	3.1%	3.4%	3.8%	4.1%	4.4%	4.7%	5.0%	5.4%	5.7%
102		2.9%	3.3%	3.6%	3.9%	4.2%	4.6%	4.9%	5.2%	5.5%	5.9%
107		3.1%	3.4%	3.7%	4.1%	4.4%	4.7%	5.1%	5.4%	5.7%	6.0%
112		3.2%	3.5%	3.9%	4.2%	4.5%	4.9%	5.2%	5.5%	5.9%	6.2%

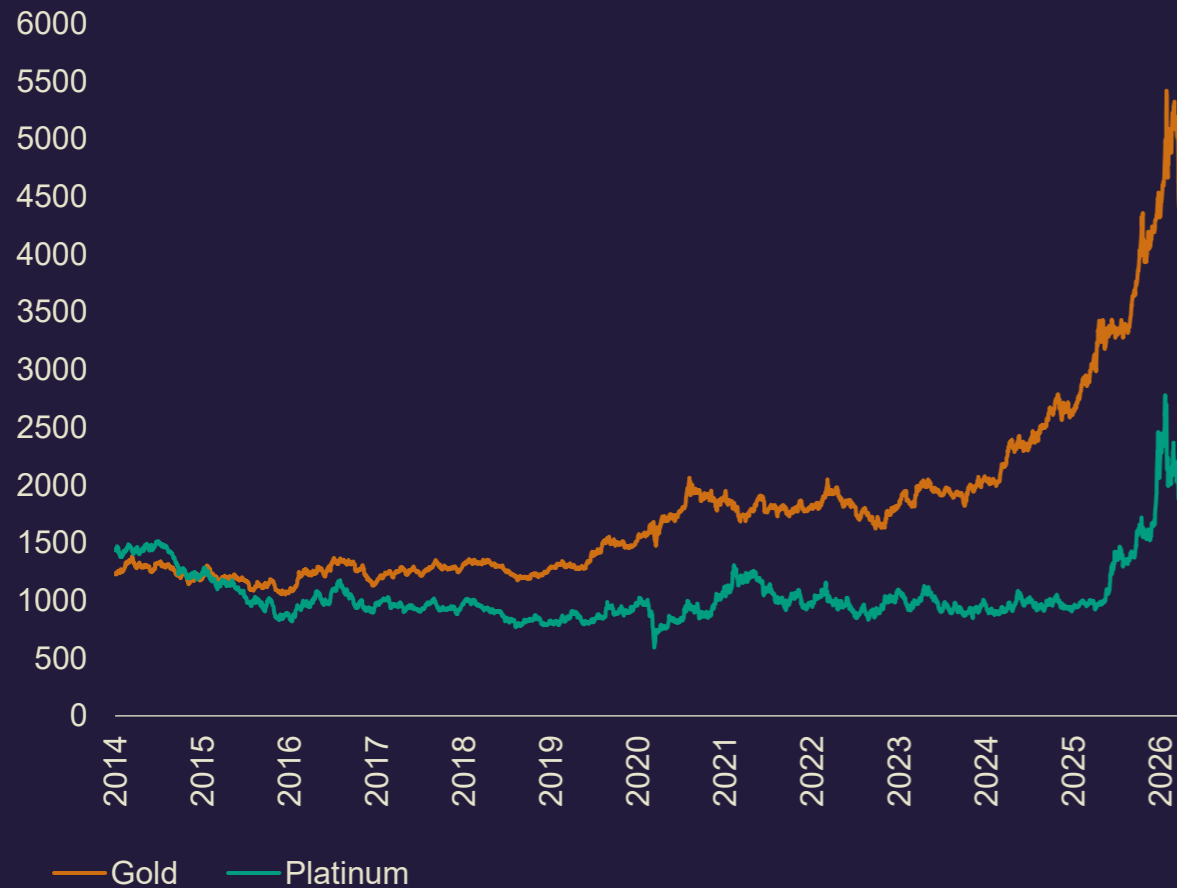
Forecasts are inherently limited and are not a reliable indicator of future results.
Source: Ninety One, SARB, data as at April 2026



Precious metals boost fiscal revenues

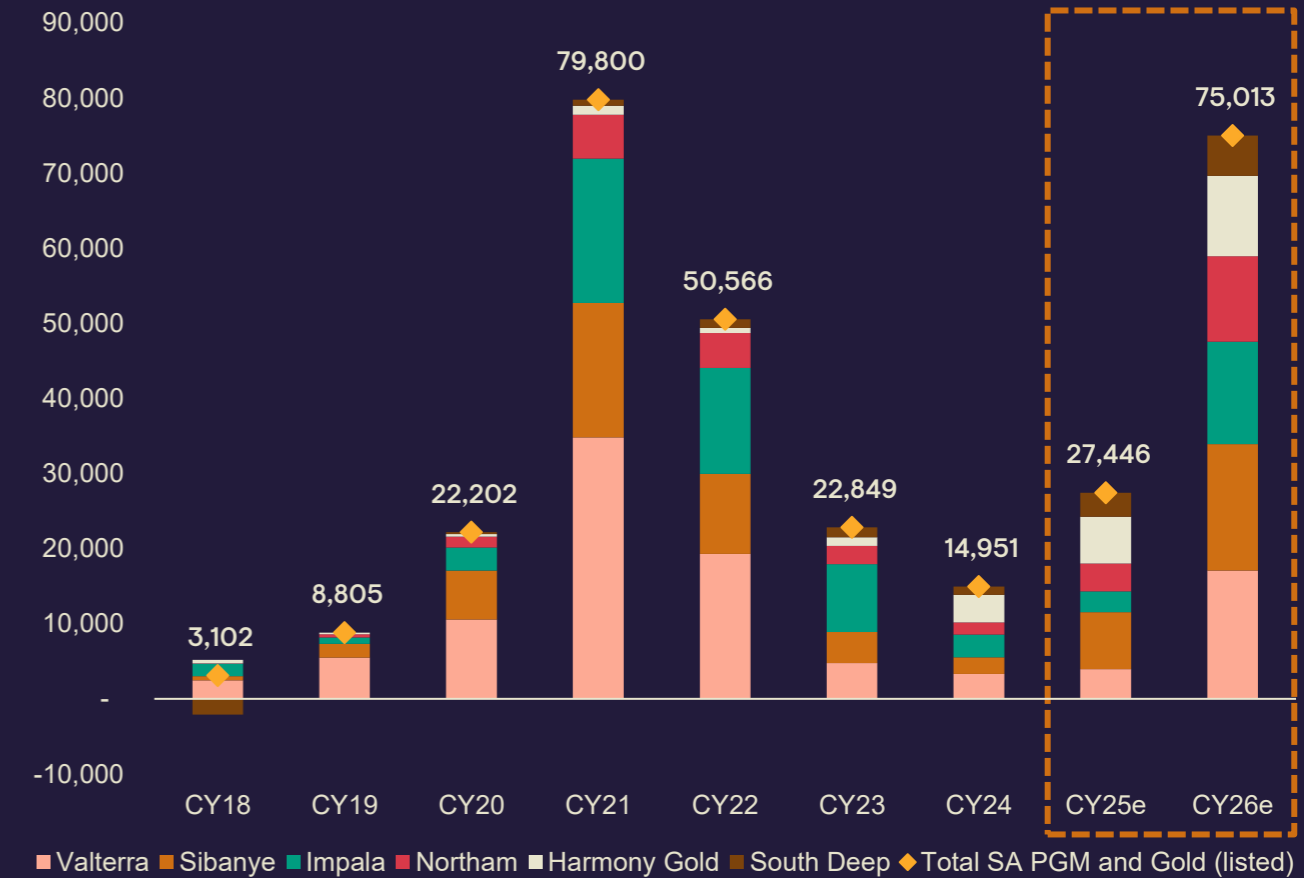
Gold and PGM prices will add roughly R100bln over the next 2 years

Gold and PGM spot



SA PGM and Gold Cash Taxes and Royalties

(In ZAR 'millions, forecasts at spot)



... bringing forward debt consolidation



What lies ahead for
SA bonds



SA building some positive momentum

... finally some wins for the country

- **S&P Global Ratings upgrades SA**
 - And keeps us on positive outlook
- **FATF removes SA from Grey list**
 - EU removes us from high-risk list
- **ESKOM posts a financial profit**
 - And has excess capacity of 10GW
- **ICTSI to spend R11bln on Durban port**
 - Transnet turnaround gains momentum
- **Commodity boom boosts revenue and Rand**
 - Allowing for debt consolidation
- **Inflation target change**
 - And there's still room for cuts



S&P Global
Ratings

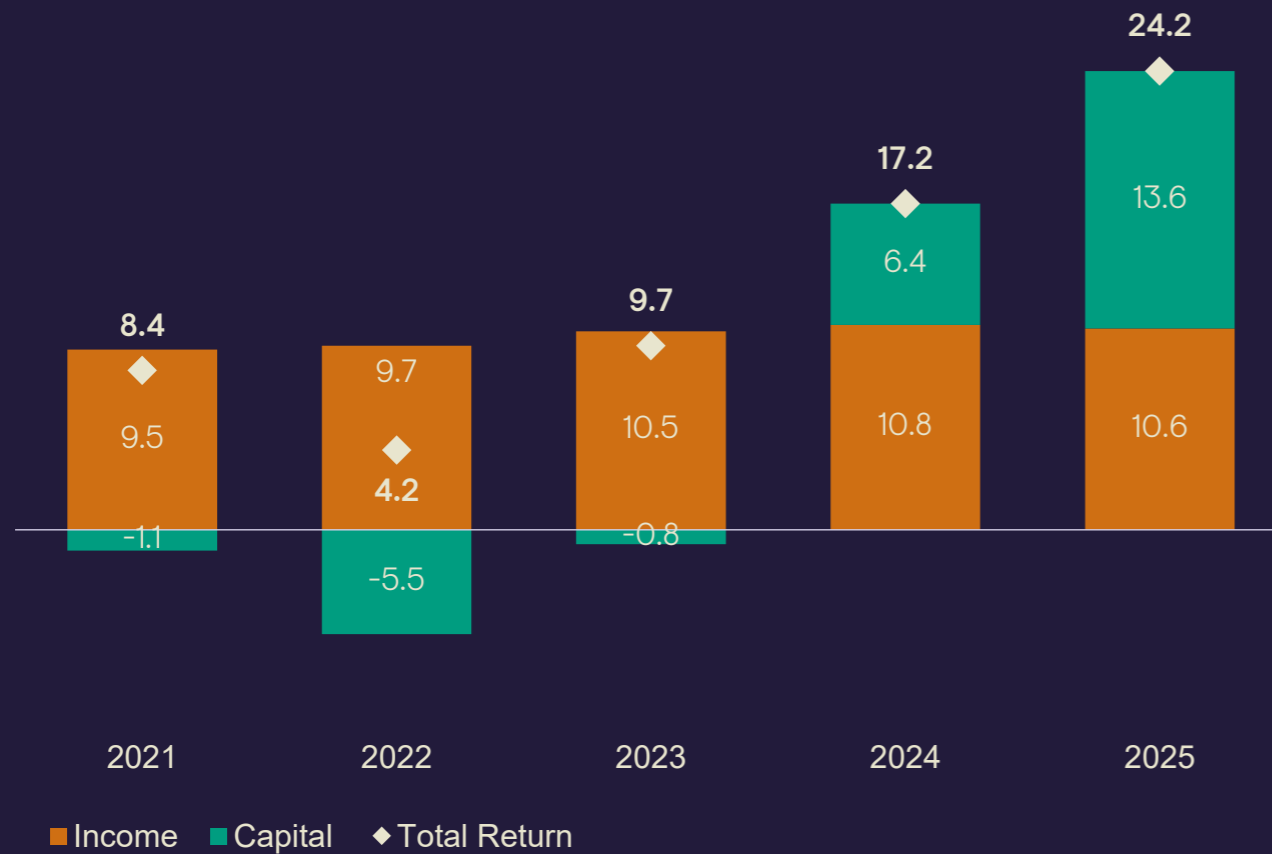




Which led SA bonds to have another cracker of a year

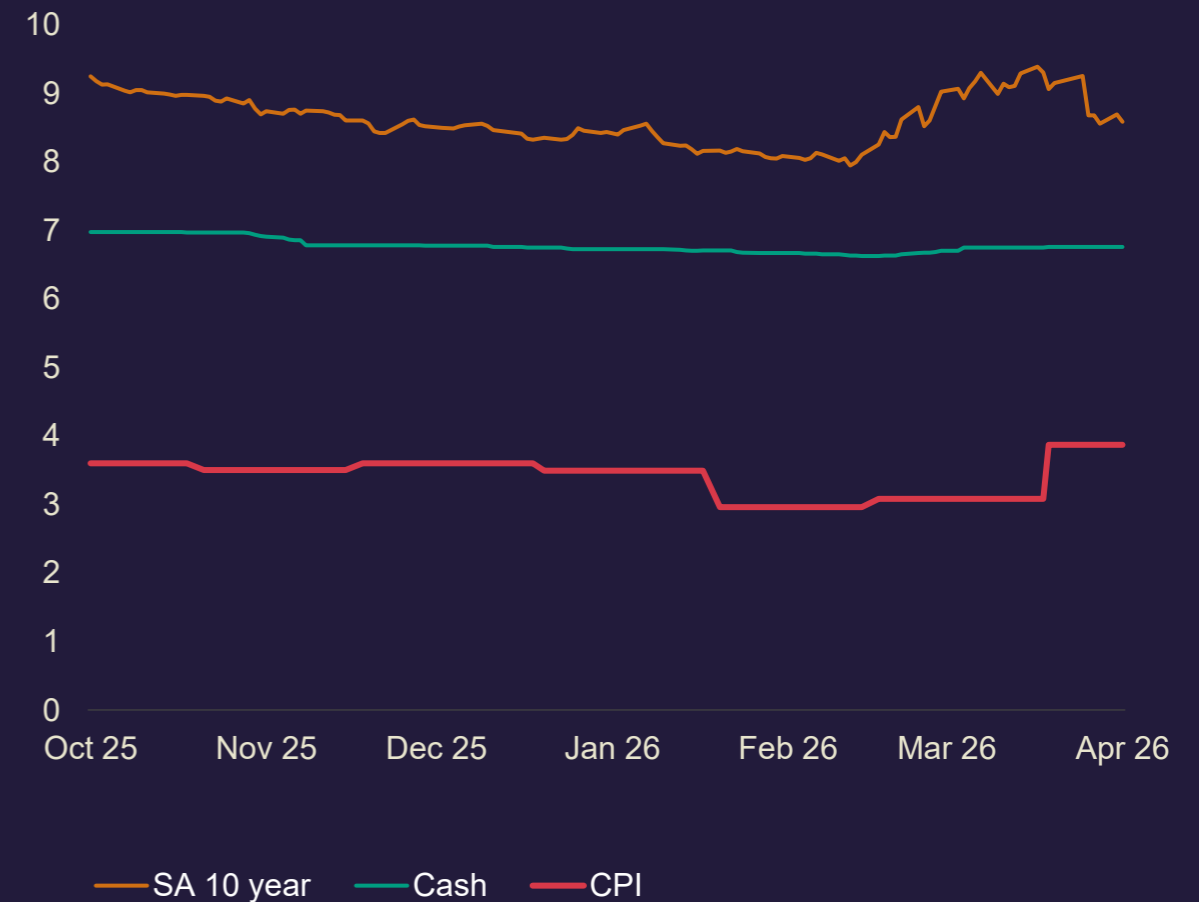
As bond yields re-rated

ALBI returns for the last 5 years



Source: Bloomberg and Ninety One, 31 December 2025

Bonds still offering decent yields against cash & inflation



Source: Bloomberg and Ninety One, 14 April 2026



Ninety One Diversified Income Fund

Positioned to participate and protect

Asset allocation (%)



Current	0.4%	27.1%	68.9%	3.6%	3.9%
Local	0.1%	27.1%	61.3%	3.6%	
Offshore	0.3%	0.0%	7.7%	0%	

- **Inflation** risks to the upside
- US economy is **resilient**
- **Eskom/Transnet** recovery continues
- **Fiscal tailwinds** remain stable
- **The power of income**

Portfolio Yield*	8.26%	Duration risk (yrs)	1.75**	Credit spread	1.57%	Credit rating (avg.)	AA+	FX exposure	3.9%	USD	3.9%
										EUR	-0.1%
										Other	0.1%

*Portfolio yield as at 31 March 2026. The estimated annual effective interest rate (NACA, which is the interest earned over a one year period assuming monthly reinvestment of interest earned), and considers monthly income reinvestment. This yield is a forecast and the actual income earned might differ based on changes in market values, interest rates and changes in costs experienced during the investment period. The yield is shown gross of fees.

**Duration risk (years): Nominal Bonds: 1.73 years, ILBs: 0.18 years and Offshore -0.16 years

Source: Ninety One, 13 April 2026



Thank you

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A feeder fund is a portfolio that invests in a single portfolio of a CIS, which levies its own charges, and which could result in a higher fee structure for the feeder fund.

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