



THE INVESTMENT ENVIRONMENT

The Global Economy

The January 2026 IMF World Economic Outlook Update suggests that global growth is expected to hold steady at about 3.3% in 2026 and 3.2% in 2027, supported mainly by strong AI-related investment in the US and Asia, as well as generally accommodative financial and fiscal conditions. Inflation continues to ease, reaching 3.8% in 2026 and 3.4% in 2027. Risks tilt downward. A correction in AI-related equity valuations, renewed trade tensions, geopolitical shocks, and high public debt in major economies could all derail momentum. Upside potential exists if AI adoption accelerates or if trade tensions ease more meaningfully.

Global Equity Markets

During March, global equity markets fell sharply on Middle East geopolitical concerns. The FTSE All-World Index (USD) declined by an exceptional -7.7% during the month, ending the month -7.7% below its 12-month high, while growing by 20.3% over the past 12 months.

South African Financial Markets

In South Africa, the JSE All Share Index followed global markets lower, decreasing by a massive -10.5% during the month, ending -11.8% below its 12-month high while gaining a strong 33.6% over the past 12 months. During the month, the JSE Industrial-25 Index declined by -5.0%, the JSE Resources-10 Index collapsed by an exceptional -16.5%, and the JSE Financial-15 Index decreased by a large -10.8%. The ZAR weakened sharply by 6.3% against the USD, the SA Government Bond Index decreased by an unusual -7.0% and the JSE SA Property Index dropped by -11.4%.

Investment Portfolios

Although seeing a weak month, portfolios continue to perform well, exceeding the performance of their benchmark by 5.4% during the past month. Portfolios continue to see the advantage of broad diversification across multiple risk factor exposures and diverse sources of portfolio return. Market risk exposures remain balanced to reduce the risk of capital loss. Portfolios will continue to be cautiously re-positioned into attractively priced high-quality assets to achieve strong long-term returns.

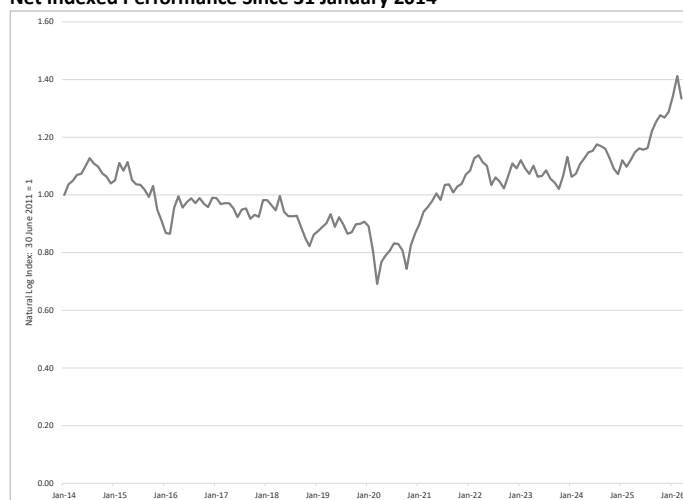
PORTFOLIO PERFORMANCE

During March, TSB Shariah General Equity Portfolios decreased sharply by -7.55%. However, it is important to understand that this is in line with expectations during stress conditions in global financial markets and is not a specific concern.

Noting that portfolio performance is very cyclical in the short term, over the past 12 months, portfolios increased by a strong 23.65%, having grown by a net annualized average rate of 9.08% over the past three years and 7.80% over the past five years (equivalent to total growth of 45.60%), and 2.78% per year, since inception on 31 January 2014*.

This can be compared with the annualized average inflation rate of 4.82% over the same period, and risk as measured by the annualized monthly return volatility of 11.88%, equivalent to only 61% of the level of volatility of the FTSE-JSE Shariah All Share Index.

Net Indexed Performance Since 31 January 2014



Source: TSB Securities

Strategically, TSB Shariah General Equity Portfolios are well positioned, and the objective remains to add incremental value over time. However, uncertainty in the investment environment and the high level of financial market volatility can be expected to persist therefore, it is necessary for investors to remain disciplined and not overreact to short-term market movements.

Ian Katz
Chief Investment Officer

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2014	-	3.74	1.28	2.05	0.36	2.67	2.82	-1.85	-1.06	-2.33	-1.10	-2.34	4.06
2015	1.05	6.25	-2.63	3.02	-6.06	-1.47	-0.19	-1.69	-2.42	3.84	-7.95	-3.64	-12.09
2016	-4.20	-0.27	9.48	4.00	-3.85	1.89	1.35	-1.65	1.77	-1.90	-1.18	3.24	8.20
2017	-0.06	-2.07	0.33	-0.05	-1.71	3.03	2.69	0.36	-3.54	1.41	-0.72	5.98	-0.78
2018	-0.01	-1.74	-1.76	5.11	-5.40	-1.42	-0.05	0.15	-3.72	-3.75	-2.86	4.04	-11.30
2019	1.24	1.43	1.33	3.20	-4.31	3.41	-2.50	-3.16	0.51	2.83	0.14	0.75	4.62
2020	-1.58	-8.07	-10.94	7.93	2.28	1.70	2.54	-0.20	-2.18	-6.24	8.59	4.17	-3.95
2021	3.23	4.36	1.69	2.09	2.68	-2.23	5.31	0.22	-2.76	2.10	0.90	3.31	22.64
2022	1.38	4.35	1.04	-2.40	-1.27	-6.39	2.66	-1.49	-2.26	4.34	4.49	-1.71	2.12
2023	2.91	-2.78	-1.92	2.86	-3.74	0.25	2.00	-2.92	-1.30	-2.18	4.67	6.74	4.05
2024	-6.64	0.99	3.39	2.05	2.18	0.48	2.27	-0.62	-0.93	-3.20	-3.60	-1.84	-5.80
2025	4.93	-2.23	2.43	2.69	1.34	-0.44	0.59	5.97	3.29	2.38	-0.83	2.02	24.16
2026	5.81	6.98	-7.55										4.65

* 95% Confidence Interval range of portfolio Returns for portfolios that exceed a value of R100 000