FG INVESTMENT PARTNERS

GLOBAL BRIEF

Quarter 1 I 2025

EDITORIAL COMMENT

Sarah Crone
Director and Investment Committee Member
FG Asset Management

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Uncertainty defines Q1, but gold and local equities shine

The first quarter of 2025 saw increasing signs of a slowdown in the US economy, accompanied by growing policy uncertainty. This weighed heavily on global investment sentiment, with the S&P 500 down 4.3% and the MSCI World Index retreating 1.7% in US dollar terms. Against this risk-off backdrop, the US dollar softened against most major currencies. However, one asset class stood out. Gold bullion surged nearly 20% over the three-month period as investors sought safe-haven assets.

Local markets diverge: resilience in equities, weakness in bonds

South African markets reflected the complexity of the global backdrop. Fiscal concerns and lingering budget risks pushed up domestic risk premiums, capping bond returns. Nevertheless, the rand appreciated against the dollar, although it depreciated against a broader basket of currencies.

Equity markets showed surprising resilience. The FTSE/JSE All Share Index delivered a return of nearly 6.0%, although gains were narrowly concentrated in the resources sector. The Resource 20 Index was up by 33%, buoyed by surging gold prices. In contrast, the financial sector ended the quarter slightly in the red.

Post-quarter developments reinforce a cautious stance

Since the quarter-end, sentiment has soured further. New US tariffs, uncertainties around their implementation, and weaker consumer confidence data have all contributed to

Property update: What's changed?

South Africa's new Expropriation Act became law in January 2025. It introduces the possibility of expropriation without compensation in specific, narrowly defined circumstances, aligning with constitutional provisions for 'just and equitable' compensation, though this has prompted legal and public debate regarding its implications for property rights.

Market response so far:

- There has been no large-scale capital flight or sharp drop in property values.
- The rand saw brief volatility but stabilised quickly.
- Investor concern remains focused on how the Act will be implemented in practice.

rising global risk aversion. There is a growing probability of slower global growth and downward pressure on corporate earnings – a dynamic already reflected in weaker global equity markets.

Locally, the fragile Government of National Unity (GNU) has heightened investor nervousness. The rand has come under pressure, and the bond market remains under strain. Equity markets have held up, largely due to continued strength in resource shares and support from a weaker currency.

A measured outlook for the months ahead

In this increasingly unsettled environment, our portfolios remain cautiously positioned. We are not expecting to make meaningful changes to our allocations in the near term, preferring to wait for greater clarity on both global and local policy direction.

That said, we remain constructive over the medium to long term. Real returns from diversified portfolios continue to offer value, and we believe that our underlying managers are well placed to navigate the current environment and capture opportunities as they arise.

Against this backdrop, our approach remains one of measured optimism

While risks are elevated, so too are opportunities for disciplined, long-term investors. In this edition, we focus on themes that reinforce the importance of simplicity, structure, and forward planning:

- Piet Viljoen and Kokkie Kooyman reflect on timeless investing principles learned from Warren Buffett and Charlie Munger – and how these can still guide decision-making in a noisy world.
- South Africa's Exchange Traded Fund (ETF) landscape is evolving, with actively managed ETFs showing real potential to broaden access and choice for local investors.
- We highlight the importance of regularly reviewing beneficiary nominations – a small step that can make a meaningful difference to how your legacy is passed on.

As always, our goal is to help you navigate complexity and stay focused on what matters most – long-term outcomes that align with your goals.

Sarah

Industry and international reaction:

- Property industry bodies have called for clearer guidelines to ensure investor confidence and avoid unintended disruptions.
- The US administration's suspension of aid to South Africa cited the Expropriation Act's provisions and other geopolitical concerns. This move not only affects South Africa but also signals a shift in US foreign aid policy towards greater conditionality based on alignment with American interests.

Why this matters:

While the law's intention is restorative, its practical rollout will be closely watched by investors. Transparent processes and regulatory clarity will be essential to avoid uncertainty in real estate markets and broader investment sentiment.

Sources: SAPOA, BusinessTech, Financial Times, Property Review

SEEING BERKSHIRE HATHAWAY THROUGH SOUTH AFRICAN EYES

First published on BizNews and adapted from a BizNews Conference (BNC#7) keynote with Piet Viljoen and Kokkie Kooyman

About Piet Viljoen

Piet Viljoen is a seasoned South African asset manager and the founder of Counterpoint Asset Management. With a career spanning over three decades, Piet began as an analyst at Allan Gray before moving to Investec, where he managed institutional portfolios. Known for his value-based investment philosophy, Piet is a vocal advocate for rational thinking, long-term investing and simplicity in portfolio construction. His independent views and plain-speaking style have made him a respected voice in South African financial markets.

About Kokkie Kooyman

Kokkie Kooyman is Head of Global Financials at Denker Capital and one of South Africa's most experienced global fund managers. With a track record of investing in financial services companies across developed and emerging markets, Kokkie is known for his deep insights, disciplined approach and passion for continuous learning. A frequent speaker and commentator, he has attended numerous Berkshire Hathaway annual meetings and integrates many of Buffett and Munger's principles into his own investment practice.

At BNC#7 in Hermanus, seasoned investors Piet Viljoen and Kokkie Kooyman reflected on how the philosophies of Warren Buffett and Charlie Munger shaped their personal investment journeys – and continue to influence their thinking today.

From humble beginnings in South Africa's financial circles to attending the 'Woodstock of Capitalism' in Omaha, Viljoen and Kooyman have seen first-hand how the timeless principles behind Berkshire Hathaway can transcend borders and investment cycles. In conversation with BizNews founder Alec Hogg, they explored key concepts – from the importance of trust and rational simplicity to the value of reading and the dangers of institutional inertia.

This wasn't just a tribute to Buffett and Munger – it was a reminder of how enduring wisdom can be practically applied by investors, advisers and business leaders everywhere.

Common sense in capital markets

For Viljoen, the discovery of Buffett's investment style was born of necessity. Thrust into managing institutional portfolios at a young age, he sought out those with experience and substance. What he found in Buffett's shareholder letters – and later at Berkshire's annual meetings – was a refreshing dose of common sense.

'These weren't sermons from on high,' he said. 'They were everyday truths, grounded in real-world experience. They changed how I saw everything: from what a share represents, to how businesses should be managed.'

The ability to **detach from the crowd**, focus on **business quality over stock price**, and recognise the emotional swings of 'Mr Market' all stuck with him. So, too, did Buffett's emphasis on trust: 'We just forget about it. We don't try to protect ourselves with due diligence or contracts. We can do fine only dealing with people we like, admire and trust.'

The beauty of a seamless web of deserved trust

Kooyman's journey to Buffett and Munger's thinking began in 1999, during the peak of the tech bubble. A colleague recommended reading Buffett's letters. What followed was a career-long affinity for the Berkshire philosophy of rational, long-term investing.

He described how the 'seamless web of deserved trust' – a phrase used by Munger – shaped not only their partnership but the culture at Berkshire. It's a principle Kooyman has actively applied in his own business life: surround yourself with people you trust, and delegate with confidence.

Lessons for investors: Simplicity, ethics and patience

From owning the same house for decades to refusing to buy a new car because 'reading the manual would waste time I could spend reading a good annual report,' Buffett and Munger practised what they preached. They focused on **understanding a company's future cash flows, avoiding bureaucracy, and buying quality businesses at good prices.**

Key investing takeaways included:

1. **Invest when others are fearful. Sell when others are greedy.**
2. **Don't try and predict macro trends – understand your businesses instead.**
3. **Keep life simple. Reduce stress. Leave time to read.**
4. **Build a wide 'latticework' of mental models** across disciplines – from psychology to physics to history.

Perhaps most memorably, they reminded the audience that **you don't need to be brilliant – just a little wiser than the next person, consistently, over time.**

A culture worth exporting

After their first visits to Omaha, both Viljoen and Kooyman became advocates for exposing South African business leaders to the Berkshire way of thinking. Kooyman recounted how **Laurie Dippenaar**, co-founder of FirstRand, was so struck by the culture that he created a company-wide programme to share the lessons.

From **American Express** surviving the 'salad oil scandal' thanks to brand loyalty, to Buffett's long, concentrated bets on **Coca-Cola and Apple**, the anecdotes were entertaining but always underpinned by rigorous thinking and deep conviction.

And if you'd like to hear more...

Their keynote conversation at BNC#7 – followed by a spirited Q&A with Alec Hogg – blends insight, humour and practical takeaways for anyone managing money or building businesses.

Watch the full recording on BizNewsTV: https://www.youtube.com/watch?v=BlsN0jX_Y6w

Recommended reading from Piet and Kokkie:

- *The Lessons of History* – Will & Ariel Durant
- *The Snowball* – Alice Schroeder
- *The Most Important Thing* – Howard Marks
- *Range* – David Epstein
- *The Making of an American Capitalist* – Roger Lowenstein

Key quote: 'Very few people like to get rich slowly.' – Warren Buffett

GOOD NEWS FOR SOUTH AFRICA'S DOMESTIC ETF MARKET POISED FOR GROWTH

Adapted from an article by Kim Gibb

Chief Executive Officer Prescient Management Company

Initially off to a slow start, South Africa is beginning to see momentum in the demand for actively managed Exchange Traded Funds (AMETFs). The South African market, though relatively young with only a few AMETFs, is expected to expand rapidly, with many more AMETFs planned for the next few years. ETFs, both active and passive, saw new capital raised of R8.3 billion in the first half of 2024.

As early entrants in the AMETF space, we anticipate this growth to continue, spurred by increasing interest from larger South African asset managers. This expansion will provide local investors with a broader selection of ETFs.

Why South Africa is shifting towards AMETFs

Unlike the US, the growth in the South African ETF market looks set to lean towards actively managed ETFs. This is largely because investors have the passive options covered via offshore funds and large established South African passive ETFs. Active managers have opportunities to explore new distribution channels through the ETF wrapper, and we're seeing them starting to take advantage of this.

Key drivers of ETF market growth in South Africa

The growth of the South African ETF market is fuelled by new asset flows, more launches, and positive performance of global and local stock indices. ETFs offer fund managers a new distribution channel, with regulatory changes allowing active ETFs that appeal to segments of the fund management market that did not have a passive, low-fee option.

From a practical standpoint, South African ETFs operate similarly to their European cousins. Service providers can offer an end-to-end platform solution, from listing the Johannesburg Stock Exchange to trading support. They can also serve as authorised representative in Europe as well as listing agent and fund administrator. Launching new ETFs in South Africa currently takes around six months, and the listing costs are in the region of R150 000. The market, though small, offers ample scope for new entrants to make a name for themselves, especially active managers.

Changing investor sentiment

As more large fund managers enter the market, we expect shifts in investor and fund manager sentiment, leading to further ETF sector expansion. Increased interest from foreign fund managers in the South African market is another trend to watch. A quicker route to market for these participants may be the launch of a local feeder fund into a Financial Sector Conduct Authority (FSCA) approved offshore fund.

Like other markets, traditionally South African investment managers have favoured unit trusts due to their higher fee margins, but this is expected to change with the growing adoption of ETFs. Retail sector participation is anticipated to increase as ETFs trade like any other security on the JSE, accessible through share trading accounts.

Retail participation to drive growth

Retail participation will be a significant growth driver. We expect interest in AMETFs offering 'cash alternative' dynamics, especially those with a fixed income or money market offering. South Africa is experiencing a surge in stock market investing, fuelled by successful retail investment platforms. If growth patterns follow those from other markets like the US, we anticipate this will drive more inflows to ETFs due to their liquidity and ease of access compared to more traditional options.

Retail interest in stocks generally in South Africa was minimal prior to the COVID-19 pandemic, when, according to the JSE, private investors represented only 3% of volumes. This has jumped significantly since 2021 with retail investors playing a bigger role in daily deal flow. As cash rates drop, we also expect to see more appetite for higher yielding investment strategies in AMETFs.

This retail adoption will take time but could lead to a snowball effect, especially as the variety of AMETFs grows and well-known brands enter the market. While the number of AMETFs currently trading in South Africa is still small, all the indicators are there for a significant sea change in the market over the next few months.

Disclaimer:

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HAVE YOU REVIEWED YOUR BENEFICIARY NOMINATIONS LATELY?

Adapted from an article by Sarah Crone

Director and Investment Committee Member FG Asset Management

As you review your investment portfolio, one simple yet often overlooked action can have a lasting impact on your legacy: updating your beneficiaries. It's a straightforward step, but it ensures that your wishes are honoured swiftly, privately and with minimal complication.

Why beneficiaries matter

Beneficiary nominations determine who receives the proceeds from your retirement funds, life policies, and certain investment products when you pass away. These instructions override your will, which means they take precedence – regardless of what your will says.

If your beneficiary nominations are not current, your assets might be delayed in the estate process or distributed in a way that no longer reflects your wishes. This can be especially problematic in blended families, during divorce proceedings, or if a nominated beneficiary has passed away.

The benefit of avoiding estate delays

Retirement fund benefits and life insurance payouts to nominated beneficiaries typically fall outside your estate. This means they are not subject to executor fees and can be paid out more quickly – often within weeks rather than months. For loved ones dealing with the emotional and financial impact of loss, this can make a world of difference.

For example, funds from a retirement annuity or life policy paid directly to a spouse or dependant can help cover immediate expenses, including school fees, bond repayments or medical costs.

Common mistakes to avoid:

1. **Outdated nominations**
   Life changes – your nominations should too. Marriage, divorce, the birth of a child, or the death of a beneficiary all require a review.
2. **Not naming a beneficiary**
   If no beneficiary is nominated, the proceeds will be paid into your estate and subject to potential delays, costs, and claims from creditors.
3. **Ambiguous or unclear nominations**
   Always include full names, ID numbers, and relationship to you. This avoids confusion, particularly in large or complex families.
4. **Incorrect assumptions**
   Beneficiary designations on different policies or retirement funds don't automatically update when you change your will. Each must be updated individually.

Prioritising the needs of dependants

In South Africa, Section 37C of the Pension Funds Act, 1956, obligates pension fund trustees to identify and allocate death benefits to dependants of deceased members. This law prioritises the needs of dependants, ensuring they are not left penniless after a member's death, even if the deceased wasn't legally obligated to maintain them.

Important aspects of Section 37C to bear in mind:

- **Dependant identification:**
  Trustees must conduct a thorough investigation to identify all 'dependants' as defined in the Act, including those nominated by the deceased.
- **Fair allocation:**
  The death benefit must be allocated among dependants on a fair and equitable basis, considering their individual needs.
- **Investigation and determination:**
  Trustees have a 12-month period to investigate and make a determination regarding the distribution of the benefit.
- **Factors considered:**
  When making their determination, trustees consider the age of dependants, their relationship with the deceased, and the extent of financial dependency.
- **Nominees:**
  Nominees are also considered beneficiaries, and if they are also dependants, they will be prioritised for the benefit allocation.
- **Override of will:**
  Section 37C can override a deceased member's will, ensuring that dependants' needs are met even if the will doesn't explicitly address their interests.

Strategic planning across your portfolio

Designating beneficiaries is just one part of your estate planning toolkit. Working with your adviser to coordinate your will, trusts, retirement funds, and life cover ensures a more coherent and efficient strategy. This can also help you manage potential tax liabilities, structure intergenerational wealth transfers, and protect vulnerable dependants.

An adviser can also help determine how to nominate beneficiaries to align with your long-term financial goals – splitting benefits across dependants, nominating a trust for minor children, or directing benefits to a spouse for continuity of care.

Peace of mind is just a signature away

Reviewing your beneficiaries doesn't take long, but it can have a lasting impact. Set aside time to check your nominations across policies and retirement funds – especially if it's been over a year since your last review or if you've experienced a major life change.

Not sure where to start? We're here to help and can guide you through the process and ensure your wishes are accurately recorded.

It's one of the easiest and most important steps you can take to protect the people you care about.

FG ASSET MANAGEMENT

QUARTERLY REPORT

Quarter 1 | 2025

ARCHITECTS OF SENSIBLE INVESTMENT SOLUTIONS

MARKET COMMENTARY

Jacy Harington

Portfolio Manager
FG Asset Management

Global market optimism gives way to trade policy concerns

The new year brought new themes to the market as we saw the key market drivers transition from inflation and monetary policy to trade policy and slowing growth. Financial markets enjoyed a positive start to the year as investors focused on the proposed deregulation and lower corporate taxes of the new incoming administration of President Donald Trump. However, the positive sentiment was short-lived as concerns grew over the implications of other key proposed policy changes, such as trade tariffs. The US tariff policy is expected to have far-reaching global effects, pushing global growth lower and inflation higher. Overall, the uncertainty over US policies kept market participants on their toes and will continue to be a source of volatility for markets going forward. The policy uncertainty is also expected to negatively affect growth as investment and consumption decisions are deferred until there is more clarity. Locally, disagreement over the Budget has led to instability within the GNU (Government of National Unity) and added to the uncertainty.

Sticky US inflation remains concentrated in services

US inflation data releases confirmed that the fight to lower inflation to its 2% target remains ongoing. The headline annualised inflation finished the quarter at 2.8%. Inflation continues to come from the services sector, specifically shelter inflation, which makes up 33% of the inflation basket. Inflation contributions from the goods and energy subsectors remain negligible. Looking ahead, market participants also started to increase their inflation expectations as they started to digest the implications of higher tariffs.

The US Federal Reserve (the Fed) kept rates steady but trimmed growth forecasts

The Fed held two meetings over the first quarter. At the central bank's meeting in January, the Fed left interest rates unchanged at their 4.25% to 4.50% range, the first pause since the Fed started cutting rates. The Fed reiterated that it sees the current state of the economy as stable, both from a growth and employment perspective. The Fed limited its forward guidance given the current uncertain environment, specifically with regard to changing US government policies. The Fed extended the pause at its March meeting, in line with expectations. The members of the Federal Open Market Committee (FOMC) continue to expect interest rates to be 0.50% lower this year despite rising uncertainty around the economic outlook. The GDP growth forecast for 2025 was lowered from 2.1% to 1.7%, while the PCE inflation was revised higher from 2.5% to 2.7%. The Fed reiterated that uncertainty has increased around its economic outlook.

US GDP data shows resilient but slowing growth

The fourth quarter's GDP growth data for the US was released over the quarter, showing that the US economy had expanded 2.4% from the previous quarter on an annualised basis. The growth remained solid; however, it was lower than expected and lower relative to the previous quarter's growth. Strong consumer spending continued to drive the growth, with faster consumer spending in both goods and services. The decline in inventories and fixed investment activity detracted from growth in the last quarter. Given that the GDP growth indicator is backwards-looking, concerns emerged over the leading consumer confidence indicators showing material declines in sentiment as consumers worry that tariffs will drive prices higher again. Overall, the US labour market remains solid, with the unemployment rate remaining anchored around the 4% level.

Confusing US tariff rollouts fuel global uncertainty

February and March were marked by the unpredictable and volatile manner in which US tariff policies were being communicated and implemented. This turbulent manner with which decisions were made and then retracted again created uncertainty, but also disrupted the market as it grappled with what the consequences of the tariffs would be on both inflation and growth. At the start of February, US President Donald Trump announced 25% tariffs on Canadian and Mexican imports and 10% on Chinese imports. After the initial announcement, the Canadian and Mexican tariffs were postponed by a month, with only a day to spare before they were meant to be imposed. The Chinese 10% tariff was, however, still implemented, to which the Chinese government retaliated with their own set of tariffs against the US. So far, Canada has responded with promises of retaliatory measures, increasing the risk of a trade war. Additionally, Donald Trump also announced a 25% tariff on imports of steel and aluminium from all countries, as well as non-US-made vehicles. At the end of March, market participants were nervously anticipating the promised reciprocal tariff announcement that was scheduled in early April. The reciprocal tariffs are tariffs that the US plans to levy against each of its trading partners, with the tariff level dependent on each trading partner's trade balance with the US.

Local markets stay resilient despite policy tensions

Locally, there were many developments which dampened investor confidence, however majority of local asset classes still managed to produce positive performance over the past quarter. Market moves were contained despite a fallout between President Donald Trump and South Africa and a postponed Budget.

Muted local inflation gives the South African Reserve Bank (SARB) room to pause

South African inflation remained firmly within the lower end of the SARB's 3-6% target range as headline annualised inflation increased to 3.2% from 3.0%. Fuel inflation remains a negative contributor. Over the quarter, the SARB held only two meetings. At the end of January, the SARB voted to reduce the repo rate by 0.25% to 7.50%. It was the third consecutive rate cut since the rate-cutting cycle started in September last year. At the meeting in March, the Monetary Policy Committee (MPC) kept the repo rate unchanged. The decision was not unanimous, with two of the six MPC members voting to lower interest rates further. Despite both the inflation and growth forecasts being lowered, the committee felt that, given the heightened levels of uncertainty in the global economy, it was more prudent to maintain interest rates.

USAID suspension and AGOA risks weigh on sentiment

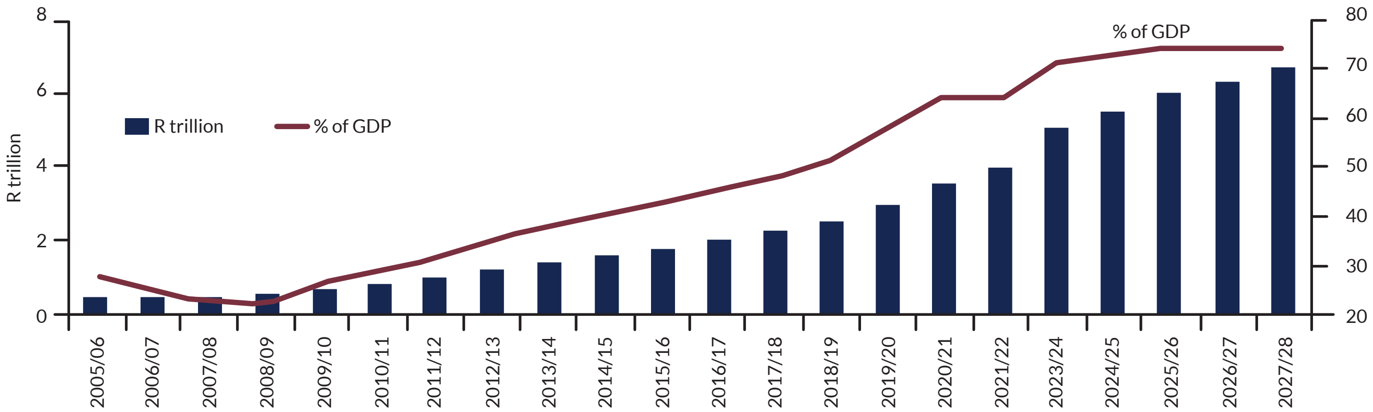
Locally, February got off to a shaky start as President Donald Trump issued executive orders halting all aid funding to South Africa, citing the Expropriation Act that was published at the start of 2025. A significant part of the US aid funding went to the control of HIV. There is also speculation that the African Growth and Opportunity Act (AGOA) trade agreement between the US and South Africa will not be renewed when it expires in September. The AGOA trade agreement allows for duty-free access of certain South African products into the US market. Products include transport equipment, agricultural products, chemicals and minerals.

Postponed Budget reveals tax-heavy strategy

The South African Budget was due to be released on the 19th of February; however, due to non-consensus within the GNU over a proposed 2% VAT increase, it was postponed to the 12th of March. A revised Budget was finally presented in mid-March, despite the unresolved dispute within the GNU.

The VAT increase was revised lower to 0.5% in 2025 and another 0.5% increase in 2026. This, together with no inflation adjustments to the income tax brackets, will reduce the consumer's spending power. Overall, the debt trajectory is expected to peak at 76.9% debt-to-GDP in the 2025/2026 fiscal year, higher than the 75.5% forecast in the Medium Term Budget Policy Statement (MTBPS) last year. The Budget is also applying a 1.9% year-on-year GDP growth forecast for 2025, which could be seen as ambitious given the global developments regarding the tariffs. The Budget still needed to be approved in parliament in early April.

Figure 1: South Africa's net government debt



Source: National Treasury, Budget 2025, Investec (2005-2028)

Tariff risks and political instability cloud the outlook

There has been a clear shift in sentiment towards the end of the quarter, with concerns growing over the new US administration's aggressive approach to tariffs. The second-round effects of the higher tariffs are still unclear, but it seems that the market is expecting higher prices and slower growth going forward. The erratic nature of the tariff implementation drives uncertainty higher, which is negative for growth as market participants defer any key decisions in the hope of more clarity around policy and so holding up economic activity. Locally, the instability within the GNU further added to local market turmoil. Overall, the view is murky and reinforces the cautious stance that we have been implementing across our fund range. We remain, however, vigilant as such market conditions often bring about opportunities.

FG SCI JUPITER INCOME FUND OF FUNDS

For periods until 31 March 2025

Performance and quartile ranking in sector | Inception date 15 August 2005

	6 Months	Year to Date	1 Year	3 Years[1]	5 Years[1]	10 Years[1]	Since Inception[1]
FG SCI Jupiter Income FoF	3.34%	1.62%	10.89%	8.78%	8.44%	7.67%	7.89%
STeFI Composite Index	3.94%	1.89%	8.28%	7.54%	6.21%	6.72%	7.03%
ASISA SA Multi Asset Income Category Average	3.12%	1.57%	10.95%	8.52%	8.17%	7.51%	7.76%
				1st Quartile	2nd Quartile	3rd Quartile	4th Quartile

[1]Data for longer than 12 months are annualised
Source: Morningstar, performance for A class shares
Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- Abax Flexible Income Fund (Nedgroup)
- Granate BCI Multi Income Fund
- Laurium BCI Strategic Income Fund
- Matrix SCI Stable Income Fund
- Terebinth SCI Strategic Income Fund (Amplify)

Performance statistics

	Fund[2]	Benchmark[2]
Highest 12-month performance	12.88%	11.77%
Lowest 12-month performance	3.25%	3.76%
% positive months	93.19%	100.00%

[2]Source until 31 December 2018: MoneyMate
Source from 31 December 2018: Morningstar

The FG SCI Jupiter Income Fund of Funds returned +1.62% in the first quarter of 2025 and +10.89% over the past 12 months, underperforming the benchmark Alexander Forbes Short Term Fixed Income Index quarterly return of +1.89%, while outperforming the 12-month return of +8.28%. The Terebinth SCI Strategic Income Fund (Amplify) was the worst-performing underlying fund over the quarter, returning +1.23%. No changes were made to the fund over the quarter.

Asset allocation as at 28 February 2025

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Jupiter Income FoF	0%	2%	50%	46%	2%

FG SCI VENUS CAUTIOUS FUND OF FUNDS

For periods until 31 March 2025

Performance and quartile ranking in sector | Inception date 2 July 2007

	6 Months	Year to Date	1 Year	3 Years[1]	5 Years[1]	10 Years[1]	Since Inception[1]
FG SCI Venus Cautious FoF	3.11%	1.16%	11.27%	9.42%	10.66%	7.63%	8.71%
ASISA SA Multi Asset Low Equity Category Average	2.66%	0.97%	11.85%	8.79%	10.41%	6.93%	7.73%
				1st Quartile	2nd Quartile	3rd Quartile	4th Quartile

[1]Data for longer than 12 months are annualised
Source: Morningstar, performance for A class shares
Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI Equity Fund
- Abax Opportunity Fund (Nedgroup)
- Fairtree Equity Prescient Fund
- Granate BCI Multi Income Fund
- Laurium BCI Strategic Income Fund
- Matrix SCI Defensive Balanced Fund (Amplify)
- Matrix SCI Stable Income Fund
- Ninety One Diversified Income Fund
- Ninety One Global Managed Income Feeder Fund
- Ninety One Global Franchise Feeder Fund
- Saffron BCI Opportunity Income Retention Fund
- Satrix Bond Index Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Sanlam Multi Managed Inflation Linked Bond Fund
- Terebinth SCI Strategic Income Fund (Amplify)
- Veritas Global Equity Feeder Fund (Nedgroup)

Performance statistics

	Fund[2]	Benchmark[2]
Highest 12-month performance	16.83%	17.26%
Lowest 12-month performance	-1.41%	-3.15%
% positive months	73.24%	71.83%

[2]Source until 31 December 2018: MoneyMate
Source from 31 December 2018: Morningstar

The FG SCI Venus Cautious Fund of Funds returned +1.16% in the first quarter of 2025 and +11.27% over the past 12 months, outperforming the benchmark peer group average quarterly return of +0.97%, while underperforming the 12-month return of +11.85%. The Fairtree Equity Prescient Fund was the best-performing underlying fund over the quarter, returning +4.14%. No changes were made to the fund over the quarter.

Asset allocation as at 28 February 2025

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Venus Cautious FoF	16%	2%	31%	29%	22%

FG SCI SATURN MODERATE FUND OF FUNDS

For periods until 31 March 2025

Performance and quartile ranking in sector | Inception date 15 August 2005

	6 Months	Year to Date	1 Year	3 Years[1]	5 Years[1]	10 Years[1]	Since Inception[1]
FG SCI Saturn Moderate FoF	2.92%	1.19%	13.12%	10.31%	13.30%	7.82%	10.15%
ASISA SA Multi Asset Medium Equity Category Average	2.41%	0.79%	11.91%	8.68%	11.87%	6.81%	8.86%
				1st Quartile	2nd Quartile	3rd Quartile	4th Quartile

[1]Data for longer than 12 months are annualised
Source: Morningstar, performance for A class shares
Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI Flexible Opportunity Fund
- Abax Opportunity Fund (Nedgroup)
- Bateleur Flexible Prescient Fund
- Coronation Market Plus Fund
- Matrix SCI Defensive Balanced Fund (Amplify)
- Matrix SCI Stable Income Fund
- Ninety One Global Managed Income Feeder Fund
- Ninety One Opportunity Fund
- PSG Flexible Fund
- Satrix Bond Index Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Terebinth SCI Strategic Income Fund (Amplify)
- Truffle SCI Wealth Protector Fund (Amplify)

Performance statistics

	Fund[2]	Benchmark[2]
Highest 12-month performance	31.40%	26.41%
Lowest 12-month performance	-18.22%	-15.68%
% positive months	70.94%	66.81%

[2]Source until 31 December 2018: MoneyMate
Source from 31 December 2018: Morningstar

The FG SCI Saturn Moderate Fund of Funds returned +1.19% over the first quarter of 2025 and +13.12% over the past 12 months, outperforming the benchmark peer group average quarterly return of +0.79%, and the 12-month return of +11.91%. The PSG Flexible Fund was the best-performing underlying fund, returning +4.51% over the quarter. No changes were made to the fund over the quarter.

Asset allocation as at 28 February 2025

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Saturn Moderate FoF	30%	3%	25%	12%	30%

FG SCI NEPTUNE GROWTH FUND OF FUNDS

For periods until 31 March 2025

Performance and quartile ranking in sector | Inception date 1 September 2014

	6 Months	Year to Date	1 Year	3 Years[1]	5 Years[1]	10 Years[1]	Since Inception[1]
FG SCI Neptune Growth FoF	1.77%	0.70%	11.15%	8.62%	14.27%	7.90%	8.03%
ASISA SA Multi Asset High Equity Category Average	2.15%	0.68%	12.38%	8.90%	13.38%	6.96%	7.22%
				1st Quartile	2nd Quartile	3rd Quartile	4th Quartile

[1]Data for longer than 12 months are annualised
Source: Morningstar, performance for A class shares
Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI SA Equity Fund
- Abax Balanced Prescient Fund
- Bateleur Flexible Prescient Fund
- Fairtree Equity Prescient Fund
- Granate BCI Flexible Fund
- Laurium Flexible Prescient Fund
- Ninety One Global Franchise Feeder Fund
- Ninety One Global Managed Income Feeder Fund
- PSG Flexible Fund
- Saffron BCI Opportunity Income Retention Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Satrix Bond Index Fund
- Satrix MSCI World ETF
- Terebinth SCI Strategic Income Fund (Amplify)
- Truffle SCI SA Flexible Fund
- Veritas Global Equity Feeder Fund (Nedgroup)

Performance statistics

	Fund[2]	Benchmark[2]
Highest 12-month performance	38.17%	30.65%
Lowest 12-month performance	-11.21%	-10.44%
% positive months	65.35%	62.99%

[2]Source until 31 December 2018: MoneyMate
Source from 31 December 2018: Morningstar

The FG SCI Neptune Growth Fund of Funds returned +0.70% over the first quarter of 2025 and +11.15% over the past 12 months, outperforming the benchmark peer group average quarterly return of +0.68%, while underperforming the 12-month return of +12.38%. The 36ONE BCI SA Equity Fund was the best-performing underlying fund, returning +5.50% over the quarter. No changes were made to the fund over the quarter.

Asset allocation as at 28 February 2025

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Neptune Growth FoF	40%	2%	12%	9%	37%

FG SCI MERCURY EQUITY FUND OF FUNDS

For periods until 31 March 2025

Performance and quartile ranking in sector | Inception date 15 August 2005

	6 Months	Year to Date	1 Year	3 Years[1]	5 Years[1]	10 Years[1]	Since Inception[1]
FG SCI Mercury Equity FoF	2.93%	4.42%	17.84%	8.94%	18.66%	7.40%	10.55%
FTSE/JSE Africa All Share (total return)	3.68%	5.94%	22.95%	9.41%	19.06%	9.04%	12.66%
ASISA SA Equity General Category Average	0.83%	1.91%	17.74%	7.09%	16.50%	6.14%	10.10%
				1st Quartile	2nd Quartile	3rd Quartile	4th Quartile

[1]Data for longer than 12 months are annualised
Source: Morningstar, performance for A class shares
Annualised returns are period returns re-scaled to a period of 1 year

Underlying funds

- 36ONE BCI SA Equity Fund
- Fairtree Equity Prescient Fund
- Gryphon All Share Tracker Fund
- Laurium Equity Fund (Nedgroup)
- Ninety One Equity Fund
- Ninety One Global Franchise Feeder Fund
- PSG Equity Fund
- Satrix MSCI World ETF
- Satrix SmartCore Index Fund
- Truffle SCI General Equity Fund
- Truffle SCI General Equity Fund

Performance statistics

	Fund[2]	Benchmark[2]
Highest 12-month performance	56.14%	53.98%
Lowest 12-month performance	-31.68%	-37.60%
% positive months	62.13%	60.43%

[2]Source until 31 December 2018: MoneyMate
Source from 31 December 2018: Morningstar

The FG SCI Mercury Equity Fund of Funds returned +4.42% in the first quarter of 2025 and +17.84% over the past 12 months, underperforming the +5.94% quarterly return of the benchmark FTSE/JSE All Share (total return) Index and the 12-month return of +22.95%. The Satrix MSCI World ETF was the worst-performing underlying fund, returning -4.30% over the quarter. No changes were made to the fund over the quarter.

Asset allocation as at 28 February 2025

	Local Equity	Local Property	Local Bonds	Local Cash	Foreign
FG SCI Mercury Equity FoF	84%	3%	0%	3%	10%

FG SCI INTERNATIONAL FLEXIBLE FUND OF FUNDS

For periods until 31 March 2025

Performance and quartile ranking in sector | Inception date 17 October 2007

	6 Months	Year to Date	1 Year	3 Years[1]	5 Years[1]	10 Years[1]	Since Inception[1]
FG SCI International Flexible FoF	6.19%	-0.93%	3.06%	11.09%	8.64%	8.06%	8.69%
Benchmark[2]	4.16%	-1.47%	1.06%	10.58%	8.54%	8.21%	9.42%
ASISA Global Multi Asset Flexible Average[3]	4.16%	-1.47%	1.06%	10.58%	8.54%	8.28%	8.70%
				1st Quartile	2nd Quartile	3rd Quartile	4th Quartile

[1]Data for longer than 12 months are annualised
Annualised returns are period returns re-scaled to a period of 1 year
[2]Benchmark before June 2013: 50% MSCI World Index, 50% JP Morgan Global Government Bond Index
Benchmark between July 2013 and July 2015: 55% MSCI AC World Index, 33% JP Morgan Global Government Bond Index, 7% FTSE EPRA Nareit Global Property, 5% STeFI Call
[3]Current benchmark

Underlying funds

- FGAM Global Cautious Fund
- FGAM Global Growth Fund
- FPA Global Flexible Fund (Nedgroup)
- Ninety One Global Franchise Feeder Fund
- Sarofim SCI Global Equity Feeder Fund (Amplify)
- Satrix World Equity Tracker Fund

Performance statistics

	Fund[4]	Benchmark[4]
Highest 12-month performance	40.26%	34.52%
Lowest 12-month performance	-16.99%	-15.05%
% positive months	56.94%	59.05%

[4]Source until 31 December 2018: Iress
Source from 31 December 2018: Morningstar

The FG SCI International Flexible Fund of Funds returned -0.93% in the first quarter of 2025 and +3.06% over the past 12 months, outperforming the benchmark peer group average quarterly return of -1.47%, and the 12-month return of +1.06%. The FGAM Global Cautious Fund and the Ninety One Global Franchise Feeder Fund were the best-performing underlying funds over the quarter, both returning +0.33% in rand terms. No changes were made to the fund over the quarter.

Asset allocation as at 28 February 2025

	Global Equity	Global Fixed Income	Global Cash	Global Property	Local Cash
FG SCI International Flexible FoF	69%	18%	10%	1%	2%

	USD	GBP	Euro	JPY	Other	Rand
Currency breakdown	79%	2%	5%	2%	10%	2%

MARKET PERFORMANCE

Index	Asset class	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Last 12 months	Year to date 2025*
STeFI Composite Index	Local cash	2.02%	2.07%	2.01%	1.89%	8.28%	1.89%
FTSE/JSE All Bond (total return)	Local bonds	7.49%	10.54%	0.43%	0.70%	20.16%	0.70%
FTSE/JSE SA Listed Property (total return)	Local property	5.50%	18.70%	-0.83%	-3.51%	19.83%	-3.51%
FTSE/JSE Africa All Share (total return)	Local shares	8.19%	9.61%	-2.13%	5.94%	22.95%	5.94%
Bloomberg Global Aggregate TR USD	Global bonds	-1.10%	6.98%	-5.10%	2.64%	3.05%	2.64%
FTSE EPRA Nareit Global REITs TR USD	Global property	-1.38%	16.19%	-8.94%	1.74%	6.17%	1.74%
MSCI World GR USD	Global shares	2.78%	6.46%	-0.07%	-1.68%	7.50%	-1.68%
MSCI ACWI GR USD	Global shares	3.01%	6.72%	-0.89%	-1.22%	7.63%	-1.22%
US dollar/South African rand (+ weaker rand, - stronger rand)	Exchange rate	-3.57%	-5.63%	9.50%	-2.53%	-2.87%	-2.53%

*Return until 31 March 2025
All performances until 31 March 2025
(Source: Morningstar)

ADDITIONAL FUND INFORMATION

Fund name	No. of participatory interests*	NAV (month-end)*	Total expense ratio (TER)**
FG SCI International Flexible FOF A	10,710,761.46	41.02	1.47
FG SCI International Flexible FOF C	13,193,130.76	40.05	1.75
FG SCI Jupiter Income Fund of Funds A	28,685,574.07	12.85	1.03
FG SCI Jupiter Income Fund of Funds C	64,981,977.29	12.84	1.30
FG SCI Mercury Equity Fund of Funds A	4,206,218.58	50.31	1.57
FG SCI Mercury Equity Fund of Funds C	899,883.44	50.28	1.83
FG SCI Neptune Growth Fund of Funds A	26,810,500.22	17.20	1.53
FG SCI Neptune Growth Fund of Funds C	3,294,084.88	17.18	1.76
FG SCI Saturn Moderate Funds of Funds A	41,645,200.63	38.57	1.48
FG SCI Saturn Moderate Funds of Funds C	18,121,556.56	38.52	1.74
FG SCI Venus Cautious Fund of Funds A	57,876,025.36	20.08	1.24
FG SCI Venus Cautious Fund of Funds C	30,596,725.78	20.07	1.51

*NAV (month-end) and no. of participatory interests as at 31 March 2025
**TER as at 31 December 2024

CONTACT US

CAPE TOWN:

Borland Financial Services Group (Pty) Ltd
Sarah Crone: sarah@fgip.co.za
Tel: 082 321 4550

Harcourt Martens & Associates (Pty) Ltd
Mike Harcourt: mharcourt@hma.co.za
Tel: 083 440 6480
Danielle Harcourt: danielleharcourt@hma.co.za
Tel: 083 962 9978

DURBAN:

Borland Financial Services Group (Pty) Ltd
Mike Borland: mikeb@fgip.co.za
Sarah Crone: sarah@fgip.co.za
Tammy Loots: tammy@fgip.co.za
Dee Sunny: dee@fgip.co.za
Tel: 031 202 9113

Harcourt Martens & Associates (Pty) Ltd
Sandy Aitken-Rose: sandy@hma.co.za
Tel: 082 576 2371

JOHANNESBURG:

Cento Capital (Pty) Ltd
Hendrik Fourie: hendrik@centocapital.co.za
Louis Wilken: louis@centocapital.co.za
Tel: 011 782 1200

Finleks (Pty) Ltd
Jacques du Plessis: jaduplessis@global.co.za
Tel: 011 552 7345

www.fgip.co.za

PRETORIA:

FIRSTGLOBAL Capital (Pty) Ltd
Jan Labuschagne: jan@fgip.co.za
Ernst Beukes: ernst@fgip.co.za
Annalise Rossouw: annalise@fgip.co.za
Karmi Brand: karmi@fgip.co.za
Tel: 012 460 5007

Global Wealth Advisory
Kobus Venter: kobus@fgip.co.za
Adri Viljoen: adri@fgip.co.za
Tel: 012 460 5007

RICHARDS BAY:

Harcourt Martens & Associates (Pty) Ltd
Danielle Harcourt: danielleharcourt@hma.co.za
Tel: 083 962 9978
Louwrens Badenhorst: louwrens@hma.co.za
Tel: 035 789 8525

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