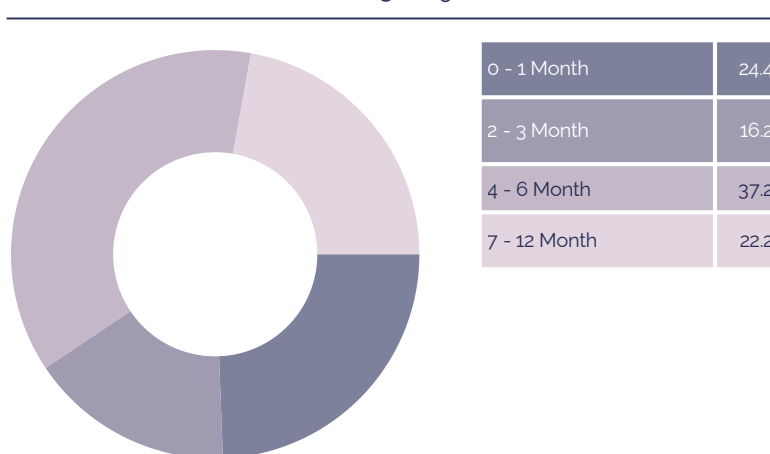


FUND DETAILS

Benchmark	ASISA Category	Portfolio Manager	Suitable Investor
STeFI Call Rate	SA Interest Bearing Money Market	Ian Anderson	The Merchant West SCI Money Market Fund is suitable for investors seeking a short-term investment that offers a higher income than the average earned on a bank deposit, and require monthly income distributions. Investors have a conservative, risk-averse profile and require capital preservation with immediate liquidity. Investors should be prepared to invest for a period of one year.

Issuant Exposure

	%
RSA Govt Treasury Bills	52.0
Nedbank	26.8
ABSA	10.7
Standard Bank	10.5

Asset Allocation: Portfolio Date: 30/09/2026

Performance

	Fund %	Benchmark %
3 months	1.7	1.7
1 year	6.9	6.8
3 years	8.0	7.5
5 years	7.1	6.8
10 years	6.9	6.3
Since Inception (October 2010)	6.6	6.0

Annualised after one year
Highest and Lowest Annual Returns

	%
Highest annual return	8.6
Lowest annual return	4.1
<i>By calendar year</i>	

PERFORMANCE REVIEW

The Merchant West SCI Money Market Fund returned 1.7% for the quarter, compared to its benchmark, the Short-Term Fixed Interest (STeFI) Daily Call Rate, which returned 1.7%. The Fund's total return for the last year, net of fees, was 6.9% versus the STeFI call rate return of 6.8%.

MARKET REVIEW

Hopes that the interim agreement between the United States and Iran reached in June would lead to a lasting settlement faded during the third quarter as talks lost momentum and supply fears returned, and Brent crude rose back above US\$100 per barrel in September. The resulting energy-led inflation shock, together with a surprisingly resilient global economy, forced most developed market central banks back into tightening mode. US CPI eased to 3.4% year-on-year in August from 4.2% in May, but energy prices were still up 16.3% year-on-year and core PCE inflation, the Federal Reserve's preferred measure, stood at 3.0%. In September the Federal Reserve raised the federal funds target range by 25 basis points to 3.75-4.00%, its first hike since July 2023 and the first under Chairman Kevin Warsh, while the European Central Bank and the Bank of Japan also raised rates by 25 basis points. The US 10-year Treasury yield rose 85 basis points over the quarter to 5.29%, its highest level since just before the 2007 financial crisis.

Locally, the SARB held the repo rate at 7.00% in July before its Monetary Policy Committee voted unanimously on 23 September to raise it by a further 25 basis points to 7.25%, taking the prime lending rate to 10.75%. Headline inflation edged up to 4.4% in August from 4.3% in July, with transport prices up 8.8% year-on-year as the fuel shock re-intensified, while core inflation eased to 4.1% from a two-year high of 4.2%. Governor Kganyago indicated that the SARB expects headline CPI to rise above 5% late this year and early next, returning to the 3% target only towards the end of 2027. The SARB's model nevertheless points to rates remaining broadly stable for the rest of 2026, with cuts later in the forecast period as inflation recedes; the next MPC meeting is in November. The domestic growth backdrop has weakened, with GDP contracting 0.2% quarter-on-quarter in the second quarter after six consecutive quarters of growth.

FUND POSITIONING

The September rate hike, the second this year, has lifted money market yields further, and the Fund continues to capture the higher reinvestment rates on offer at the front end of the curve as instruments mature and are reinvested. With the SARB signalling a broadly stable rate path for the remainder of 2026, the Fund is well placed to lock in these attractive yields. The Fund remains very well positioned to outperform risk assets in the event of a global growth slowdown. We continue to emphasise liquidity and credit quality as a core part of the Merchant West Investments fixed income philosophy.

Ian Anderson

Portfolio Manager

Disclaimer

Sanlam Collective Investments (RF) (Pty) Ltd is a registered Manager in terms of the Collective Investment Schemes in Securities and the Manager retains full legal responsibility for the co-brand portfolio. Collective investment schemes are generally medium- to long-term investments. Past performance is not necessarily a guide to future performance, and that the value of investments/units/unit trusts may go down and maximum commissions is available from the Manager on request. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Performance is based on NAV-to-NAV calculations with income reinvestments done on the ex-div date. Performance is calculated for the portfolio and the individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. The manager has the right to close the portfolio to new investors to manage it more efficiently in accordance with its mandate. Charges of the most expensive fee class, maximum Fund charges include (incl. VAT): Manager annual fee (max.): 0.29%; Total Expense Ratio (TER): 0.32%. A money market portfolio is not a bank deposit account. The price is targeted at a constant value. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument and in most cases, the return will merely have the effect of increasing or decreasing the daily yield, but that in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. The seven-day rolling yield is calculated by taking into account the interest earned by the fund during a 7-day period minus any management fees incurred during those seven days. Annualised return is the weighted average compound growth rate over the period measured. The registered name of the fund is "Merchant West Sanlam Collective Investments Money Market Fund." The performance of the portfolio depends on the underlying assets and variable market factors. The Management of this portfolio is outsourced to Merchant West Investments (Pty) Ltd, (FSP) License No. 44508, an Authorised Financial Service Provider under the Financial Advisory and Intermediary Services Act, 2002. The manager has the right to close the portfolio to new investors in orders to manage it more efficiently in accordance with its mandate. Annualised return is the weighted average compound growth rate over the period measured.