



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 an 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%.

PORTFOLIO PERFORMANCE

Investment Portfolios

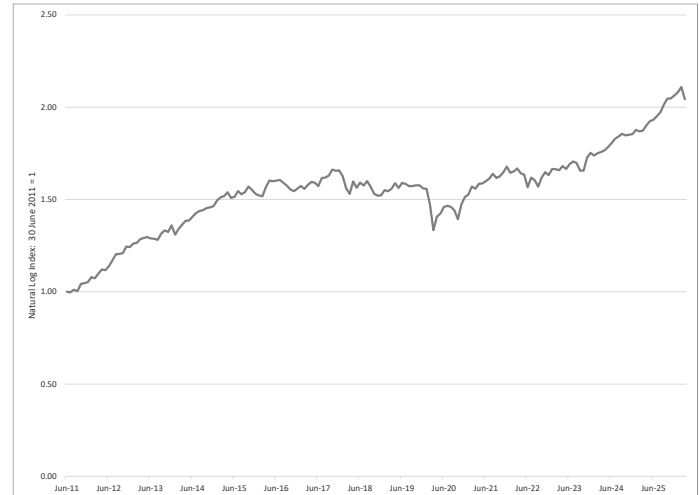
Although seeing a weak month, portfolios continue to perform well, outperforming their benchmark by an estimated 1.8% over the past twelve months. Portfolios continue to see the advantage of broad diversification across multiple risk factor exposures and diverse sources of portfolio return. Market risk 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.

During March, in line with weaker global financial markets, TSB Balanced Portfolios decreased sharply by -6.43% with 95% of portfolios performing within a range between -6.62% and -6.23%.

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.

Over the past 12 months, portfolios performed well, increasing by 18.54%, having achieved a net annualized average growth rate of 13.69% per year over the past three years and 10.18% over the past five years (equivalent to total growth of 62.38%), and 7.33% since inception on 30 June 2011*. This can be compared with the annualized average inflation rate of 4.93% over the same period, and risk as measured by the annualized monthly return volatility of 9.36%, equivalent to only 70% of the level of volatility of the FTSE JSE All Share Index.

Net Indexed Performance Since 30 June 2011



Source: TSB Securities

Strategically, TSB Balanced 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
2011	-	-	-	-	-	-	-0.54	0.76	-1.32	4.35	0.58	0.23	7.22
2012	3.07	0.02	2.32	2.32	-1.79	2.09	2.61	3.43	0.47	0.97	3.10	0.45	19.36
2013	1.97	0.76	2.07	0.98	0.67	-1.20	0.03	-0.33	4.09	2.11	-1.41	3.13	5.86
2014	-4.89	3.96	2.53	1.94	0.09	2.57	1.98	1.01	0.48	2.23	0.66	0.77	23.92
2015	3.51	2.49	0.71	1.92	-3.65	0.45	3.40	-1.88	0.62	3.98	-2.64	-2.21	1.15
2016	-1.70	-0.02	5.36	2.98	-0.41	0.01	0.41	-1.65	-1.49	-2.24	-1.14	1.63	5.04
2017	1.74	-1.68	2.26	2.01	-0.47	-1.98	5.06	0.39	1.12	3.91	-0.31	0.38	7.15
2018	-3.43	-7.05	-3.59	7.51	-3.74	2.91	-1.69	2.55	-3.13	-3.83	-1.14	0.18	-8.56
2019	2.99	-0.81	1.30	3.28	-2.74	2.76	-0.59	-1.35	0.20	0.27	0.01	-1.46	0.29
2020	-0.41	-8.22	-13.86	7.88	1.36	4.20	0.77	-0.81	-1.94	-5.12	8.89	4.20	-3.60
2021	1.41	4.62	-1.18	2.68	0.24	1.18	1.46	2.56	-2.26	0.95	2.15	3.10	17.90
2022	-3.24	0.80	1.57	-2.66	-0.64	-6.64	5.37	-1.35	-3.44	4.99	2.99	-1.54	-4.42
2023	3.38	-0.13	-0.59	2.31	-1.58	2.63	1.49	-0.84	-4.04	0.01	7.37	2.59	12.82
2024	-1.50	1.31	0.65	0.91	1.76	2.12	2.41	1.21	1.52	-0.88	0.37	0.34	10.63
2025	2.27	-0.78	0.45	2.84	2.35	0.80	1.92	2.16	4.17	3.36	0.12	1.61	23.33
2026	1.75	2.89	-6.43										-2.03

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