

# KZN ISLAMIC FUND

FEBRUARY 2026

The KZN Islamic Fund is a moderately aggressive fund that aims to provide steady long term returns and capital growth.

The fund is invested in a wide variety of domestic and international asset classes such as equity, sukuk and listed property. The selected asset managers have the freedom to select the allocation to each of these asset classes and the most attractive securities to invest in within each asset class.

The underlying investments will comply with Sharia requirements as prescribed by the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as well as the prudential investment guidelines set out in Regulation 28 of the Pensions Funds Act.

Due to its relatively high allocation to growth assets, the fund has a high chance of capital loss in the short term, but is expected to achieve real growth of capital over the long term. As a result, the fund is best suited to members who have a longer term (5 years or more) investment horizon.

This fund is suitable for Muslim investors requiring a Sharia-compliant portfolio appropriate for retirement schemes.

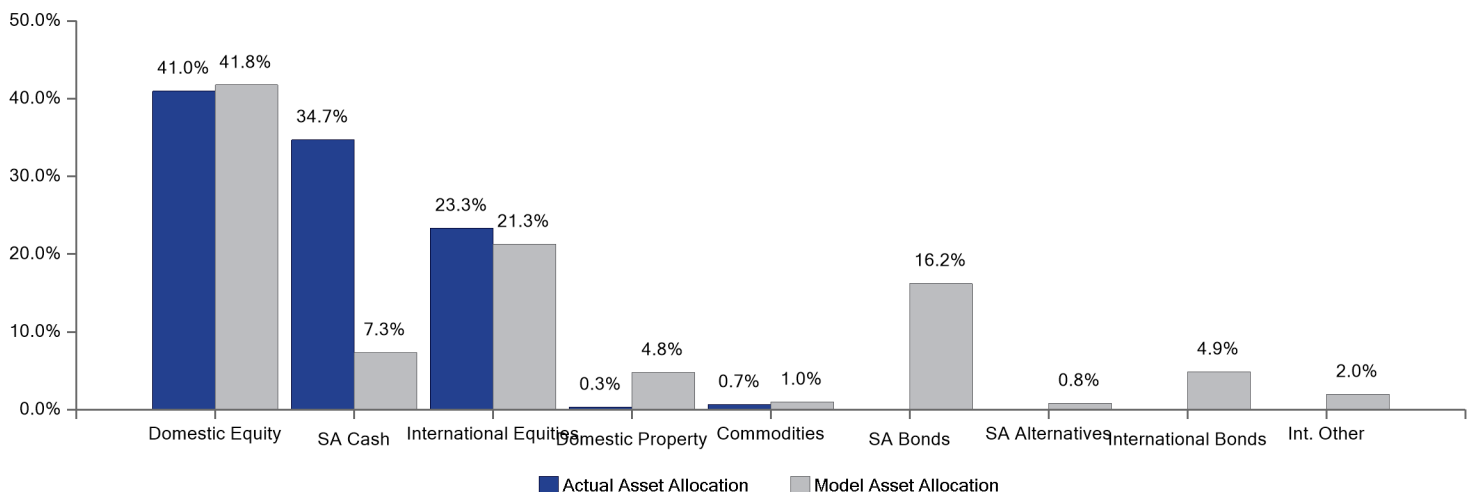
## MONTHLY COMMENTARY

In the US, new tariff regimes, the Iran invasion and midterm elections are introducing a near-term source of volatility. The US Supreme Court ruled that President Trump's reciprocal tariffs were unlawful, opening the possibility of \$175 billion in refunds. Trump responded by applying a flat 10% global tariff and an intention to increase this to 15%. On average, tariffs will drop slightly, but countries whose tariffs were higher than 15% are the clear winners - like China, Brazil and South Africa - while countries like Australia and the UK (with lower original deals) could see a hike to the proposed 15% baseline. Uncertainty has increased, and the European Union has frozen ratification of its US trade accord. Similarly, Japan may renege on its \$550bn US investment pledges. Back home, the Democrats are pushing for taxpayer refunds ahead of midterms. Though uncertainty has increased, we do not expect an escalation given the midterm focus and cost of living concerns. The US and Israel launched coordinated missile strikes against Iran, killing Supreme Leader Ayatollah Ali Khamenei. The large-scale attacks targeted Iran's military infrastructure, with the stated aim of preventing the country from developing a nuclear weapon. Iran responded with retaliatory missile strikes on targets across the Middle East. President Trump stated that bombing operations would continue through the week.

In response to the escalating conflict, OPEC+ agreed to increase oil production to help offset potential supply disruptions, though a geopolitical risk premium in global oil markets is expected to persist. Behind this volatility, the economy is seeing a move to more balanced growth, in which a cooling in consumer spending is accompanied by a pickup in job growth and non-tech business spending. Stable growth and easy liquidity conditions have kept us overweight equities, but valuations are stretched and risks are rising. For now, we remain overweight emerging markets and South African equities, with the expectation of a weaker dollar, Asian technology investment and Chinese resilience. However, the rising price of oil and natural gas as a result of the Middle East conflict may force a reversal.

The FTSE/JSE CAPI Index improved by 7.2%, while Industrials lost 0.1% and Financials rose 7.4%. The JSE All Bond Index increased by 1.7% and the Rand strengthened 0.7% against the Dollar.

## ACTUAL ASSET ALLOCATION AS AT 31 DECEMBER 2025



### FRONT OFFICE CONTACT DETAILS

vusi@kznmfp.org  
16th Floor, 22 Dorothy Nyembe Street  
The Marine Building  
Durban Central  
DURBAN, 4001  
Tel. (031) 322 9002



**KZN**  
MUNICIPAL PENSION FUND  
Together We Grow Your Wealth

## FUND SUMMARY AS AT 28 FEBRUARY 2026

STATISTIC	FUND	BENCHMARK
% Positive Months	70.0%	68.3%
% Negative Months	30.0%	31.7%
Worst Month	-4.8%	-5.0%
Best Month	5.0%	6.5%
Average Return	1.0%	0.9%
Median Return	0.8%	1.1%
Maximum Drawdown	-6.1%	-9.5%

## PERFORMANCE ANALYSIS TO 28 FEBRUARY 2026

PERIOD	FUND	BENCHMARK
1 Month	3.5%	1.9%
3 Months	9.5%	6.0%
6 Months	16.1%	11.7%
Year to Date	6.8%	4.1%
1 Year	26.8%	22.7%
3 Years	13.8%	14.1%
5 Years	12.3%	11.3%
Since Inception	8.6%	8.4%

Inception Date: 01 July 2007. Returns prior to inception are backtested.  
Returns are net of the TIC.

## FEES

	PERCENTAGE
Total Expense Ratio (TER)	1.12% (Dec 2025)
Transaction Costs (TC)	0.10% (Dec 2025)
Total Investment Charge (TIC)	1.22% (Dec 2025)

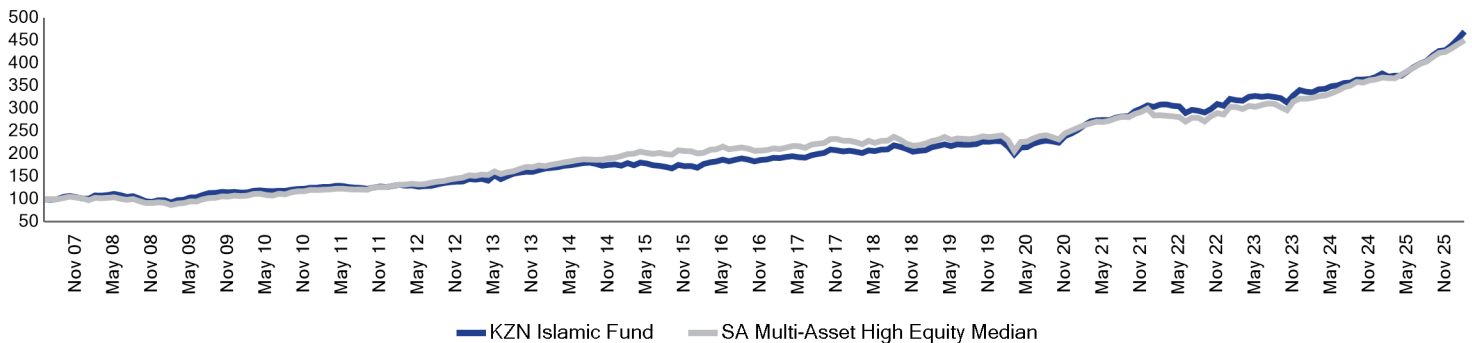
## BENCHMARK COMPOSITION

SA Multi-Asset High Equity Median

## HISTORICAL PERFORMANCE

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2021	3.2%	4.1%	3.2%	1.0%	0.2%	-0.1%	2.0%	1.0%	0.1%	4.0%	2.0%	2.4%	25.3%
2022	-1.1%	1.6%	0.1%	-1.0%	-0.4%	-4.8%	2.3%	-0.6%	-1.3%	2.6%	3.7%	-1.2%	-0.3%
2023	4.9%	-0.9%	-0.3%	2.7%	0.6%	-0.6%	0.5%	-0.6%	-0.8%	-2.9%	5.0%	3.5%	11.2%
2024	-1.0%	-0.4%	2.0%	0.3%	1.7%	0.5%	1.5%	0.3%	1.8%	0.1%	0.3%	1.2%	8.5%
2025	2.1%	-1.8%	0.6%	-0.1%	2.6%	2.5%	2.1%	1.3%	3.2%	2.3%	0.5%	2.6%	19.0%
2026	3.2%	3.5%											6.8%

## CUMULATIVE INVESTMENT PERFORMANCE



## DISCLAIMER

The information and commentary contained in this document is of a general nature and is not intended to address the circumstances of a particular individual or entity. It does not in any way constitute a solicitation, recommendation, guidance or proposal, nor does it constitute financial, investment, tax, legal or other advice. Whilst reasonable care was taken in ensuring that the information is accurate, Sygnia Asset Management does not warrant its accuracy, correctness or completeness and accepts no liability in respect of any damages and/or loss suffered as a result of reliance on the information in this document. No one should act upon the information contained in this document without having obtained appropriate and professional financial, investment, legal, tax and such other relevant advice as may be required in each instance. Sygnia Asset Management is a licensed financial services provider (FSP 873): 7th Floor, the Foundry, Cardiff Street, Green Point, 8001 Tel: (021) 446 4940/Fax: (021) 446 4950

## CALENDAR YEAR RETURNS

PERFORMANCE	FUND	BENCHMARK
2021	25.3%	19.3%
2022	-0.3%	-4.3%
2023	11.2%	12.2%
2024	8.5%	13.1%
2025	19.0%	18.9%

## MANAGER ALLOCATION 31 DECEMBER 2025

MANAGER	PERCENTAGE
Camissa - Islamic Balanced	51.2%
Old Mutual Albaraka Balanced Fund	48.8%
Cash	0.1%